

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, 2022

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 Each exercisable for one share of Hertz Global Holdings, Inc. common stock at an exercise price of \$13.80 per share, subject to adjustment	HTZWW	Nasdaq Global Select
The Hertz Corporation	None	None	None

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 ☒ No ☐
The Hertz Corporation Yes ☐ No ☒

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 ☐ No ☒
The Hertz Corporation¹ Yes ☒ No ☐

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 ☒ No ☐
The Hertz Corporation Yes ☐ No ☒

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 ☒ No ☐
The Hertz Corporation Yes ☒ No ☐

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 ☒	Accelerated filer ☐	Non-accelerated filer ☐
	Smaller reporting company ☐	Emerging growth company ☐	
	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 ☐	Accelerated filer ☐	Non-accelerated filer ☒
	Smaller reporting company ☐	Emerging growth company ☐	
	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 audit report.

Hertz Global Holdings, Inc. ☒
The Hertz Corporation ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Hertz Global Holdings, Inc. ☐
The Hertz Corporation ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Hertz Global Holdings, Inc. ☐
The Hertz Corporation ☐

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 ☒
The Hertz Corporation Yes ☐ No ☒

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, 2022, the last business day of the most recently completed second fiscal quarter, based on the closing price of the stock on the Nasdaq Global Select Market on such date was \$3.0 billion. 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 ☒ 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 January 26, 2023
Hertz Global Holdings, Inc.	Common Stock, par value \$0.01 per share	322,408,482
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 2023 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, 2022.
The Hertz Corporation	None

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GLOSSARY OF TERMS

Unless the context otherwise requires in this Annual Report on Form 10-K for the year ended December 31, 2022, we use the following defined terms:

- (i) "2022 Annual Report" or "Combined Form 10-K" means this Annual Report on Form 10-K for the year ended December 31, 2022, 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 an equity purchase and commitment agreement, as further described in Note 17, "Equity – Hertz Global," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2022 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) "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;
- (v) "Apollo" means Apollo Capital Management L.P. and its affiliates;
- (vi) "Bankruptcy Code" means Title 11 of the United States Code, 11 U.S.C. §§ 101-1532;
- (vii) "Bankruptcy Court" means the U.S. Bankruptcy Court for the District of Delaware;
- (viii) "Board" means the Company's board of directors;
- (ix) "Chapter 11" means chapter 11 of the Bankruptcy Code;
- (x) "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)*;
- (xi) "the Code" means the Internal Revenue Code of 1986, as amended;
- (xii) "the Company", "we", "our" and "us" mean Hertz Global and Hertz interchangeably;
- (xiii) "company-operated" rental locations are those through which we, or an agent of ours, rent vehicles that we own or lease;
- (xiv) "concessions" mean licensing or permitting agreements or arrangements granting us the right to conduct our vehicle rental business at airports;
- (xv) "COVID-19" means the coronavirus disease declared a global pandemic by the World Health Organization in March 2020;
- (xvi) "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;

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- (xvii) "Donlen Sale" means the sale of substantially all assets and certain liabilities of the Company's Donlen subsidiary;
- (xviii) "Dollar Thrifty" means Dollar Thrifty Automotive Group, Inc., a consolidated subsidiary of the Company;
- (xix) "Effective Date" means June 30, 2021 the date in which the Plan of Reorganization became effective and the Company emerged from Chapter 11;
- (xx) "ESG" means environmental, social and governance;
- (xxi) "European Vehicle Notes" means the unsecured senior notes entered into by Hertz Holdings Netherlands B.V., which were paid in full and terminated in accordance with the Company's Plan of Reorganization on the Effective Date;
- (xxii) "FASB" means the Financial Accounting Standards Board;
- (xxiii) "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 2022 Annual Report;
- (xxiv) "First Lien Credit Facilities" means the First Lien RCF and Term Loans, collectively, provided for under the First Lien Credit Agreement 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 2022 Annual Report;
- (xxv) "First Lien RCF" means the senior secured revolving credit facility in an initial 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 2022 Annual Report;
- (xxvi) "Hertz Gold Plus Rewards" means our customer loyalty program and our global expedited rental program;
- (xxvii) "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;
- (xxviii) "Hertz Global" means Hertz Global Holdings, Inc., our top-level holding company, its consolidated subsidiaries and VIEs, including The Hertz Corporation;
- (xxix) "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;
- (xxx) "Hertz Holdings" refers to Hertz Global Holdings, Inc. excluding its subsidiaries and VIEs;
- (xxxi) "HVF III" refers to Hertz Vehicle Financing III LP, a non-Debtor, special purpose financing subsidiary of Hertz;
- (xxxii) "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;

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- (xxxiii) "Lease Rejection Orders" means the Bankruptcy Court orders entered in the Chapter 11 Cases to reject certain unexpired leases in our Americas RAC segment;
- (xxxiv) "Letter of Credit Facility" means the standalone \$400 million letter of credit facility that Hertz entered into in 2017, which was paid in full and terminated in accordance with the Company's Plan of Reorganization on the Effective Date;
- (xxxv) "non-program vehicles" means vehicles not purchased under repurchase or guaranteed depreciation programs and thus for which we are exposed to residual risk;
- (xxxvi) "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.;
- (xxxvii) "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);
- (xxxviii) "Plan Sponsors" means collectively Apollo, Knighthead Capital Management, LLC and its affiliates and Certares Opportunities LLC and its affiliates;
- (xxxix) "program vehicles" means vehicles purchased under repurchase or guaranteed depreciation programs with vehicle manufacturers;
- (xl) "Public Warrants" means 30-year public warrants as further described in Note 19, "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 2022 Annual Report;
- (xli) "replacement renters" means renters who need vehicles while their vehicle is being repaired or is temporarily unavailable for other reasons;
- (xlii) "SEC" means the United States Securities and Exchange Commission;
- (xliii) "Term Loans" means the Term B Loan and Term C Loan, collectively, 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 2022 Annual Report
- (xliv) "Ride Sharing Partners" means certain ride sharing companies with whom we have entered into commercial arrangements to provide rental vehicles to their drivers;
- (xlv) "U.S." means the United States of America;
- (xlvi) "U.S. GAAP" means accounting principles generally accepted in the U.S.;
- (xlvii) "VIE" means variable interest entity;
- (xlviii) "vehicles" means cars, vans, crossovers and light trucks.

We have proprietary rights to a number of trademarks used in this 2022 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 2022 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.

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EXPLANATORY NOTE

COMBINED FORM 10-K

This 2022 Annual Report combines the annual reports on Form 10-K for the year ended December 31, 2022 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 and June 30, 2021, 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, of the business. Hertz conducts the operations of the business and is structured as a corporation with no publicly traded equity. Except to the extent that net proceeds from security issuances by Hertz Global and cash exercises of Hertz Global Public Warrants, are contributed to Hertz, Hertz generates its required capital through its operations or financing activities, including the 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 Hertz Global Public Warrants from time to time, and incurring expenses required to operate as a public company. Hertz Global and Hertz entered into a master loan agreement, which expired in May 2022, under which Hertz Global could borrow from Hertz up to \$25 million. Transactions recorded under the master loan agreement were 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, holds assets and incurs 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. When appropriate, Hertz Global and Hertz are

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EXPLANATORY NOTE (Continued)

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.

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 2022 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.

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

Certain statements contained or incorporated by reference in this 2022 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, the business environment and other information. 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 2022 Annual Report, and the following, which also summarizes the principal risks of our business:

- our ability to purchase adequate supplies of competitively priced vehicles at a reasonable cost in order to efficiently service rental demand, including as a result of disruptions in the global supply chain;*
- our ability to attract and retain effective frontline employees, senior management and other 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 including in critical geographies;*
- 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 or strategic transactions, 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 impacting the mobility industry;*
- the mix of program and non-program vehicles in our fleet can lead to increased exposure to residual risk upon disposition;*
- 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;*
- 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 and other key locations in the U.S. and internationally;*
- our ability to maintain favorable brand recognition and a coordinated branding and portfolio strategy;*

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

- *our ability to effectively manage our union relations and labor agreement negotiations;*
- *our ability, and that of our key third-party partners, 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 to comply with privacy regulations across the globe;*
- *a major disruption in our communication or centralized information networks or a failure to maintain, upgrade and consolidate our information technology systems;*
- *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;*
- *risks relating to tax laws, including those that affect our ability to recapture accelerated tax depreciation and expensing, as well as any adverse determinations or rulings by tax authorities;*
- *our ability to utilize our net operating loss carryforwards;*
- *our exposure to uninsured liabilities relating to personal injury, death and property damage, or otherwise;*
- *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;*
- *our ability to comply with ESG regulations, meet increasing ESG expectations of stakeholders, and otherwise achieve our ESG goals;*
- *the availability of additional or continued sources of financing at acceptable rates for our revenue earning vehicles and to refinance our existing indebtedness;*
- *volatility in our stock price and certain provisions of our charter documents which could negatively affect the market price of our common stock;*
- *our ability to effectively maintain effective internal controls over financial reporting; and*
- *our ability to implement an effective business continuity plan to protect the business in exigent circumstances.*

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 2022 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.

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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. As of December 31, 2022, we operated our vehicle rental business globally from approximately 11,600 company-operated and franchisee locations across approximately 160 countries and jurisdictions, including North America, Europe, Latin America, Africa, Asia, Australia, the Caribbean, the Middle East and New Zealand. We are one of the largest worldwide vehicle rental companies and our Hertz brand name is among the most recognized globally. We have an extensive network of airport and off airport rental locations in the U.S. and major European markets. In addition to vehicle rental, we previously provided integrated vehicle leasing and fleet management solutions through our Donlen subsidiary, which sold substantially all of its assets and certain of its liabilities on March 30, 2021, 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 2022 Annual Report.

Chapter 11 Proceedings

In March 2020, the World Health Organization declared COVID-19 a global pandemic. 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 their own travel restrictions.

In light of the significant reduction in demand for our services, on May 22, 2020, the Debtors filed voluntary petitions for relief in the Bankruptcy Court under Chapter 11 of the Bankruptcy Code. On June 10, 2021, the Plan of Reorganization was confirmed by the Bankruptcy Court and on June 30, 2021, the Plan of Reorganization became effective and the Debtors emerged from Chapter 11.

Our Strategy

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

OUR BUSINESS SEGMENTS

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 vehicles and 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 have franchisees and partners that operate rental locations under our brands; and
- International RAC - Rental of vehicles, as well as sales of vehicles and 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, and we have franchisees and

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ITEM 1. BUSINESS (Continued)

partners that operate rental locations under our brands. As of December 31, 2022, 65% of our franchised locations were in markets covered by our International RAC segment.

In addition to the two 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 20, "Segment Information," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2022 Annual Report.

Americas RAC and International RAC Segments

Our Brands



Our Americas RAC and International RAC vehicle rental businesses are primarily operated through our three largest brands — Hertz, Dollar, and Thrifty. We offer multiple brands to provide customers a full range of rental services at different price points, levels of service, offerings and products. These brands generally maintain separate rental locations (e.g., separate airport counters), and use distinct reservation, 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, where applicable, combined vehicle maintenance, vehicle cleaning and back office functions.

Our top tier brand, Hertz, is one of the most recognized brands in the world. It offers premium customer service, as evidenced by the numerous published best-in-class vehicle rental awards that the brand has won over time, both in the U.S. and internationally. The Hertz brand's tagline of "Hertz. Let's Go!" expresses our commitment to quality, seamless travel and customer service. The brand provides customers with several innovative offerings, such as Hertz Gold Plus Rewards, Hertz Ultimate Choice and access to unique vehicles offered through our electric vehicle ("EV") fleet and specialty collections. The Hertz brand seeks to maintain its 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 marketed as a smart choice for financially focused travelers looking for a dependable car at a price they can afford. The Dollar brand's core focus is serving family, leisure and small business travelers through the airport vehicle rental channel. Dollar's tagline of "We never forget whose dollar it is" expresses the brand's mission of providing a reliable rental experience at a price that works. Dollar operates primarily through company-operated locations in the U.S. and Canada.

Our deep value brand, Thrifty, competes as a cost-conscious offering for travelers seeking to find a good deal. The Thrifty brand's core focus is serving leisure travelers through the airport vehicle rental channel. Thrifty's tagline "The Absolute Best Car for Your Money" expresses the brand's focus on being the rental brand that puts the customer in control of where to splurge and where to save. Thrifty operates primarily through company-operated locations in the U.S. and Canada.

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,

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

ITEM 1. BUSINESS (Continued)

vehicle rental business. Off airport revenues comprised 32% of our worldwide vehicle rental revenues in 2022 and 2021. 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.

Airport

As of December 31, 2022, we had 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 our success by providing 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 are dependent on, and have obtained, concessions or similar leasing agreements or arrangements, that grant 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 are required to 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.

The terms of our concessions typically do not forbid us from seeking, and in most instances actually explicitly permit us to seek, reimbursement from customers for concession fees we pay; however, in certain jurisdictions the law limits or forbids our ability to do so. Where we are 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, or assessing the feasibility of, 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. The costs associated with the development of these consolidated facilities are typically funded through the collection of customer facility charges which are required to be collected by rental car companies from their customers.

Off Airport

As of December 31, 2022, we had approximately 3,600 off airport locations in our Americas RAC segment and approximately 4,700 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 Ride Sharing Partners, which is further described in "Ride Sharing Rentals" below.

When compared to our airport rental locations, an off airport rental location typically uses a smaller rental facility 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.

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
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ITEM 1. BUSINESS (Continued)

Our off airport locations offer the following benefits:

- Providing 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;
- Providing us 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;
- Contributing to higher Vehicle Utilization as a result of the longer average rental periods associated with off airport business, compared to those of airport rentals;
- Creating efficiencies in vehicle and labor demand planning, as replacement rental volume is less seasonal than that of other business and leisure rentals; and
- Creating cross-selling opportunities 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, government agencies and other organizations whose employees and associates need to rent vehicles for business or official purposes. Our sales force also calls on organizations such as insurance and leasing companies, automobile repair companies and vehicle dealers whose customers need replacement rentals. In addition, our sales force works with membership associations, tour operators, travel companies, ride sharing companies and other groups whose members, participants and customers rent vehicles for either business or leisure purposes.

We also market directly to individual renters. We advertise our vehicle rental offerings through traditional media channels, partner publications (e.g., affinity clubs, airline and hotel partners) and direct mail. We also rely on digital marketing and, for the Hertz brand, we are increasingly seeking to expand access to and use of our Hertz mobile app.

In addition to advertising, we conduct other forms of marketing and promotion, including travel industry business partnerships and press and public relations activities.

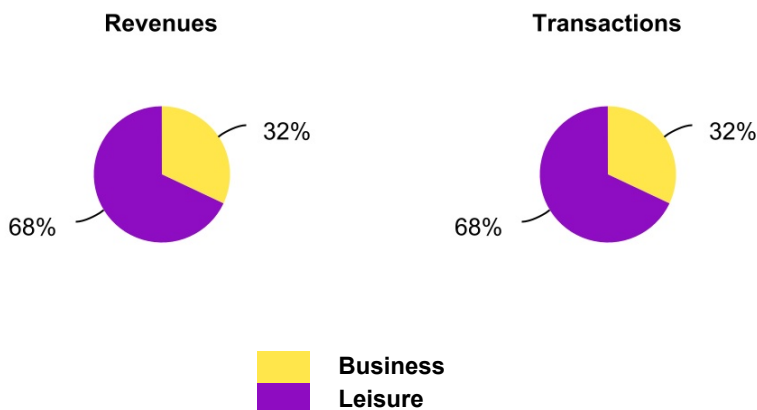
HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

ITEM 1. BUSINESS (Continued)

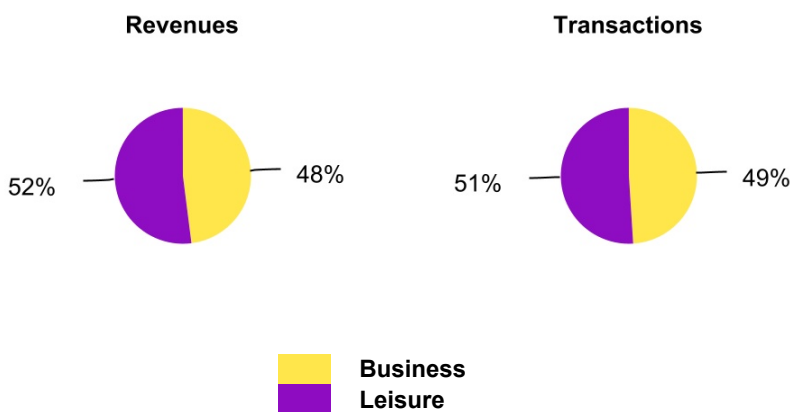
We categorize our vehicle rental business based on the general purpose (business or leisure) and type of location (airport or off airport) from which customers rent from us. The following charts set forth the percentages of rental revenues and rental transactions in our Americas RAC and International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

VEHICLE RENTALS BY CUSTOMER
Year Ended December 31, 2022

Americas RAC



International RAC



Customers who rent from us for “business” purposes include those who require vehicles in connection with commercial activities, including drivers for our Ride Sharing Partners, the activities of governments and other organizations or for temporary vehicle replacement purposes (i.e., replacement rentals). 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.

Customers who rent from us for “leisure” purposes include individual travelers booking vacation rentals and people renting to meet other personal needs (other than replacement rentals). Leisure rentals are generally longer in duration and generate more revenue per transaction than business rentals. Leisure rentals also include rentals by

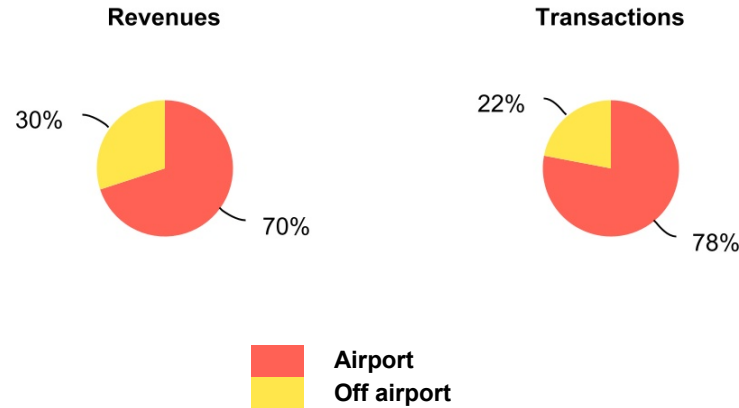
**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES**

ITEM 1. BUSINESS (Continued)

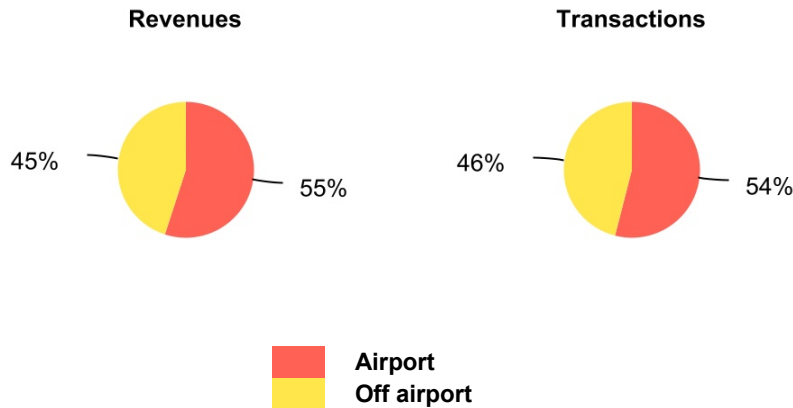
customers of U.S. and international tour operators, which are usually a part of tour packages that can include air travel and hotel accommodations.

**VEHICLE RENTALS BY LOCATION
Year Ended December 31, 2022**

Americas RAC



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 participants in the broader travel industry (e.g., airlines and hotels) a key competitive strategy in generating consistent and recurring revenue streams.

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.

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
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ITEM 1. BUSINESS (Continued)

Customer Service Offerings

We offer customers a wide range of services to differentiate ourselves from the competition and increase and diversify our revenue.

Hertz Gold Plus Rewards Program

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. They 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. 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 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 a premium upgrade zone. As of December 31, 2022, the Hertz Ultimate Choice program was offered at approximately 60 U.S. and Canada airport locations.

For the year ended December 31, 2022, rentals by Hertz Gold Plus Rewards members accounted for 32% 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.

Other Customer Service Offerings

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. We also offer Mobile Gold Alerts, a 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 a renter 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.

Ride Sharing Rentals

We have partnered with certain ride sharing companies to offer vehicle rentals to their drivers in select cities in North America. This program enables us to rent vehicles on a longer-term basis than traditional business rentals and is a component of our strategy to be an active participant in the future of mobility. Using vehicles for ride share rentals also results in an increased supply of higher mileage, and thus more economical, used vehicles for our vehicle disposition programs discussed below.

Drivers for our Ride Sharing Partners reserve vehicles online through Ride Sharing Partner websites and applications and pick up vehicles from select locations. Ride sharing drivers can extend the vehicle rental on a recurring basis. As part of an exclusive partnership with Uber, we make Teslas and other EVs available for their drivers to rent on the Uber network in the U.S. In January 2023, we announced an expansion of our partnership with Uber to make available up to 25,000 EVs for their drivers to rent on the Uber network across Europe by 2025.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
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ITEM 1. BUSINESS (Continued)

Rates, Fees and Value-Added Services

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, such as vehicle supply and overall demand. 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 of 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. Our introduction of EVs to the fleet in certain cities has enabled us to also provide the opportunity for customers in those locations to reserve an EV versus an internal-combustion engine vehicle. Additionally, certain reservations within our EV fleet can be made for specific makes and models.

We distribute pricing and content and accept reservations through multiple channels. Direct reservations are accepted at Hertz.com, Dollar.com and Thrifty.com, each of which has 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 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 and may provide related services to customers, primarily under our Hertz, Dollar or Thrifty brand. In many markets, franchisees operate 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, in countries with both corporate and franchised operations, franchisees may utilize our vehicles, and we may utilize their vehicles, to support one-way business within the 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.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
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ITEM 1. BUSINESS (Continued)

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

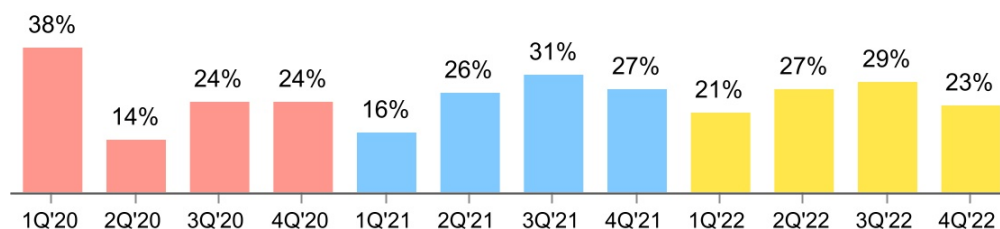
Franchise operations, including fleet acquisition, are financed independently by the franchisees and we do not have an investment interest in the franchisees. Fees from franchisees, including initial franchise fees, generally support a portion of our brand awareness program costs, reservations system, sales and marketing efforts and certain other services and comprised approximately 2% of our worldwide vehicle rental revenues for the year ended December 31, 2022.

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, 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 in the second and third quarters of the year to add a significant number of part-time and seasonal workers. 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 and thus also increase in the second and third quarters. Certain operating expenses, including real estate taxes, rent, insurance, utilities, facility maintenance and other facility-related expenses, the costs of operating our information technology systems and minimum staffing costs, remain fixed and therefore do not vary based on seasonal demand.

The following chart presents the proportionate contribution of each quarter to full year revenue for each of the years ended December 31, 2022, 2021 and 2020. As discussed above, our peak season historically has been the second and third quarters of the year. The year ended December 31, 2020 was not representative of this seasonality as a result of COVID-19.

Quarterly % of Annual Worldwide Vehicle Rental Revenues



Fleet

During the year ended December 31, 2022, we operated a peak rental fleet in our Americas RAC and International RAC segments of approximately 428,700 vehicles and 118,700 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 availability, vehicle economics and contract negotiations.

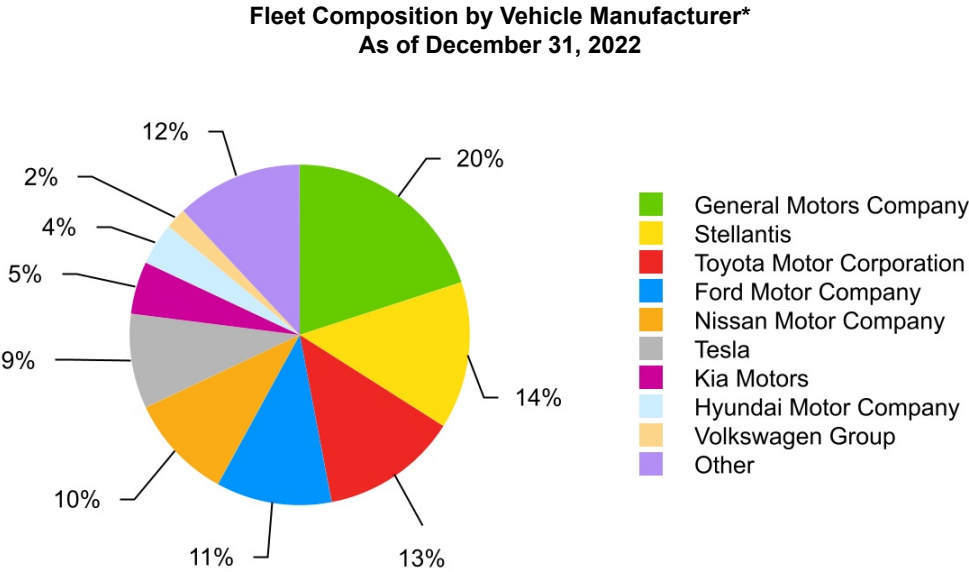
HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
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ITEM 1. BUSINESS (Continued)

During the year ended December 31, 2022, our approximate average holding period for a rental vehicle was 25 months in our Americas RAC segment and 18 months in our International RAC segment which are consistent with our average holding periods in 2021.

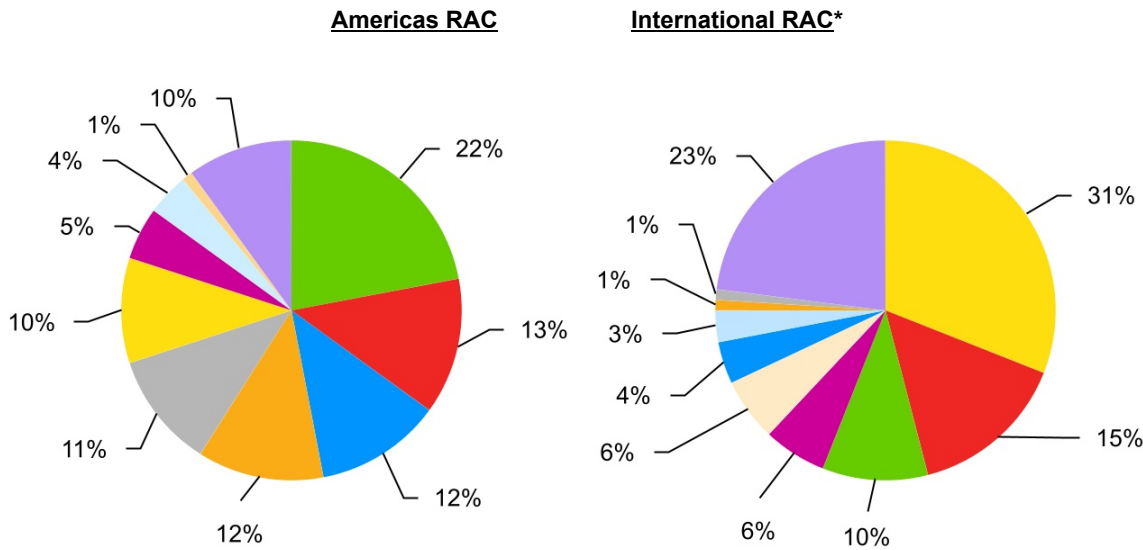
In 2021, we announced our plan to significantly expand our EV rental fleet in North America over time. During 2022, we continued to add EVs to our fleet and to identify additional vehicle manufactures who intend to sell us EVs as they become available in the years ahead.

Our fleet composition is as follows:



HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
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ITEM 1. BUSINESS (Continued)



** Vehicle manufacturers Daimler AG (Mercedes Benz and Smart), Renault, Mitsubishi, Mazda, Volvo and Rover Group together comprise another 17% 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.

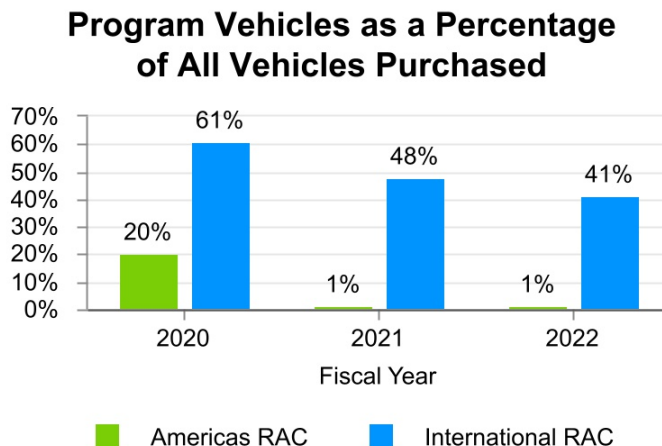
Repurchase Programs

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 holding period for program vehicles is shorter than for non-program vehicles. During 2022 and 2021, the number of program vehicles in our fleet decreased primarily due to supply chain constraints and our fleet mix initiatives.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
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ITEM 1. BUSINESS (Continued)

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:

**Other Vehicle Disposition Channels**

During the year ended December 31, 2022, the vehicles sold in our U.S. and international vehicle rental operations that were not repurchased by manufacturers were sold through a variety of channels, including auction, dealer direct wholesale channels, direct sales to third parties and retail channels, including sales on the Carvana platform. We use multiple channels to provide greater flexibility and the opportunity for improved returns.

Our company-operated 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 aftermarket products.

We also offer Rent2Buy at our retail locations 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.

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 network 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., which currently operates the Avis, Budget, ZipCar and Payless brands; Enterprise Holdings, which operates the Enterprise Rent-A-Car Company, National Car Rental and Alamo Rent A Car brands; and SIXT. We also compete with local and regional vehicle rental companies, ride sharing companies and peer-to-peer car sharing marketplaces.

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ITEM 1. BUSINESS (Continued)

Geographic Markets

U.S.

The U.S. represented approximately \$36.1 billion in estimated annual industry revenues for 2022. The average number of vehicles in the U.S. vehicle rental industry in 2022 was about two million vehicles. U.S. industry Revenue Per Unit Per Month in 2022 was approximately \$1,424.

Europe

Europe represented approximately \$17 billion in estimated annual industry revenues for 2022. 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 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 franchisees or partners.

Asia Pacific

Asia Pacific represented approximately \$17 billion in estimated annual industry revenues for 2022. Within this region, the largest markets in which we do business are Australia, China, Japan and New Zealand. In each of these countries we do business through company-operated rental locations and through our franchisees or partners.

Middle East and Africa

The Middle East and Africa represented approximately \$3 billion in estimated annual industry revenues for 2022. Within these regions, the largest markets in which we do business are South Africa and the United Arab Emirates. In each of these countries we do business through our franchisees.

Latin America

Latin America represented approximately \$4 billion in estimated annual industry revenues for 2022. Within Latin America, the largest markets in which we do business are Argentina, Brazil, Mexico and Panama. In each of these countries, we do business through our franchisees or partners.

EMPLOYEES AND HUMAN CAPITAL MANAGEMENT

As of December 31, 2022, we employed approximately 25,000 persons, consisting of approximately 19,000 persons in the U.S. and approximately 6,000 persons internationally.

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 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 other plans. Labor contracts covering 32% of these employees will expire during 2023. 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.

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. During the first half of 2022, we also engaged outside services personnel for a variety of field operations roles as we rebuilt our labor force following our emergence from Chapter 11 in June 2021.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
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ITEM 1. BUSINESS (Continued)

Human Capital Management

Our people are our greatest asset. We believe that to continue to evolve as a business, and achieve our strategic goals, we must attract and retain the right talent. We therefore strive to have a constant focus on, and remain attentive to, matters concerning our employees.

Our human capital management strategy begins with our Board of Directors ("Board") and senior management. Our Board and Board committees periodically review our employee programs and initiatives, and provide oversight of our approach to attracting, retaining and developing talent. Our Board reviews key compensation and benefit programs and oversees senior management in the cultivation of an engaged and inclusive culture. Senior management uses various tools to ensure its human capital management strategies are delivering intended results, such as conducting anonymous surveys, seeking feedback from our employees on topics including, but not limited to, effectiveness of company communication, confidence in leadership, competitiveness of our compensation and total rewards packages, 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 focus on talent retention requires that we invest in our employees' professional development as well as their physical, emotional and financial well-being. We regularly assess our benefits and program offerings to provide a compelling and comprehensive portfolio, which currently includes the following in the U.S. (specific offerings vary for employees represented by labor unions):

- 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;
- No-cost employee assistance program, providing confidential counseling to help employees and their families dealing with hardships;
- Paid parental leave;
- Adoption benefits;
- Free health screenings and programs for tobacco cessation, weight management and wellness coaching;
- Employee referral incentive program;
- Employee and family rental car and Hertz Car Sales discounts;
- Employee training, professional development, education and tuition aid programs;
- Employee relief fund that provides immediate, short-term financial assistance to employees through employee contributions and company match to assist employees dealing with natural disasters;
- Training and development opportunities; and
- Employee resource groups.

Outside of the U.S., we are committed to offering similar comprehensive programs that leverage the best of global benefits 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.

We are also committed to an inclusive workplace around the globe that champions equality, values different backgrounds and celebrates individuality. 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

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
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ITEM 1. BUSINESS (Continued)

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.

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 and 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.

The Environment

We are committed to reducing the impact of our operations on the environment and our communities through sustainable business practices, strategic decision-making, community partnerships and smart investments in future technologies, and to be a leader in the modern mobility landscape.

Climate Performance

We recognize the importance of reducing our greenhouse gas emissions as both a climate and business imperative. 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

We have made a commitment to position ourselves at the center of modern mobility, and are the exclusive rental car member of the Corporate Electric Vehicle Alliance, a consortium of companies focused on accelerating the transition to EVs. As a critical connector between drivers, vehicles and technology, we have entered into new and expanded relationships around EV and technology. We are assembling a diverse fleet of EVs through large-scale acquisition agreements with Tesla, Polestar and General Motors, starting with an initial order of Teslas made in 2021. We have established a goal for 25% of our fleet to be electric by the end of 2024. In collaboration with bp pulse, we are also investing in EV infrastructure across our global operations by installing charging stations throughout our network to power our fleet and support customer adoption of EVs. As discussed in "Ride Sharing Rentals" above, we have an exclusive partnership with Uber to provide EVs to drivers using the Uber network that we believe can further accelerate the adoption of EVs.

Water

We work to integrate environmental sustainability across our operations, including in our car washes. Car washes are the primary source of our water use, and we are focused on minimizing our demand on municipal water systems. We are committed to reviewing our procedures to prioritize water conservation from system efficiency upgrades in water stressed regions where we operate.

Waste Reduction and Recycling

Resource conservation and waste reduction is a component of our commitment to environmental sustainability 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.

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ITEM 1. BUSINESS (Continued)

Facilities and Construction

We seek to maximize energy and water efficiency at our facilities and rely on renewable energy at a 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 locations in St. Louis, Charlotte, Denver, Dulles and Newark airports that are also LEED certified. In addition to LEED, ISO 14001 sets environmental management standards and certifies facilities to those standards, while ISO 45001 addresses employee safety and workplace risks. Our Hertz European Service Center in Dublin, Ireland has achieved and maintains ISO 14001 and ISO 45001 certifications. Both LEED and ISO standards enhance the health and comfort of building occupants, improve overall building performance and deliver cost savings.

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

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, 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. We also are committed to making a positive difference in the communities where we work, live and serve through our global charitable giving and volunteer program.

Our Business

Governance

We are committed to ensuring appropriate oversight and accountability of our ESG initiatives and our Board and senior management are directly engaged in this effort. Our Board's Governance Committee provides oversight of this work and receives regular reports from management on our ESG efforts. We maintain a Corporate Responsibility Executive Steering Council (the "Council"), comprised of senior leaders from a cross-functional spectrum, which is responsible for championing the integration of ESG priorities into our business.

Ethics

We are committed to operating in compliance with all applicable laws and maintaining the highest standards of ethical conduct. Integrity is essential to every aspect of our business, both in policy and practice. Our Standards of Business Conduct outlines specific practices to identify acceptable and unacceptable behavior for employees, officers and directors and helps promote our culture of acting ethically and doing the right thing in our operations around the world. Our Standards of Business Conduct also outlines our policies and guidelines to help our employees navigate a variety of situations in relationships with each other and our stakeholders.

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.

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ITEM 1. BUSINESS (Continued)

As a long-standing member of the National Minority Supplier Development Council and the Women's Business Enterprise National 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 educated regarding compliance with our policies and practices.

INSURANCE AND RISK MANAGEMENT

In addition to managing risk associated with our business, rental car operations introduce several industry-specific generally insurable risks:

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

In many cases we self-insure for these 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 certain of our international operations, we maintain some liability insurance coverage with unaffiliated carriers.

In addition, we offer customers 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.

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

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ITEM 1. BUSINESS (Continued)

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, periodically 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 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.

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ITEM 1. BUSINESS (Continued)

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 workers' compensation and employer's liability, commercial crime and fidelity, performance bonds, directors' and officers' liability insurance, terrorism insurance and cyber security insurance, all from unaffiliated insurance companies in amounts we deem 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 Customers

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. 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 could 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

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ITEM 1. BUSINESS (Continued)

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 or energy 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 or energy supply, petroleum refining, or energy 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.

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.

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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 2022 Annual Report. We believe that the following information identifies the material risks and uncertainties affecting Hertz Global and Hertz; however, these 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.

RISKS RELATED TO OUR BUSINESS AND INDUSTRY

Our business, results of operations and financial condition are dependent on the efficient operation of a complex global supply chain. Disruption in that supply chain may adversely affect our ability to service demand, or do so efficiently.

Our supply chain, particularly with respect to access to new vehicles, is complex and reliant on raw goods and finished materials that are obtained from or manufactured by many different market participants, both within and outside the U.S. In addition to lingering impacts from the COVID-19 pandemic, the global automotive supply chain has been negatively impacted by the military conflict between Russia and Ukraine. Governments in the U.S., United Kingdom, and European Union have each imposed export controls on certain products and financial and economic sanctions on certain industry sectors and parties in Russia. Shortages in materials and increased costs for transportation, energy, and raw material, particularly with respect to raw materials extracted from, or components produced in, Russia and/or Ukraine, which are important to the vehicle manufacturing industry including the production of electric vehicle batteries, can impact vehicle production volumes, delivery schedules and costs. In addition, the global supply chain can be impacted by logistics provider capacity issues, inflation, increased freight costs, depleted inventory levels, labor shortages and demand peaks. As a result of the foregoing factors, various automotive manufacturers have been forced to delay or stall new vehicle production in recent years, which caused limitations in supply and delays in us receiving new vehicles. These conditions may continue, or other global and regional supply chain disruptions may in the future cause similar issues. Consequently, there is no guarantee that we will be able to purchase a sufficient number of new vehicles at competitive prices and on competitive terms and conditions to fulfill demand or to do so efficiently.

The ability to attract and retain front-line employees and senior management is critical to the success of our business.

The success of our business depends on the efforts and abilities of our ability to hire and retain enough front-line employees and our senior management and other key personnel with the necessary skills to meet demand. 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, actively conduct talent reviews and succession planning to be prepared if executives, managers or other key personnel resign, retire or their service is otherwise interrupted, and we strive to maintain competitive compensation and benefits, employee development and retention programs and build an inclusive culture. However, the labor market has undergone significant change in the wake of the COVID-19 pandemic. Competition for qualified employees is intense. Changing employee expectations about remote work and workplace flexibility complicate our employee recruiting, retention and talent management strategies. In addition, recent inflationary trends overall have driven market pressure for increased wages. If we do not succeed in building and maintaining our talent pipeline through 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. In addition, we may find it difficult to hire and retain a sufficient number of qualified front-line employees to meet demand at certain locations. Overall, the failure of our talent management strategies could result in inadequate staffing levels, declines in customer satisfaction, an inability to execute our business plan, eroding employee morale and productivity, an

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ITEM 1A. RISK FACTORS (Continued)

increase in operating expenses or an inability to achieve internal control, regulatory or other compliance-related requirements.

Our vehicle rental business is particularly sensitive to reductions in the levels of business and leisure travel.

The vehicle rental industry is particularly affected by changes in the demand for 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 including inflation, higher airfare costs or other events such as work stoppages, military conflicts, terrorist incidents, civil unrest, cyber security incidents, natural disasters, epidemic or pandemic diseases, recessions or other economic or labor market downturns, or the response of governments to any of these events, could have a material adverse effect on the demand for vehicle rentals overall and for our rental vehicles in particular.

For example, business and leisure travel were significantly adversely affected in all global markets by the COVID-19 pandemic and the unprecedented measures taken by governments and businesses in response resulted in a material adverse effect on our results of operations, financial condition, liquidity and cash flows. Some categories of travel, such as business travel, have not yet returned to pre-pandemic levels. Resurgence of the COVID-19 virus or variants thereof, or other global or regional health crises, could have similar impacts.

Similarly, the COVID-19 pandemic resulted in a significant increase in the use of conferencing and collaboration technology for business, as well as greater shifts to remote work and essential-only travel. A continuation of these trends 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.

In addition to being impacted by broad-based travel trends, our results of operations and financial condition are impacted by more local trends. We derive significant revenues from key leisure destinations, including Florida, California, Texas, Hawaii and New York in the U.S. and major cities in Europe. Travel to leisure destinations is dependent upon the ability and willingness of consumers to travel on vacation, which in turn is impacted by a variety of factors, including weather and climate-related events, geopolitical dynamics in a location and the effect of economic cycles on consumers' discretionary travel. Uncertainty in overall consumer sentiment in the current economic environment, coupled with military conflicts such as between Russia and Ukraine, may adversely affect leisure travel to certain key markets, and thus have a negative impact on our business.

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 various factors beyond our control may prevent us from pricing our offerings at a level that we believe is appropriate for the quality and service we offer, or that is necessary to fund reinvestments in innovative offerings for customers. Technology has enabled cost-conscious customers, including business travelers, to compare rates available from rental companies more easily, and for competitors to monitor our pricing decisions in real time. Our competitors, some of whom may have greater resources and better access to capital than us, may seek to reduce prices in order to, among other things, attempt to gain a competitive advantage, capture share in a particular geography or class of rental, 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, supply chain disruptions, or actions taken by our competitors could require us to make changes to our pricing. Our ability to compete effectively depends, in part, on our ability to maintain a competitive and agile cost structure. If we cannot maintain our costs at a competitive level and with the ability to adapt to changing circumstances, then our business could be materially adversely affected.

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 to react to the actions of these

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ITEM 1A. RISK FACTORS (Continued)

competitors, 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 during the summer months in the geographies where we generate most of our revenue. We seek to manage seasonal increases in demand by increasing our available fleet and staff during peak periods, but 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.

We may be unable to accurately estimate future levels of rental activity and adjust the number, location and mix of vehicles used in our rental operations accordingly.

Vehicle costs typically represent our largest expense and vehicle purchases are often 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. If our fleet management systems are unable to accurately estimate future levels of rental activity and determine the appropriate mix of vehicles to purchase and maintain in our rental operations, the results may be obsolescence and excessive aging of fleet, the inability to sell fleet at adequate prices, sub-optimal fleet size and utilization, increased fleet costs, lower customer satisfaction, 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 that focuses on increasing our use of EVs in our fleet, which may not be as successful as we anticipate.

We are embarking on a strategy that includes significantly expanding our EV rental fleet. There are a number of risks associated with expanding our EV fleet, including but not limited to the following:

- Our ability to secure adequate vehicle supply within the time frame we, and our customers, expect;
- The timeline for the build out of the charging infrastructure that is needed to fully support an increase in EVs generally for the public, our ability to facilitate access to that infrastructure for our customers, and our ability to develop our own charging infrastructure;
- Demand for EVs which may be impacted by customer sentiment regarding EVs overall, including with respect to the reliability and safety of EVs and access to charging infrastructure;
- Costs associated with maintaining or repairing EVs and related infrastructure;
- The ability to attract, retain and train talent that is capable of managing an EV fleet;
- Risks related to the battery cells on which EVs depend, including the safety of such products and the associated need to maintain and significantly grow access to battery cells and raw materials;
- Risks related to the data connectivity and the technology upon which the success of these initiatives will rely, such as risks of unauthorized access to modify or use such technology; and
- Possible competition from other vehicle rental providers or mobility industry participants that may implement similar strategies and the possibility that our EV initiatives are not as well-received by our consumer base as anticipated.

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ITEM 1A. RISK FACTORS (Continued)

Moreover, although we are sourcing EVs from a growing number of manufacturers, in the near term we remain exposed to a number of risks related to the potential concentration of EV makes and models in our fleet, including the risk that a malfunction, recall or lack of availability of replacement parts for a particular EV make and model could have an outsized impact on our ability to offer EVs, or that demand from our customers for the particular EVs we acquire may be lower than we anticipate. We have a partnership with Uber to make Tesla EVs available for their drivers to rent on the Uber network in North America and Europe. The success of this initiative will be dependent in part on the factors described above.

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

We may fail to adequately respond to changes in technology that are impacting the mobility industry.

The mobility 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 technology solutions designed to: address increasing customer expectations improving vehicle maintenance and utilization and enable traditional and non-traditional competitors to introduce transportation offerings, consumption models and vehicle platforms, including EVs 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 cost structure.

Due to natural complexity in technology innovation, potentially high costs of certain initiatives, and the competition for talent in the technology space, 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, declining market share, inability to achieve our strategic initiatives, inefficient or outdated service delivery platforms, inability to attract or retain key talent and other unfavorable consequences that may materially adversely affect our results of operations, financial condition, liquidity and cash flows.

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.

We use program and non-program vehicles in our fleet. With program vehicles, vehicle manufacturers agree to repurchase the 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 demand for vehicles. These benefits diminish when there are fewer program vehicles in our fleet.

The significant majority of vehicles in our fleet are non-program vehicles. We sell our non-program vehicles through a variety of channels, including auction, dealer direct wholesale, direct sales to third parties and retail. As a result of the factors that can affect the market for used vehicles described below, our retail sales channels may not provide 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. Vehicle purchases are typically discretionary for consumers and the retail market

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ITEM 1A. RISK FACTORS (Continued)

for used vehicles is subject to many 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.

We may be unable to purchase adequate supplies of competitively priced vehicles or the cost of the vehicles we purchase may increase significantly without a compensating increase in vehicle rental rates or residual values.

Our vehicle purchase strategies have in the past been and may in the future 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. Used vehicle supply and pricing can be impacted by the same factors relevant to the available supply and pricing of new vehicles, or the new vehicle market itself. Consequently, there is no guarantee that we can purchase a sufficient number of vehicles, whether new or used, at competitive prices and on competitive terms and conditions, or that we would be able to compensate for increased acquisition costs through vehicle rental rates or residual values. In addition, if we are unable to purchase new vehicles at competitive prices to refresh our fleet, increased maintenance costs in relation to our existing fleet may put further pressure on our results of operations and financial condition.

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 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. If a large number of vehicles are the subject of a recall at one time, or if needed replacement parts are not in adequate supply, we may not be able to service all of our available demand 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

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ITEM 1A. RISK FACTORS (Continued)

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.

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 or prominence within any of these channels, changes in pricing or commission structures or other terms within these channels, or a reduction in transaction volume through these channels 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. In addition, 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 than to our brands, or if our market share suffers due to lower levels of customer loyalty, our business and revenues could be adversely affected.

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 business.

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. Negative claims or publicity 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. 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 or damage to our reputation 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. 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 32% of these

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ITEM 1A. RISK FACTORS (Continued)

employees in 2023. 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, CYBER SECURITY AND PRIVACY

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 risk of 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, have become increasingly difficult to detect, and may be exacerbated at any time by escalation of geopolitical tensions. Cyber attacks vary in their form and can include the deployment of harmful malware or ransomware, denial-of-services attacks, and other attacks, all of which are intended to affect business continuity and threaten the availability, confidentiality and integrity of our information. Cyber attacks can also include phishing attempts or other methods to cause confidential information, payments or other data to be transmitted to an unintended recipient. Cyber threats can have an external or internal origin. Cyber threat actors also attempt to exploit vulnerabilities through software that is commonly used by companies in cloud-based services, programs and bundled software. Like many other companies, we detect 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, including both service providers and licensee and franchisee. Such measures include contractually requiring the third parties to maintain certain data security controls. However, because of the rapidly changing nature and sophistication of 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 situations and all 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

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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 by making changes to legacy systems, replacing legacy systems with successor systems with new functionality, outsourcing certain systems, and acquiring new systems with new functionality. We deploy significant capital expenditures in connection with these activities. 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, service quality issues, declining employee morale, loss of key talent and other unfavorable consequences. If we fail to effectively implement system upgrades, system changes or our outsourcing plans, we may negatively impact our ability to manage our business, disrupt our internal control structure, incur additional administration and operating expenses, place undue demands on management time, and experience other negative impacts associated with delays or difficulties in transitioning to new systems. 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, including updates to legacy 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.

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

In the normal course of business, 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 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, vehicles 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, and techniques used to obtain unauthorized access to systems change frequently. 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, improve our defenses and implement security measures designed to safeguard our systems and data, our efforts may not meet the ever evolving level of sophistication of the attacks or our measures may not be sufficient to maintain the confidentiality,

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ITEM 1A. RISK FACTORS (Continued)

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, litigation, prolonged negative publicity, data breaches, declining customer confidence, loss of key customers, employee liability, 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, the California Consumer Privacy Act and other privacy laws and 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"), as amended, which expands the definition of personal information and grants, among other things, individual rights to access and delete 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 pending 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.

We generate a portion of our revenue outside the U.S. 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.

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ITEM 1A. RISK FACTORS (Continued)

The disposition of revenue earning vehicles may result in taxable income which might not be fully offset by the taxable expense associated with newly purchased revenue earning vehicles.

We are permitted under the Tax Cuts and Jobs Act (the “TCJA”) to expense, in the year of acquisition, 100% of the acquisition costs in the year of acquisition for vehicles purchased during the years 2017 through 2022. The TCJA reduces the expensing percentage ratably by 20% each year 2023 through 2027. This reduction could result in tax depreciation and expensing of newly purchased vehicles that are significantly less than the tax cost associated with the disposition of vehicles. In addition, vehicles purchased using certain financing arrangements are not eligible for this accelerated depreciation election. If we choose to purchase vehicles using such financing arrangements, or if our existing financing arrangements are deemed not to qualify under the Code, our ability to claim accelerated expensing would be limited.

Further, a material and extended reduction in vehicle purchases by our U.S. vehicle rental business, for any reason, would similarly limit the amount of tax expense available to offset the tax cost associated with the disposition of vehicles.

Any of the foregoing developments could result in the requirement for us to make future material cash tax payments on the disposition of revenue earning vehicles, which could materially adversely affect our results of operations, financial condition, liquidity and cash flows.

Our ability to utilize our net operating loss carryforwards (“NOLs”) may be limited as a result of ownership change under Section 382 of the Code.

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.

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 and foreign income tax purposes. If we experience an ownership change, it is possible that a significant portion of our tax attributes could be limited for use to offset future taxable income.

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. We are currently a defendant in numerous actions and have 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 us. We generally self-insure up to \$10 million per occurrence globally and we retain insurance coverage in excess of retentions in amounts we deem prudent. 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 15, “Contingencies and Off-Balance Sheet Commitments,” to the Notes to our consolidated financial statements included in this 2022 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 remain free from

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ITEM 1A. RISK FACTORS (Continued)

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 property owners 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 2022 Annual Report.

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 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.

For example, 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. 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 2022 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.

Also, 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 our 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 the laws and regulations that impact our franchising and licensing agreements or our used-vehicle sales operation 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.

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

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ITEM 1A. RISK FACTORS (Continued)

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, indirect tax, and payroll-related taxes. Tax law and administration are extremely complex and often require us 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.

Tax authorities could disagree with our policies, 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 results of 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. The reviews of fair value involve judgment and estimates, including projected revenues, projected cash flows, long-term growth rates, royalty rates and discount rates. A significant decline in any of the items used to determine fair value, as well as other triggering events, could result in a material impairment charge. For details of our annual impairment testing, see Note 5, "Goodwill and Intangible Assets, Net," to the Notes to our consolidated financial statements included in this 2022 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 that promotes a culture of ethical behavior and adherence to applicable laws and regulations. The program is designed to (i) identify applicable anti-bribery requirements (e.g., laws limiting commercial bribery and corruption), (ii) identify applicable antitrust 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 sanctions 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 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

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ITEM 1A. RISK FACTORS (Continued)

the receipt of funds from its subsidiaries via return of paid-in capital, 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.

Failure to meet ESG expectations or standards or achieve our ESG goals could adversely affect our business, results of operations or financial condition.

There has been an increased focus from stakeholders on the environmental, social and governance performance of companies, including in the areas of greenhouse gas emission levels; diversity, equity, and inclusion initiatives; sourcing and supply chain activities; human rights records; and overall corporate governance profile. This has resulted in expanding and increasingly complex expectations related to reporting, diligence, and disclosure on ESG topics. These developments and other rapidly changing laws, regulations, policies and related interpretations, as well as increased enforcement actions by various governmental and regulatory agencies, may alter the environment in which we do business and may increase the ongoing costs of compliance, which could adversely impact our results of operations and cash flows. Given our commitment to being a responsible corporate citizen, we actively manage ESG issues through various initiatives which we may refine or expand further in the future. Our failure or perceived failure to achieve ESG goals, maintain practices aligned with stakeholder expectations for "best practices," or comply with new ESG expectations could harm our reputation, adversely impact our ability to attract and retain customers and talent, and expose us to increased scrutiny from a range of stakeholders. Our reputation also may be harmed by the perceptions that our stakeholders have about our action or inaction on ESG-related issues. Damage to our reputation may reduce demand for our products and services and thus have an adverse effect on our future financial results.

RISKS RELATED TO OUR INDEBTEDNESS

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

As of December 31, 2022, we had total indebtedness of approximately \$13.9 billion, including \$10.9 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 2022 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. Factors driving the overall condition of the financial markets are beyond our control. Furthermore, if we are unable to generate sufficient cash flow from operations to service our debt obligations and meet our other cash needs, we may experience limited access or be unable to access financial markets for additional capital and may be forced to reduce or delay capital expenditures, sell or curtail assets or operations, or seek to restructure or refinance our indebtedness. If we must reduce or delay investment or 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

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ITEM 1A. RISK FACTORS (Continued)

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 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 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, require us to use cash intended for other purposes as collateral, and potentially lead to decreased borrowing base availability. Similarly, if the used vehicle marketplace were to become impaired resulting in sales of vehicles below net book value, we may have difficulty meeting the minimum required collateral levels requiring us to add additional collateral in the form of cash or additional vehicles. In the event that we cannot post additional collateral, 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 event were to occur (or any other liquidation events), 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.

Failure by us to have proper financing and debt management processes may result in cash shortfalls and liquidity problems, the need to seek emergency financing at high interest rates, violations of debt covenants, and an inability to execute strategic initiatives. These outcomes could negatively affect our liquidity and 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 are subject to security interests or are otherwise encumbered for the benefit of the lenders under our senior credit facilities, and our revenue earning vehicles and certain related vehicle assets are subject to security interests or are otherwise encumbered for the benefit of our asset-backed and asset-based financing arrangements. As a result of substantially all of our assets being encumbered for the benefit of certain creditors, our various secured creditors have liquidation priorities ahead of other stakeholders of our business.

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.

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

ITEM 1A. RISK FACTORS (Continued)

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

The TCJA, which was temporarily modified by the Coronavirus Aid, Relief, and Economic Security Act, imposed significant limitations on the deductibility of business interest expense under Section 163(j). These limitations could result in additional material cash tax payments that could adversely affect our results of operations and liquidity. Furthermore, in the event our debt instruments were to be recharacterized as equity for tax purposes, the Company would not be entitled to deduct the payments as interest and could be assessed withholding taxes on payments to certain lenders, which could adversely affect our results of operations and liquidity.

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 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 Inflation Reduction Act of 2022 imposes a non-deductible 1% excise tax on the fair market value of stock repurchases commencing in 2023 that exceed \$1 million in a taxable year, which will make our share repurchase program more expensive.

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.

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

ITEM 1A. RISK FACTORS (Continued)

Anti-takeover provisions in our charter documents and under Delaware law, as well as ownership of a significant percentage of our common stock by the Plan Sponsors, 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 the Hertz Holdings 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 15% or more of our outstanding voting stock, unless the stockholder has held the stock for a period of at least three years.

The significant ownership interests held by our Plan Sponsors, which we believe as of December 31, 2022, exceeded 50% of our outstanding common stock, means that the Plan Sponsors have the ability to control matters requiring stockholder approval, such as director elections, amendments to the Hertz Holdings Certificate of Incorporation and significant corporate transactions. With respect to such matters, the Plan Sponsors' interests may not align with those of other stockholders or they may take actions that other stockholders do not view as beneficial. This could delay or prevent a change of control transaction or discourage a potential acquirer from pursuing such a transaction, which transaction might have otherwise been of benefit to the other stockholders. The Plan Sponsors' ownership may also adversely affect the trading price for our common stock if potential investors perceive disadvantages in investing in a company with controlling stockholders.

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 agents.

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 agents, which may discourage such lawsuits against us and our directors, officers and agents. Alternatively, if a court were to find the

**HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
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ITEM 1A. RISK FACTORS (Continued)

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.

A business continuity plan is necessary for our global business.

We have a business continuity management 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 maintain disaster recovery strategies and business resumption plans to minimize the impact of both known and unknown threats and (iv) test the adequacy of our action plans. If our business continuity management 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

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ITEM 1A. RISK FACTORS (Continued)

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 2022 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. The states of California, Florida, Hawaii, New York and Texas include approximately 30% of our Americas RAC segment rental locations. We also operate vehicle rental operations internationally, where Australia, France, Germany, Italy and Spain include approximately 30% of our International RAC segment 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

For a description of certain pending legal proceedings, see Note 15, "Contingencies and Off-Balance Sheet Commitments," to the Notes to our consolidated financial statements in this 2022 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

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INFORMATION ABOUT OUR EXECUTIVE OFFICERS

The table below sets forth, as of January 26, 2023, the names, ages, number of years employed by the Company and positions of our executive officers.

Name	Age	Number of Years Employed	Position
Stephen M. Scherr	58	—	Chief Executive Officer
Paul E. Stone	52	4	President and Chief Operating Officer
Kenny K. Cheung	40	4	Executive Vice President and Chief Financial Officer
Colleen R. Batcheler	49	—	Executive Vice President, General Counsel and Secretary
Eric J. Leef	49	2	Executive Vice President and Chief Human Resources Officer
Alexandra D. Brooks	52	2	Senior Vice President and Chief Accounting Officer

Mr. Scherr has served as Chief Executive Officer and a member of the Company's Board of Directors since February 2022. Mr. Scherr was appointed Chairperson of the Board of Directors in January 2023. Prior to joining the Company, Mr. Scherr spent nearly three decades at Goldman Sachs, leading a range of strategic and operational functions. He most recently served as Chief Financial Officer of Goldman Sachs from 2018 through 2021, and CEO of Goldman Sachs Bank USA and Head of the Consumer & Commercial Bank Division from 2016 to 2018. Prior to joining Goldman Sachs, Mr. Scherr practiced law. Mr. Scherr holds a J.D. from Harvard Law School and an A.B. from the Woodrow Wilson School of Public and International Affairs at Princeton University.

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.

Ms. Batcheler has served as Executive Vice President, General Counsel and Secretary of the Company since May 2022. Ms. Batcheler has more than 15 years of experience as a general counsel and senior leader of publicly-traded companies, and more than 20 years of experience practicing law. Prior to joining the Company, Ms. Batcheler served as Executive Vice President, General Counsel and Corporate Secretary at Conagra Brands, Inc., one of North America's leading branded food companies, from September 2009 to April 2022. Prior to that, she served in other senior management roles at Conagra since June 2006. Prior to joining Conagra, Ms. Batcheler served as Vice President and Corporate Secretary at Albertson's, Inc., Associate Counsel with The Cleveland Clinic Foundation and as an Associate with the law firm of Jones Day. She earned her J.D. from Case Western Reserve School of Law, and a Bachelor of Arts degree in political science from the State University of New York College at Fredonia.

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

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INFORMATION ABOUT OUR EXECUTIVE OFFICERS (Continued)

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. 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.

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

PART II

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

HERTZ GLOBAL

As of January 26, 2023, there were 875 holders of record of Hertz Holdings common stock.

Hertz Holdings paid no cash dividends on its common stock in 2022 or 2021, and it does not expect to pay dividends on its common stock for the foreseeable future.

Since Hertz Holdings does not conduct business itself, any dividends on, and repurchases of, its common stock must be funded using dividends from Hertz, amounts borrowed under a master loan agreement with Hertz or independent borrowings. 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 to fund dividends on Hertz Holdings' common stock or for share repurchases.

Nasdaq Listing

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 of Hertz Global 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 approximately \$300 million. This amount is included in treasury stock in the accompanying Hertz Global consolidated balance sheets as of December 31, 2022 and 2021 under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2022 Annual Report.

Repurchases of Equity Securities

Share Repurchase Programs for Common Stock

In November 2021, Hertz Global's Board of Directors approved a share repurchase program that authorized the repurchase of up to \$2.0 billion worth of shares of Hertz Global's outstanding common stock (the "2021 Share Repurchase Program"). During the second quarter of 2022, the Company completed the 2021 Share Repurchase Program by repurchasing 80,677,021 shares of Hertz Global's common stock during the first and second quarters of 2022 at an average share price of \$19.74 for an aggregate purchase price of \$1.6 billion. Under the completed 2021 Share Repurchase Program, a total of 97,783,047 shares of Hertz Global common stock were repurchased for an aggregate purchase price of \$2.0 billion.

In June 2022, Hertz Global's Board of Directors approved a new share repurchase program (the "2022 Share Repurchase Program") that authorized additional repurchases of up to an incremental \$2.0 billion worth of shares of Hertz Global's outstanding common stock. Between inception and December 31, 2022, a total of 47,303,009 shares of Hertz Global's common stock were repurchased under the 2022 Share Repurchase Program at an average share price of \$17.64 for an aggregate purchase price of \$835 million.

Between January 1, 2023 and January 26, 2023, a total of 1,079,647 shares of Hertz Global's common stock were repurchased under the 2022 Share Repurchase Program at an average share price of \$16.51 resulting in an aggregate purchase price of \$18 million.

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

Any repurchases are made at the discretion of management and may be executed 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 2022 Share Repurchase Program 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 future repurchases.

The following table provides a breakdown of our equity security repurchases during the fourth quarter of fiscal year 2022.

	(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, 2022	9,353,998	\$ 17.26	9,353,998	\$ 1,318,688
November 1 – November 30, 2022	2,464,041	\$ 17.69	2,464,041	\$ 1,275,088
December 1 – December 31, 2022	7,044,124	\$ 15.57	7,044,124	\$ 1,165,376
Total	18,862,163	\$ 16.69	18,862,163	\$ 1,165,376

Performance Graph

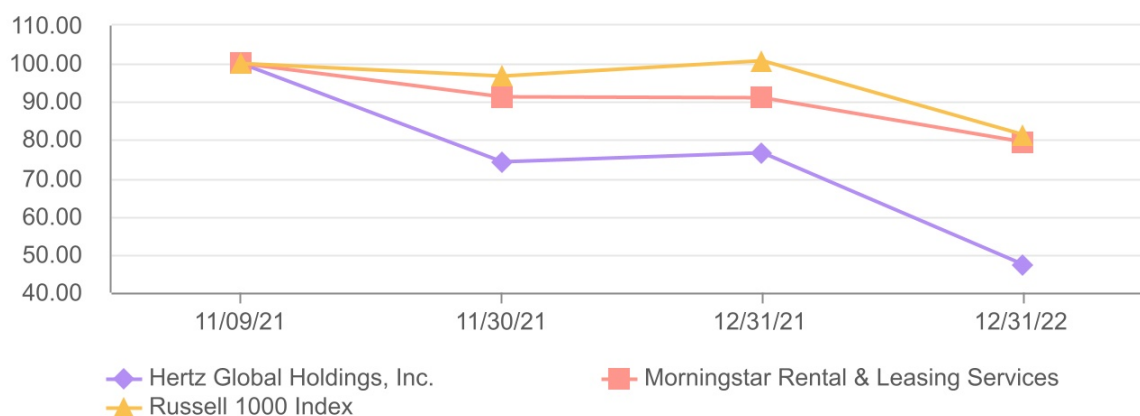
The graph that follows compares the cumulative total stockholder return on Hertz Holdings common stock with the Russell 1000 Index and the Morningstar Rental & Leasing Services Industry Group. The Russell 1000 Index is included because it is comprised of the 1,000 largest publicly traded issues. The 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
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ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES (Continued)

Global's emergence from bankruptcy and its Nasdaq listing), at the market close, through December 31, 2022. 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**



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 preferred stock, Hertz paid dividends to Hertz Holdings of \$2.5 billion in 2022 and 2021 to help fund common stock and preferred stock repurchases as further disclosed in Note 17, "Equity – Hertz Global" to the Notes to its consolidated financial statements in this 2022 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data." Hertz did not pay dividends in 2020 to Hertz Holdings.

ITEM 6. [RESERVED]

Not applicable.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
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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 2022 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.*
- *Vehicle Utilization – Effective in the first quarter of 2022, in connection with the appointment of the new CEO (who serves as our Chief Operating Decision Maker) and arising from significantly increased activity in vehicle dispositions, we began using Average Rentable Vehicles in the denominator in our calculation of Vehicle Utilization. Vehicle Utilization is calculated by dividing total Transaction Days by Available Car Days. Available Car Days represents Average Rentable Vehicles multiplied by the number of days in a given period. Average Rentable Vehicles excludes vehicles for sale on our retail lots or actively in the process of being sold through other disposition channels. We believe this is a better measure of the productivity of our rental fleet as it is unaffected by fluctuations in disposition activity. Accordingly, prior periods have been restated to conform with the revised definition.*
- *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.*

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- *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 number of vehicles in our rental fleet whether owned or leased ("Average Rentable Vehicles"). 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 effective in the first quarter of 2022, we revised to use Average Rentable Vehicles as the denominator in our calculation of Total RPU. Average Rentable Vehicles excludes vehicles for sale on the Company's retail lots or actively in the process of being sold through other disposition channels. We believe this is a better measure of the productivity of our rental fleet as it is unaffected by fluctuations in disposition activity. There has been no change to revenue as used in the numerator of the calculation which includes vehicle rental and rental related revenues, licensee revenue and ancillary retail vehicle sales revenue. 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.*

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

Our Business

We are engaged principally in the business of renting vehicles primarily through our Hertz, Dollar and Thrifty brands. 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 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 is focused on excellence in execution of our rental operations, electrification of the fleet, shared mobility, connected cars and selling vehicles from the fleet directly to consumers.

Our revenues are primarily derived from rental and related charges and consist of worldwide vehicle rental revenues from all company-operated vehicle rental operations and 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 approximately 2% of total revenues each period).

We previously had revenues from vehicle leasing and fleet management services by our Donlen business, which was sold on March 30, 2021, 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 2022 Annual Report.

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

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, net 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; and
- Interest expense, net.

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.

Chapter 11 and Emergence

In March 2020, the World Health Organization declared COVID-19 a pandemic, affecting multiple global regions. 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. On May 22, 2020, the Debtors filed voluntary petitions under Chapter 11 of the Bankruptcy Code in the Bankruptcy Court. On June 10, 2021, the Plan of Reorganization was confirmed by the Bankruptcy Court and on June 30, 2021, the Plan of Reorganization became effective in accordance with its terms and the Debtors emerged from Chapter 11.

Our Reportable Segments

We have identified two reportable segments, which are consistent with our 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, as well as sales of value-added services, in the U.S., Canada, Latin America and the Caribbean; and
- International RAC - Rental of vehicles, as well as sales of value-added services, in locations other than the U.S., Canada, Latin America and the Caribbean.

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 2022 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

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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 wholesale channels, direct sales to third parties and retail channels. 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 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.

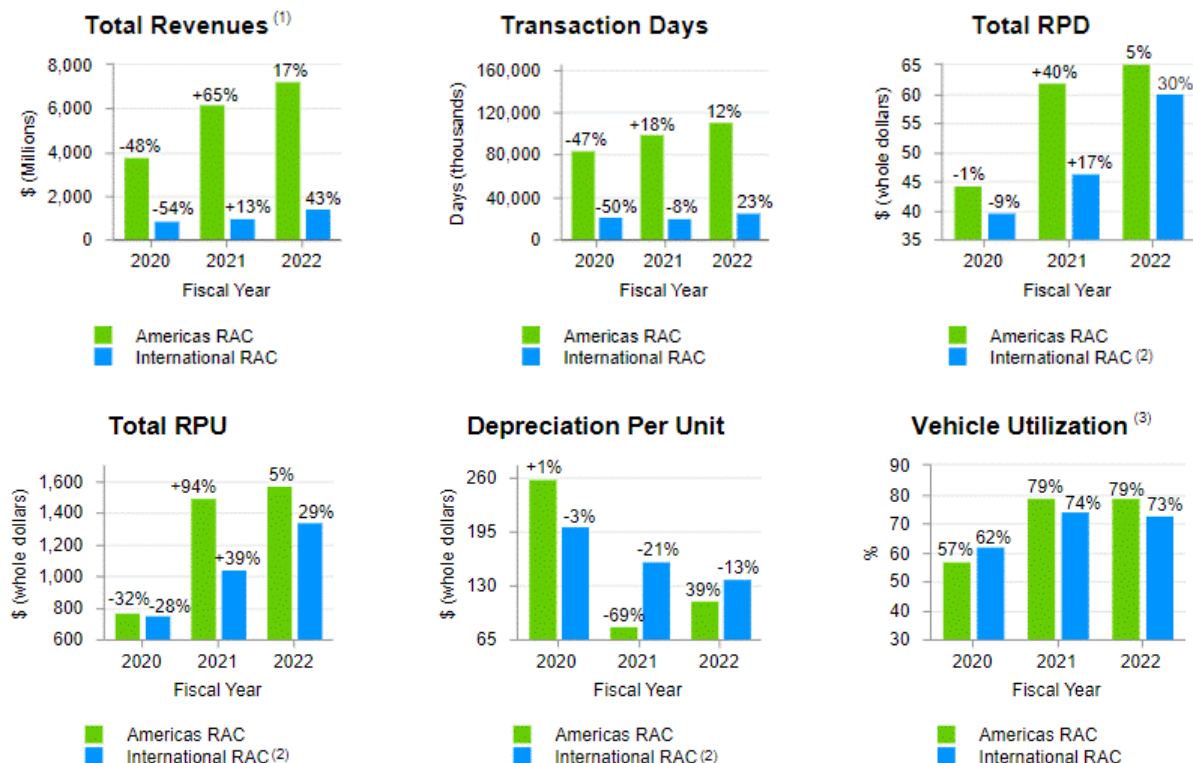
2022 Operating Overview

Effective in the first quarter of 2022, we began using Average Rentable Vehicles in the denominator in our calculation of Vehicle Utilization and Total RPU. Average Rentable Vehicles excludes vehicles for sale on our retail lots or actively in the process of being sold through other disposition channels. We believe this is a better measure of the productivity of our rental fleet as it is unaffected by fluctuations in disposition activity. Accordingly, prior periods have been restated to reflect this change.

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The following charts provide the period-over-period change for several key factors influencing our results for the years ended December 31, 2022, 2021 and 2020.



(1) Includes impact of foreign currency exchange at average rates ("fx").

(2) Results shown are in constant currency as of December 31, 2021.

(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.

Impact of COVID-19 on our Business Environment

Beginning in 2021, individuals across the globe increasingly gained access to COVID-19 vaccinations, particularly in the U.S. During 2021 and continuing through 2022, many of the government-imposed restrictions have been lifted or eased, and travel, particularly leisure travel, has experienced a strong rebound. However, there remains continued uncertainty about the impact on supply chain constraints resulting from the pandemic and other macroeconomic conditions.

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CONSOLIDATED RESULTS OF OPERATIONS - HERTZ

(\$ In millions)	Years Ended December 31,			Percent Increase/(Decrease)	
	2022	2021	2020	2022 vs. 2021	2021 vs. 2020
Total revenues	\$ 8,685	\$ 7,336	\$ 5,258	18%	40%
Direct vehicle and operating expenses	4,808	3,920	3,423	23	15
Depreciation of revenue earning vehicles and lease charges, net	701	497	2,030	41	(76)
Non-vehicle depreciation and amortization	142	196	225	(27)	(13)
Selling, general and administrative expenses	959	688	645	39	7
Interest expense, net:					
Vehicle	159	284	455	(44)	(38)
Non-vehicle	169	185	151	(9)	23
Interest expense, net	328	469	606	(30)	(23)
Technology-related intangible and other asset impairments	—	—	213	—	(100)
Write-off of intercompany loan	—	—	133	—	(100)
Other (income) expense, net	2	(21)	(9)	NM	NM
Reorganization items, net	—	513	175	(100)	NM
(Gain) from the sale of a business	—	(400)	—	(100)	NM
Income (loss) before income taxes	1,745	1,474	(2,183)	18	NM
Income tax (provision) benefit	(390)	(318)	328	23	NM
Net income (loss)	1,355	1,156	(1,855)	17	NM
Net (income) loss attributable to noncontrolling interests	—	1	9	(100)	(90)
Net income (loss) attributable to Hertz	\$ 1,355	\$ 1,157	\$ (1,846)	17	NM
Adjusted Corporate EBITDA ^(a)	\$ 2,305	\$ 2,130	\$ (995)	8	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, 2022 Compared with Year Ended December 31, 2021

Total revenues increased \$1.3 billion in 2022 compared to 2021 due primarily to an increase of \$1.1 billion and \$420 million in our Americas RAC and International RAC segments, respectively, partially offset by a decrease of \$136 million in all other operations. Americas RAC revenues increased due primarily to higher volume and pricing driven by growth in travel demand and higher pricing resulting from industry-wide supply chain constraints on vehicles. Excluding an unfavorable \$162 million impact of fx, revenues for our International RAC segment increased \$582 million due primarily to higher pricing in most leisure categories and across the industry resulting from industry-wide supply chain constraints on vehicles and increased travel demand resulting from the easing of government-imposed travel restrictions. The decrease in all other operations was the result of the Donlen Sale in 2021.

DOE increased \$888 million in 2022 compared to 2021 due primarily to increases of \$777 million and \$123 million in our Americas RAC and International RAC segments, respectively. The increase in DOE for our Americas RAC segment was due primarily to higher fleet-related costs driven by increased volume and fleet age, higher personnel costs and litigation settlements in 2022. Excluding an unfavorable \$86 million impact of fx, DOE for International RAC increased \$209 million due primarily to higher volume driven by increased travel demand.

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Depreciation of revenue earning vehicles and lease charges, net increased \$203 million in 2022 compared to 2021 largely driven by our Americas RAC segment. The increase of \$210 million in our Americas RAC was due primarily to higher vehicle acquisition costs, partially offset by gains recognized on increased vehicle dispositions.

Non-vehicle depreciation and amortization decreased \$53 million in 2022 compared to 2021 resulting primarily from fully depreciated intangible assets related to concession rights in our Americas RAC segment.

SG&A increased \$271 million in 2022 compared to 2021 due primarily to increases of \$168 million, \$69 million and \$45 million in our corporate operations, Americas RAC segment and International RAC segment, respectively. The increase in our corporate operations was due primarily to non-cash stock-based compensation costs and bankruptcy claims. SG&A in our Americas RAC segment increased as a result of increased advertising spend and personnel costs. Excluding an unfavorable \$20 million fx impact, SG&A in our International RAC segment increased \$65 million due primarily to increased advertising spend and facility costs.

Vehicle interest expense, net decreased \$125 million in 2022 compared to 2021 due primarily to \$111 million of unrealized gains on interest rate caps primarily in our Americas RAC segment and the write-off in 2021 of capitalized fees with no comparable in 2022 primarily in our International RAC segment, partially offset by higher debt levels in our Americas RAC segment.

Non-vehicle interest expense, net decreased \$16 million in 2022 compared to 2021 due primarily to lower average interest rates, partially offset by higher benchmark rates.

We had other expense of \$2 million in 2022 compared to other income of \$21 million in 2021. Other income of \$21 million in 2021 was comprised of 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.

We incurred \$513 million of net reorganization charges in 2021 in our corporate operations for professional fees and other costs associated with the Chapter 11 Cases, mainly 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.

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 2022 and 2021 was 22%. We recorded a tax provision of \$390 million and \$318 million for 2022 and 2021, respectively. The increase in the tax provision in 2022 compared to 2021 was driven by improvements in our financial performance in 2022, as well as tax benefits associated with the restructuring in Europe recognized in 2021, the impact of changes to state and foreign valuation allowances, and non-deductible bankruptcy costs incurred in 2021.

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-wide supply chain constraints on vehicles. 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-wide supply chain constraints on vehicles, 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

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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.

Depreciation of revenue earning vehicles and lease charges, net 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 segment 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, supply chain constraints on vehicles 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 of 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

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of net reorganization charges in 2020 in our corporate operations for professional fees and other costs associated with the Chapter 11 Cases.

We recognized a 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.

CONSOLIDATED RESULTS OF OPERATIONS - HERTZ GLOBAL

The above discussion for Hertz also applies to Hertz Global.

Hertz Global had \$704 million of income and \$627 million of expense from the change in fair value of Public Warrants that was incremental to Hertz for the years ended December 31, 2022 and 2021, respectively. 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 represents certain effects from the implementation of the Plan of Reorganization.

Hertz Global had \$2 million of interest expense, net, during 2020 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.

RESULTS OF OPERATIONS AND SELECTED OPERATING DATA BY SEGMENT

Americas RAC

As of December 31, 2022, our Americas RAC operations had a total of approximately 5,500 company-operated and franchisee locations, comprised of 1,900 airport and 3,600 off airport locations.

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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)	
	2022	2021	2020	2022 vs. 2021	2021 vs. 2020
Total revenues	\$ 7,280	\$ 6,215	\$ 3,756	17%	65%
Depreciation of revenue earning vehicles and lease charges, net	\$ 553	\$ 343	\$ 1,352	61	(75)
Direct vehicle and operating expenses	\$ 4,080	\$ 3,302	\$ 2,763	24	20
Direct vehicle and operating expenses as a percentage of total revenues	56 %	53 %	74 %		
Non-vehicle depreciation and amortization	\$ 114	\$ 166	\$ 182	(31)	(9)
Selling, general and administrative expenses	\$ 351	\$ 282	\$ 283	25	—
Selling, general and administrative expenses as a percentage of total revenues	5 %	5 %	8 %		
Vehicle interest expense	\$ 140	\$ 213	\$ 329	(34)	(35)
Reorganization items, net	\$ —	\$ 80	\$ 8	(100)	NM
Adjusted EBITDA	\$ 2,292	\$ 2,173	\$ (810)	5	NM
Transaction Days (in thousands) ^(b)	111,759	100,085	85,016	12	18
Average Vehicles (in whole units) ^(c)	411,047	355,647	437,547	16	(19)
Average Rentable Vehicles (in whole units) ^(c)	385,234	345,306	406,239	12	(15)
Vehicle Utilization ^(c)	79 %	79 %	57 %		
Total RPD (in whole dollars) ^(d)	\$ 65.18	\$ 62.07	\$ 44.22	5	40
Total RPU Per Month (in whole dollars) ^(e)	\$ 1,576	\$ 1,499	\$ 771	5	94
Depreciation Per Unit Per Month (in whole dollars) ^(f)	\$ 112	\$ 81	\$ 258	39	(69)
Percentage of program vehicles as of period end	1 %	0.4 %	3 %		

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, 2022 Compared with Year Ended December 31, 2021

Total revenues for Americas RAC increased \$1.1 billion in 2022 compared to 2021 due primarily to higher volume and pricing. The increase in Transaction Days was driven primarily by volume increases in most leisure and business categories as travel demand increased. Volume increased in our airport locations by 16% compared to 2021. The increase in Total RPD was driven primarily by higher pricing across the industry due to growth in travel demand and industry-wide supply chain constraints on vehicles. Airport revenues comprised 70% of total revenues for the segment in 2022 consistent with 2021.

Depreciation of revenue earning vehicles and lease charges, net for Americas RAC increased \$210 million in 2022 compared to 2021. Depreciation Per Unit Per Month increased to \$112 compared to \$81 in 2021 due primarily to higher vehicle acquisition costs, partially offset by gains recognized on increased vehicle dispositions. Average Vehicles increased due primarily to travel demand.

DOE for Americas RAC increased \$777 million in 2022 compared to 2021. Excluding an unfavorable \$6 million fx impact, DOE increased \$783 million due primarily to higher fleet-related costs driven by increased volume discussed above and fleet age, higher personnel costs and litigation settlements in the fourth quarter of 2022.

Non-vehicle depreciation and amortization for Americas RAC decreased \$52 million in 2022 compared to 2021 resulting primarily from fully depreciated intangible assets related to concession rights.

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

SG&A for Americas RAC increased \$69 million in 2022 compared to 2021 due primarily to increased advertising spend and personnel costs.

Vehicle interest expense for Americas RAC decreased \$73 million in 2022 compared to 2021 due primarily to \$97 million of unrealized gains on interest rate caps, partially offset by higher debt levels due to the issuance of the HVF III 2022 Series Notes.

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 supply chain constraints on vehicles. 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, net 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 industry-wide supply chain constraints on vehicles, 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.

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.

International RAC

As of December 31, 2022, our International RAC operations had approximately 6,100 company-operated and franchisee locations, comprised of 1,400 airport and 4,700 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.

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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)	
	2022	2021	2020	2022 vs. 2021	2021 vs. 2020
Total revenues	\$ 1,405	\$ 985	\$ 872	43%	13%
Depreciation of revenue earning vehicles and lease charges, net	\$ 148	\$ 154	\$ 243	(4)	(37)
Direct vehicle and operating expenses	\$ 728	\$ 606	\$ 647	20	(6)
Direct vehicle and operating expenses as a percentage of total revenues	52 %	61 %	74 %		
Non-vehicle depreciation and amortization	\$ 13	\$ 16	\$ 19	(19)	(17)
Selling, general and administrative expenses	\$ 180	\$ 136	\$ 164	33	(17)
Selling, general and administrative expenses as a percentage of total revenues	13 %	14 %	19 %		
Vehicle interest expense	\$ 19	\$ 59	\$ 80	(69)	(26)
Reorganization items, net	\$ —	\$ 12	\$ —	(100)	NM
Adjusted EBITDA	\$ 350	\$ 90	\$ (229)	NM	NM
Transaction Days (in thousands) ^(b)	25,101	20,488	22,283	23	(8)
Average Vehicles (in whole units) ^(c)	94,999	77,643	102,793	22	(24)
Average Rentable Vehicles (in whole units) ^(c)	93,564	76,190	98,261	23	(22)
Vehicle Utilization ^(c)	73 %	74 %	62 %		
Total RPD (in whole dollars) ^(d)	\$ 60.23	\$ 46.43	\$ 39.70	30	17
Total RPU Per Month (in whole dollars) ^(e)	\$ 1,346	\$ 1,040	\$ 750	29	39
Depreciation Per Unit Per Month (in whole dollars) ^(f)	\$ 139	\$ 160	\$ 201	(13)	(21)
Percentage of program vehicles as of period end	29 %	32 %	31 %		

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, 2022 Compared with Year Ended December 31, 2021

Total revenues for International RAC increased \$420 million in 2022 compared to 2021 due to higher pricing and volume. Total RPD increased 30% driven primarily by higher pricing in most leisure categories and across the industry due to industry-wide constraints on vehicle supply. Transaction Days increased 23% driven primarily by higher volume in most leisure categories due to easing of government-imposed travel restrictions. Excluding an unfavorable \$162 million fx impact, revenues increased \$582 million.

Depreciation of revenue earning vehicles and lease charges, net for International RAC decreased \$7 million in 2022 compared to 2021. Excluding an unfavorable \$18 million fx impact, depreciation increased \$11 million. Average Vehicles for International RAC increased 22% in 2022 due primarily to increased travel demand. Depreciation Per Unit Per Month for International RAC decreased to \$139 from \$160 for 2022 versus 2021 due primarily to strength in residual values resulting in higher vehicle sales gains.

DOE for International RAC increased \$123 million in 2022 compared to 2021. Excluding an unfavorable \$86 million fx impact, DOE increased \$209 million due primarily to higher volume driven by increased travel demand.

SG&A for International RAC increased \$45 million in 2022 compared to 2021. Excluding an unfavorable \$20 million fx impact, SG&A increased \$65 million due primarily to increased advertising spend and facility costs.

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Vehicle interest expense for International RAC decreased \$41 million in 2022 compared to 2021 due primarily to \$14 million of unrealized gains on interest rate caps and lower average rates in 2022 and the write-off in 2021 of capitalized fees with no comparable write-off in 2022.

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 supply chain constraints on vehicles 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, net 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 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.

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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; reorganization items, net; pre-reorganization items and non-debtor financing charges; gain from the sale of a business, unrealized (gains) losses from financial instruments, 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,		
	2022	2021	2020
Net income (loss) attributable to Hertz	\$ 1,355	\$ 1,157	\$ (1,846)
Adjustments:			
Income tax provision (benefit)	390	318	(328)
Non-vehicle depreciation and amortization	142	196	225
Non-vehicle debt interest, net ⁽¹⁾	169	185	151
Vehicle debt-related charges ⁽²⁾	35	72	55
Restructuring and restructuring related charges ⁽³⁾	45	76	64
Intangible and other asset impairment ⁽⁴⁾	—	—	213
Write-off of intercompany loan ⁽⁵⁾	—	—	133
Reorganization items, net ⁽⁶⁾	—	513	175
Pre-reorganization and non-debtor financing charges ⁽⁷⁾	—	42	109
Gain from the Donlen Sale ⁽⁸⁾	—	(400)	—
Unrealized (gains) losses on financial instruments ⁽⁹⁾	(111)	(4)	(3)
Litigation settlements ⁽¹⁰⁾	168	—	—
Other items ⁽¹¹⁾	112	(25)	57
Adjusted Corporate EBITDA	<u>\$ 2,305</u>	<u>\$ 2,130</u>	<u>\$ (995)</u>

HERTZ GLOBAL

(In millions)	Years Ended December 31,		
	2022	2021	2020
Net income (loss) attributable to Hertz Global	\$ 2,059	\$ 366	\$ (1,714)
Adjustments:			
Income tax provision (benefit)	390	318	(329)
Non-vehicle depreciation and amortization	142	196	225
Non-vehicle debt interest, net ⁽¹⁾	169	185	153
Vehicle debt-related charges ⁽²⁾	35	72	55
Restructuring and restructuring related charges ⁽³⁾	45	76	64
Intangible and other asset impairment ⁽⁴⁾	—	—	213
Reorganization items, net ⁽⁶⁾	—	677	175
Pre-reorganization and non-debtor financing charges ⁽⁷⁾	—	42	109
Gain from the Donlen Sale ⁽⁸⁾	—	(400)	—
Unrealized (gains) losses on financial instruments ⁽⁹⁾	(111)	(4)	(3)
Litigation settlements ⁽¹⁰⁾	168	—	—
Change in fair value of Public Warrants ⁽¹²⁾	(704)	627	—
Other items ⁽¹¹⁾	112	(25)	57
Adjusted Corporate EBITDA	<u>\$ 2,305</u>	<u>\$ 2,130</u>	<u>\$ (995)</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.

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

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- (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 2022 Annual Report for further information. Also included restructuring related charges such as incremental costs incurred directly supporting business transformation initiatives.
- (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 2022 Annual Report.
- (5) Represented the write-off of the 2019 Master Loan between Hertz and Hertz Holdings, as disclosed in Note 16, "Related Party Transactions," in Part II, Item 8 of this 2022 Annual Report.
- (6) 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 2022 Annual Report.
- (7) Represents charges incurred prior to the filing of the Chapter 11 Cases comprised of preparation charges for the reorganization, such as professional fees. Also included certain non-debtor financing and professional fee charges.
- (8) 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 2022 Annual Report.
- (9) Represents unrealized (gains) losses on derivative financial instruments. See Note 12, "Financial Instruments," in Part II, Item 8 of this 2022 Annual Report.
- (10) Represents payments made for the settlement of certain claims related to alleged false arrests. See Note 15, "Contingencies and Off-Balance Sheet Commitments," in Part II, Item 8 of this 2022 Annual Report.
- (11) Represents miscellaneous items. For 2022, primarily includes certain bankruptcy claims, certain professional fees and charges related to the settlement of bankruptcy claims and certain non-cash stock-based compensation charges. For 2021, primarily 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, primarily includes \$16 million associated with the Donlen Sale, partially offset by charges of \$18 million for losses associated with certain vehicle damages which were recorded in the second quarter, costs associated with our information technology and finance transformation programs, partially offset by a \$20 million gain on the sale of non-vehicle capital assets, which was recorded in the first quarter.
- (12) Represents the change in fair value during the reporting period for Hertz Global's outstanding Public Warrants, as disclosed in Note 13, "Fair Value Measurements," in Part II, Item 8 of this 2022 Annual Report.
- (b) Transaction Days represents 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 Rentable Vehicles excludes vehicles for sale on our retail lots or actively in the process of being sold through other disposition channels and determined using a simple average of such vehicles at the beginning and end of a given period. Effective in the first quarter of 2022, as discussed above, we revised our calculation of Vehicle Utilization to use Average Rentable Vehicles in the denominator. Accordingly, prior periods have been restated to conform with the revised definition. Vehicle Utilization is calculated by dividing total Transaction Days by Available Car Days. The calculation of Vehicle Utilization is shown below:

	Americas RAC			International RAC		
	Years Ended December 31,					
	2022	2021	2020	2022	2021	2020
Transaction Days (in thousands)	111,759	100,085	85,016	25,101	20,488	22,283
Average Rentable Vehicles (in whole units)	385,234	345,306	406,239	93,564	76,190	98,261
Number of days in period (in whole units)	365	365	366	365	365	366
Available Car Days (in thousands)	140,647	126,159	148,545	34,179	27,837	35,932
Vehicle Utilization	79 %	79 %	57 %	73 %	74 %	62 %

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- (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. 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:

	Americas RAC			International RAC		
	Years Ended December 31,					
(\$ in millions, except as noted)	2022	2021	2020	2022	2021	2020
Revenues	\$ 7,280	\$ 6,215	\$ 3,756	\$ 1,405	\$ 985	\$ 872
Foreign currency adjustment ⁽¹⁾	4	(3)	3	107	(34)	13
Total Revenues-adjusted for foreign currency	\$ 7,284	\$ 6,212	\$ 3,759	\$ 1,512	\$ 951	\$ 885
Transaction Days (in thousands)	111,759	100,085	85,016	25,101	20,488	22,283
Total RPD (in dollars)	\$ 65.18	\$ 62.07	\$ 44.22	\$ 60.23	\$ 46.43	\$ 39.70

(1) Based on December 31, 2021 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 Rentable Vehicles in each period and then divided by the number of months in the period reported. As discussed above, effective in the first quarter of 2022, we revised our calculation of Total RPU to use Average Rentable Vehicles as the denominator. Accordingly, prior periods have been restated to conform with the revised definition. The calculation of Total RPU Per Month is shown below:

	Americas RAC			International RAC		
	Years Ended December 31,					
(\$ in millions, except as noted)	2022	2021	2020	2022	2021	2020
Total Revenues-adjusted for foreign currency	\$ 7,284	\$ 6,212	\$ 3,759	\$ 1,512	\$ 951	\$ 885
Average Rentable Vehicles (in whole units)	385,234	345,306	406,239	93,564	76,190	98,261
Total revenue per unit (in whole dollars)	\$ 18,909	\$ 17,991	\$ 9,254	\$ 16,158	\$ 12,485	\$ 9,003
Number of months in period (in whole units)	12	12	12	12	12	12
Total RPU Per Month (in whole dollars)	\$ 1,576	\$ 1,499	\$ 771	\$ 1,346	\$ 1,040	\$ 750

- (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, net, with all periods adjusted to eliminate the effect of fluctuations in foreign currency exchange rates, divided by the Average Vehicles in each period, which is determined using a simple average of the number of vehicles at the beginning and end of a 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:

	Americas RAC			International RAC		
	Years Ended December 31,					
(\$ in millions, except as noted)	2022	2021	2020	2022	2021	2020
Depreciation of revenue earning vehicles and lease charges, net	\$ 553	\$ 343	\$ 1,352	\$ 148	\$ 154	\$ 243
Foreign currency adjustment ⁽¹⁾	1	—	1	11	(5)	5
Adjusted depreciation of revenue earning vehicles and lease charges	\$ 554	\$ 343	\$ 1,353	\$ 159	\$ 149	\$ 248
Average Vehicles (in whole units)	411,047	355,647	437,547	94,999	77,643	102,793
Adjusted depreciation of revenue earning vehicles and lease charges divided by Average Vehicles (in whole dollars)	\$ 1,348	\$ 964	\$ 3,093	\$ 1,673	\$ 1,915	\$ 2,410
Number of months in period (in whole units)	12	12	12	12	12	12
Depreciation Per Unit Per Month (in whole dollars)	\$ 112	\$ 81	\$ 258	\$ 139	\$ 160	\$ 201

(1) Based on December 31, 2021 foreign currency exchange rates for all periods presented.

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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 maintained by us in the U.S. and internationally.

Cash and Cash Equivalents

As of December 31, 2022, we had \$943 million of cash and cash equivalents and \$475 million of restricted cash and cash equivalents. As of December 31, 2022, \$512 million of cash and cash equivalents and \$90 million of restricted cash and cash equivalents were held by our subsidiaries outside of the U.S. We do not 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.

Cash Flows - Hertz

As of December 31, 2022 and 2021, Hertz had cash and cash equivalents of \$943 million and \$2.3 billion, respectively, and restricted cash and cash equivalents of \$475 million and \$393 million, respectively. The following table summarizes the net change in cash and cash equivalents and restricted cash and cash equivalents for the periods shown:

(In millions)	Years Ended December 31,			2022 vs. 2021	2021 vs. 2020
	2022	2021	2020	\$ Change	\$ Change
Cash provided by (used in):					
Operating activities	\$ 2,538	\$ 1,806	\$ 956	\$ 732	\$ 850
Investing activities	(4,233)	(3,544)	4,591	(689)	(8,135)
Financing activities	488	2,872	(5,403)	(2,384)	8,275
Effect of exchange rate changes	(25)	(34)	46	9	(80)
Net change in cash and cash equivalents and restricted cash and cash equivalents	<u>\$ (1,232)</u>	<u>\$ 1,100</u>	<u>\$ 190</u>	<u>\$ (2,332)</u>	<u>\$ 910</u>

Year ended December 31, 2022 compared with year ended December 31, 2021

In 2022, cash flows from operating activities increased by \$732 million year over year due primarily to the \$518 million change in net income, as adjusted for non-cash and non-operating items, and the associated decrease of \$214 million in working capital requirements. Cash flows from working capital accounts increased due primarily to cash paid for reorganization items in 2021 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 2022, there was a \$689 million increase in cash used in investing activities compared to 2021 due primarily to a \$3.4 billion increase in purchased vehicles due to increasing travel demand, primarily in our Americas RAC segment, \$871 million net proceeds received from the Donlen Sale in 2021 with no comparable amount in 2022, partially offset by \$3.7 billion increase in disposal proceeds in 2022 due to gains recognized on increased vehicle dispositions.

Net financing cash inflows were \$488 million in 2022 compared to \$2.9 billion in 2021. The \$2.4 billion decrease in cash inflows was due to \$5.6 billion of net proceeds received from the issuance of reorganized Hertz Global equity in 2021 with no comparable in 2022, partially offset by net proceeds of \$3 billion primarily related to the issuance of vehicle debt in 2022.

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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 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.

Cash Flows - Hertz Global

As of December 31, 2022 and 2021, Hertz Global had cash and cash equivalents of \$943 million and \$2.3 billion, respectively, and restricted cash and cash equivalents of \$475 million and \$393 million, respectively. The following table summarizes the net change in cash and cash equivalents and restricted cash and cash equivalents for Hertz Global for the periods shown:

(In millions)	Years Ended December 31,			2022 vs. 2021	2021 vs. 2020
	2022	2021	2020	\$ Change	\$ Change
Cash provided by (used in):					
Operating activities	\$ 2,538	\$ 1,806	\$ 953	\$ 732	\$ 853
Investing activities	(4,233)	(3,544)	4,591	(689)	(8,135)
Financing activities	487	2,845	(5,372)	(2,358)	8,217
Effect of exchange rate changes	(25)	(34)	46	9	(80)
Net change in cash and cash equivalents and restricted cash and cash equivalents	\$ (1,233)	\$ 1,073	\$ 218	\$ (2,306)	\$ 855

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 17, "Equity – Hertz Global," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2022 Annual Report, the issuance or exercise of Public Warrants as disclosed in Note 19, "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 2022 Annual Report.

Share Repurchase Programs 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 (the "2021 Share Repurchase Program"). Between the inception of the share repurchase program and December 31, 2021, a total of

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

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. During the second quarter of 2022, we completed the 2021 Share Repurchase Program by repurchasing 80,677,021 shares of Hertz Global's common stock during the first and second quarters of 2022 at an average share price of \$19.74 for an aggregate purchase price of \$1.6 billion. Under the completed 2021 Share Repurchase Program, a total of 97,783,047 shares of Hertz Global common stock were repurchased for an aggregate purchase price of \$2.0 billion.

In June 2022, Hertz Global's Board of Directors approved a new share repurchase program (the "2022 Share Repurchase Program") that authorized additional repurchases of up to an incremental \$2.0 billion worth of shares of Hertz Global's outstanding common stock. Between inception and December 31, 2022, a total of 47,303,009 shares of Hertz Global's common stock were repurchased under the 2022 Share Repurchase Program at an average share price of \$17.64 for an aggregate purchase price of \$835 million.

Between January 1, 2023 and January 26, 2023, a total of 1,079,647 shares of Hertz Global's common stock were repurchased under the 2022 Share Repurchase Program at an average share price of \$16.51 resulting in an aggregate purchase price of \$18 million.

Common shares repurchased are included in treasury stock in the accompanying Hertz Global consolidated balance sheets as of December 31, 2022 and 2021 under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2022 Annual Report.

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.

Public Warrants

On the Effective Date, in accordance with the Plan of Reorganization, Hertz Global 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. During the year ended December 31, 2022, 245,959 Public Warrants were exercised, of which 60,661 were cashless exercises and 185,298 were exercised for \$13.80 per share. The outstanding warrants are exercisable through June 30, 2051. As of December 31, 2022, the exercise price remains \$13.80.

Debt Financing

Refer to Note 6, "Debt," to the Notes to our consolidated financial statements included in this 2022 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, 2022.

Cash paid for interest on non-vehicle debt during 2022 and 2021 was \$168 million and \$198 million, respectively. The \$30 million decrease in non-vehicle debt interest is primarily due to the payoff and termination of non-vehicle debt in accordance with the Plan of Reorganization in 2021. Cash paid for interest on vehicle debt during 2022 and 2021 was \$204 million and \$257 million, respectively. The \$53 million decrease in vehicle debt interest is primarily due to the payoff and termination of vehicle debt in accordance with the Plan of Reorganization in 2021, partially offset by new vehicle debt issued in 2022.

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 2022 Annual Report.

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

(In millions)	As of December 31, 2022	As of December 31, 2021
Cash and cash equivalents	\$ 943	\$ 2,257
Availability under the First Lien RCF	1,514	925
Corporate liquidity	<u>\$ 2,457</u>	<u>\$ 3,182</u>

We believe that cash and 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.

Non-vehicle Debt

Significant financing activities during the year ended December 31, 2022 for our non-vehicle debt were as follows:

During 2022, the aggregate committed amount under the First Lien RCF was increased from \$1.3 billion to \$1.9 billion and the sublimit for letters of credit was increased from \$1.1 billion to \$1.8 billion.

Letters of Credit

As of December 31, 2022, there were outstanding standby letters of credit totaling \$691 million comprised primarily of \$431 million were issued under the First Lien RCF and \$245 million issued under the Term C Loan. As of December 31, 2022, 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 and to provide credit enhancement for our asset-backed securitization facilities, as well as to support our vehicle rental concessions and leaseholds. As of December 31, 2022, none of the issued letters of credit have been drawn upon.

Vehicle Debt

Significant financing activities during the year ended December 31, 2022 for our vehicle debt were as follows:

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

Americas RAC

In 2022, the following HVF III Series 2022 Fixed Rate Rental Car Asset Backed Notes (the "Series 2022 Notes") were issued as follows:

- HVF III Series 2022-1 Notes were issued in January 2022 in an aggregate principal amount of \$750 million. Hertz, an affiliate of HVF III, purchased the Class D Notes, and as a result approximately \$98 million of the aggregate principal amount eliminated in consolidation. In July and August 2022, all of the Series 2022-1 Class D Notes were sold to third parties.
- HVF III Series 2022-2 Notes were issued in January 2022 in an aggregate principal amount of \$750 million. Hertz purchased the Class D Notes, and as a result approximately \$98 million of the aggregate principal amount is eliminated in consolidation.
- HVF III Series 2022-3 Notes were issued in March 2022 in an aggregate principal amount of \$383 million. Hertz purchased the Class D Notes, and as a result approximately \$50 million of the aggregate principal amount eliminated in consolidation. In July 2022, all of the Series 2022-3 Class D Notes were sold to third parties.

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- HVF III Series 2022-4 Notes were issued in March 2022 in an aggregate principal amount of \$667 million. Hertz purchased the Class D Notes, and as a result \$87 million of the aggregate principal amount eliminated in consolidation. In August 2022, all of the Class D Notes were sold to a third party.
- HVF III Series 2022-5 Notes were issued in March 2022 in an aggregate principal amount of \$364 million. Hertz purchased the Class D Notes, and as a result approximately \$47 million of the aggregate principal amount is eliminated in consolidation.

There is subordination within each of the Series 2022 Notes based on class. Proceeds from the issuance of the Series 2022 Notes were used to repay amounts outstanding on the Series 2021-A Notes and for the purchase or refinancing of vehicles.

In June 2022, we entered into a repurchase agreement related to the outstanding HVF III Series 2022 Class D Notes (the "Repurchase Facility"), whereby Hertz may sell the HVF III Series 2022 Class D Notes to the Repurchase Facility counterparty and repurchase such notes from time to time. Transactions occurring under the Repurchase Facility are based on mutually agreeable terms and prevailing rates. As of December 31, 2022, transactions totaling \$86 million were outstanding under the Repurchase Facility and such transactions bear interest at a rate of SOFR plus 150 basis points and have a 30-day tenor.

The Hertz Canadian Securitization was amended in June 2022 to extend the maturity of the aggregate maximum borrowings of CAD\$350 million to June 2024. In December 2022, the Hertz Canadian Securitization was amended to provide for aggregate maximum borrowings of CAD\$390 million, for a temporary commitment period through April 2023. Following the expiration of the temporary commitment period, aggregate maximum borrowings will revert to CAD\$350 million.

Approximately \$532 million of the outstanding vehicle debt in our Americas RAC segment is scheduled to mature during the twelve months following the issuance of this 2022 Annual Report.

International RAC

In 2022, the following activities occurred to debt facilities within our International RAC segment:

- The Australian Securitization was amended in January 2022 to increase the aggregate maximum borrowings to AUD\$250 million and to extend the maturity to April 2024.
- Hertz U.K. Limited amended the U.K. Financing Facility in April 2022 to extend the maturity of the aggregate maximum borrowings of £100 million to October 2023.
- Hertz U.K. Limited amended the U.K. Toyota Financing Facility in July 2022 to increase aggregate maximum borrowings to £42 million and extended the maturity to June 2023.
- Hertz New Zealand Holdings Limited amended its credit agreement in April 2022 to extend the maturity to June 2024. In October 2022, the credit agreement was amended to provide for aggregate maximum borrowings up to NZD\$85 million, for a seasonal commitment period through March 2023. Following the expiration of the seasonal commitment period, aggregate maximum borrowings will revert to NZD\$60 million.
- The European ABS was amended in December 2022 to (i) increase the aggregate maximum borrowings to €1.1 billion, (ii) extend the maturity to November 2024, and (iii) incorporate the Italian fleet within the European ABS financing structure.

Approximately \$119 million of the outstanding vehicle debt in our International RAC segment is scheduled to mature during the twelve months following the issuance of this 2022 Annual Report.

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Covenants

The First Lien Credit Agreement requires us to comply with the following financial covenant: 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 was effective beginning in the third quarter of 2021. As of December 31, 2022, we were in compliance with the First Lien Ratio.

In addition to the financial covenant, the First Lien Credit Agreement contains customary affirmative covenants including, among other things, the delivery of quarterly and annual financial statements and compliance certificates, and covenants related to 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, 2022, 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 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 2022 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 2022 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:

<u>Cash inflow (cash outflow)</u> (In millions)	Revenue Earning Vehicles		
	Capital Expenditures	Disposal Proceeds	Net Capital Proceeds (Expenditures)
2022	\$ (10,596)	\$ 6,498	\$ (4,098)
2021	(7,154)	2,818	(4,336)
2020	(5,542)	10,098	4,556

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

<u>Cash inflow (cash outflow).</u> (\$ in millions)	Years Ended December 31,			2022 vs. 2021		2021 vs. 2020	
	2022	2021	2020	\$ Change	% Change	\$ Change	% Change
Americas RAC	\$ (3,470)	\$ (3,763)	\$ 3,903	\$ 293	(8)	\$ (7,666)	NM
International RAC	(628)	(489)	929	(139)	28	(1,418)	NM
All other operations	—	(84)	(276)	84	(100)	192	(70)
Total	<u>\$ (4,098)</u>	<u>\$ (4,336)</u>	<u>\$ 4,556</u>	<u>\$ 238</u>	<u>(5)</u>	<u>\$ (8,892)</u>	<u>NM</u>

NM - Not meaningful

Year ended December 31, 2022 compared with year ended December 31, 2021

In 2022, revenue earning vehicle expenditures increased approximately \$3.4 billion, or 48%, compared to 2021, primarily in our Americas RAC segment, due primarily to increased vehicle acquisitions resulting from increased travel demand. Revenue earning vehicle disposal proceeds increased approximately \$3.7 billion in 2022 compared to 2021, primarily in our Americas RAC segment, resulting from increased vehicle dispositions.

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 compared to increased disposals in 2020 resulting from 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.

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
2022	\$ (150)	\$ 12	\$ (138)
2021	(71)	16	(55)
2020	(98)	60	(38)

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,			2022 vs. 2021		2021 vs. 2020	
	2022	2021	2020	\$ Change	% Change	\$ Change	% Change
Americas RAC	\$ (114)	\$ (35)	\$ 3	\$ (79)	NM	\$ (38)	NM
International RAC	(10)	(8)	(4)	(2)	25	(4)	100
All other operations	—	(1)	(4)	1	(100)	3	(75)
Corporate	(14)	(11)	(33)	(3)	27	22	(67)
Total	<u>\$ (138)</u>	<u>\$ (55)</u>	<u>\$ (38)</u>	<u>\$ (83)</u>	<u>NM</u>	<u>\$ (17)</u>	<u>45</u>

NM - Not meaningful

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Year ended December 31, 2022 compared with year ended December 31, 2021

In 2022, net expenditures for non-vehicle capital assets increased by \$83 million, driven primarily by our Americas RAC segment, resulting from the restart of location refurbishment projects put on hold during the Chapter 11 Cases and electric vehicle charging infrastructure spend in 2022.

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.

CONTRACTUAL OBLIGATIONS

The following table details our contractual cash obligations as of December 31, 2022:

(In millions)	Total	Payments Due by Period			
		2023	2024 to 2025	2026 to 2027	After 2027
Vehicles:					
Debt obligation	\$ 10,948	\$ 657	\$ 7,305	\$ 2,986	\$ —
Interest on debt ⁽¹⁾	837	406	361	70	—
Non-Vehicle:					
Debt obligation	3,035	20	28	526	2,461
Interest on debt ⁽¹⁾	1,051	216	381	312	142
Minimum fixed obligations for operating leases	2,943	471	693	466	1,313
Commitments to purchase vehicles ⁽²⁾	6,625	5,412	318	418	477
Purchase obligations and other ⁽³⁾	269	143	91	33	2
Total	\$ 25,708	\$ 7,325	\$ 9,177	\$ 4,811	\$ 4,395

(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, 2022. See Note 6, "Debt," to the Notes to our consolidated financial statements included in this 2022 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data" for further details.

(2) Represents fleet purchases where contracts have been signed or are pending with committed orders under the terms of such agreements. We expect purchases under these agreements will be financed primarily through the issuance of vehicle debt. These purchases are subject to vehicle manufacturers satisfying their performance commitments under such agreements.

(3) 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 \$28 million representing our tax liability for uncertain tax positions and related net accrued interest and penalties.

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 2022 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

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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 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 2022 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 2022 worldwide net periodic pension expense included in the accompanying consolidated statement of operations for the year ended December 31, 2022 is \$7 million, which was comparable to 2021.

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 2022 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data," decreased in December 31, 2022 compared with December 31, 2021 primarily due to decreased returns on plan assets. We did not contribute to the Hertz Retirement Plan during 2022, and we do not anticipate contributing to the Hertz Retirement Plan during 2023. For the international plans, we anticipate contributing approximately \$3 million during 2023. The level of 2023 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 projected liabilities as of December 31, 2022. 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

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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 2022 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.

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 2022 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

Revenue Earning Vehicles

Our principal assets are revenue earning vehicles, which represented approximately 56% of our total assets as of December 31, 2022. Revenue earning vehicles consist of vehicles utilized in our vehicle rental operations. For the year ended December 31, 2022, 9% 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.

For program vehicles, 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 program vehicle upon sale according to certain parameters which include the holding period, mileage and condition of the vehicles.

For all other vehicles, depreciation is recorded over the forecasted holding period based on estimated residual values at the time of disposal. 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, which is affected by many factors including make, model and options, age, physical condition, mileage, sale location and time of the year. 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. 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, which may result in periodic adjustments to the depreciation rates applied prospectively. Upon disposal of revenue earning vehicles, any difference between the net proceeds received and the net book value results in a gain or loss and is recorded as an adjustment to depreciation of revenue earning vehicles and lease charges in the accompanying statements of operations.

Changes in estimated residual values or holding periods could cause a material change in our estimates of non-program depreciation expense.

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

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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 monitored quarterly 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, projected cash flows, 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 determined based on the reporting unit's weighted average cost of capital ("WACC"). 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 supply chain constraints 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 and the resulting impact to our assumptions about future estimated cash flows, projected revenues 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.

Income Taxes

Our income tax expense, deferred tax assets and liabilities, and liabilities for unrecognized tax benefits reflect management's best estimate of current and future taxes to be paid. We are subject to income taxes in the United

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States and numerous foreign jurisdictions. Significant judgments and estimates are required in the determination of the consolidated income tax expense.

We record net deferred tax assets to the extent we believe these assets will more likely than not be realized. In evaluating our ability to recover our deferred tax assets in 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 recent operations. The assumptions about future taxable income require the use of significant judgment and are consistent with the plans and estimates we are using to manage the underlying businesses.

The calculation of our tax liabilities involves dealing with uncertainties in the application of complex tax laws and regulations in a multitude of jurisdictions across our global operations. ASC 740 states that a tax benefit from an uncertain tax position may be recognized when it is more likely than not that the position will be sustained upon examination, including resolutions of any related appeals or litigation processes, on the basis of the technical merits.

We record unrecognized tax benefits as liabilities in accordance with ASC 740 and adjust these liabilities 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. Because of the complexity of some of these uncertainties, the ultimate resolution may result in a payment or a loss of a tax attribute or deduction that is materially different from our current estimate of the unrecognized tax benefits. These differences will be reflected as increases or decreases to income tax expense in the period in which the change in judgement occurs.

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 2022 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

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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 2022 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. Although the instruments utilized involve varying degrees of credit, market and interest risk, we contract with multiple counterparties to mitigate concentrations of risk and the counterparties to the agreements are expected to perform fully under the terms of the agreements. We monitor counterparty credit risk, including lenders, on a regular basis, but cannot be certain that all risks will be discerned or that our risk management policies and procedures will always be effective.

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, Secured Overnight Financing Rate ("SOFR"), 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 2022 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, cash equivalents and investments as of December 31, 2022, our pre-tax operating results would decrease by an estimated \$50 million over a twelve-month period.

From time to time, we enter into interest rate swap and/or interest rate cap agreements to manage interest rate risk and our mix of fixed and floating rate debt. See Note 12, "Financial Instruments," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplementary Data" included in this 2022 Annual Report.

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 resulting from intercompany transactions and other cross currency obligations. We do not hedge our operating results against currency movement as they are primarily translational in nature. Assuming a hypothetical change of one percentage point to the foreign currency exchange rates on our intercompany loan balance as of December 31, 2022, our pre-tax operating results would increase (decrease) by approximately \$3 million. Additionally, each one percentage point change in foreign currency movements is estimated to impact our Adjusted Corporate EBITDA by an estimated \$3 million over a twelve-month period.

We manage our foreign currency exchange risk primarily by incurring, to the extent practicable, operating and financing expenses in the local currency in the countries in which we operate. We may also purchase foreign currency exchange rate derivative financial instruments to manage exposure to fluctuations in foreign currency exchanges rates. See Note 12, "Financial Instruments," to the Notes to our consolidated financial statements under the caption Item 8, "Financial Statements and Supplemental Data," included in this 2022 Annual Report.

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

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

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

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HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES**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, 2022 and 2021, 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, 2022, 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, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022, 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, 2022, 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 7, 2023 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.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES

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, 2022, total depreciation of revenue earning vehicles and lease charges, net in the Americas RAC segment was \$553 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 related to market conditions and their effect on estimated residual values. 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 evaluated the reasonableness of other significant assumptions, such as resale market conditions, 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 – Public Liability, Property Damage, and Liability Insurance Supplement**Description of the Matter**

As disclosed in Notes 2 and 15 to the consolidated financial statements, the Company is self-insured for public liability, property damage, general liability, liability insurance supplement, personal accident insurance, and workers' 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, 2022 were \$472 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.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES

Auditing the public liability, property damage, and liability insurance supplement components of the self-insured liability reserves is complex and required the involvement of our actuarial specialists due to the significant valuation uncertainty associated with the estimates, management's application of complex judgments, and the use of actuarial methods. In addition, the public liability, property damage, and liability insurance supplement self-insured liability reserve estimates are sensitive to management's assumptions related to rental volume, actuarial evaluations of historical claim experience and trends, and future projections of ultimate losses used in the computation of these 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 public liability, property damage, and liability insurance supplement self-insured liability estimation process. For example, we tested controls over management's review of the assumptions outlined above that are used in these self-insured liability calculations and the completeness and accuracy of the data underlying these self-insured liabilities.

To test the valuation of the public liability, property damage, and liability insurance supplement self-insured liability reserves, we performed audit procedures that included involving our internal actuarial specialists to assist us in developing an independent range 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 estimates of the liability developed by our actuarial specialists based on the underlying claims data and independently selected assumptions.

/s/ Ernst & Young LLP

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

Tampa, Florida
February 7, 2023

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES**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, 2022, 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, 2022, 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, 2022 and 2021, 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, 2022, and the related notes and financial statement schedules listed in the Index at Item 15(a) and our report dated February 7, 2023 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 7, 2023

THE HERTZ CORPORATION AND SUBSIDIARIES**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, 2022 and 2021, 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, 2022, 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, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022, in conformity with U.S. generally accepted accounting principles.

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THE HERTZ CORPORATION AND SUBSIDIARIES

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

Description of the Matter

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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.

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Description of the Matter

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THE HERTZ CORPORATION AND SUBSIDIARIES

Auditing the public liability, property damage, and liability insurance supplement components of the self-insured liability reserves is complex and required the involvement of our actuarial specialists due to the significant valuation uncertainty associated with the estimates, management's application of complex judgments, and the use of actuarial methods. In addition, the public liability, property damage, and liability insurance supplement self-insured liability reserve estimates are sensitive to management's assumptions related to rental volume, actuarial evaluations of historical claim experience and trends, and future projections of ultimate losses used in the computation of these self-insured liabilities.

***How We Addressed
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Audit***

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

To test the valuation of the public liability, property damage, and liability insurance supplement self-insured liability reserves, we performed audit procedures that included involving our internal actuarial specialists to assist us in developing an independent range 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 estimates of the liability developed by our actuarial specialists based on the underlying claims data and independently selected assumptions.

/s/ Ernst & Young LLP

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

Tampa, Florida
February 7, 2023

THE HERTZ CORPORATION AND SUBSIDIARIES**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, 2022, 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, 2022, 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, 2022 and 2021, 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, 2022, and the related notes and financial statement schedule listed in the Index at Item 15(a) and our report dated February 7, 2023 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 7, 2023

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

	December 31, 2022	December 31, 2021
ASSETS		
Cash and cash equivalents	\$ 943	\$ 2,258
Restricted cash and cash equivalents:		
Vehicle	180	77
Non-vehicle	295	316
Total restricted cash and cash equivalents	475	393
Total cash and cash equivalents and restricted cash and cash equivalents	1,418	2,651
Receivables:		
Vehicle	111	62
Non-vehicle, net of allowance of \$45 and \$48, respectively	863	696
Total receivables, net	974	758
Prepaid expenses and other assets	1,155	1,017
Revenue earning vehicles:		
Vehicles	14,281	10,836
Less: accumulated depreciation	(1,786)	(1,610)
Total revenue earning vehicles, net	12,495	9,226
Property and equipment, net	637	608
Operating lease right-of-use assets	1,887	1,566
Intangible assets, net	2,887	2,912
Goodwill	1,044	1,045
Total assets ⁽¹⁾	\$ 22,497	\$ 19,783
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable:		
Vehicle	\$ 79	\$ 56
Non-vehicle	578	516
Total accounts payable	657	572
Accrued liabilities	911	863
Accrued taxes, net	170	157
Debt:		
Vehicle	10,886	7,921
Non-vehicle	2,977	2,986
Total debt	13,863	10,907
Public Warrants	617	1,324
Operating lease liabilities	1,802	1,510
Self-insured liabilities	472	463
Deferred income taxes, net	1,360	1,010
Total liabilities ⁽¹⁾	19,852	16,806
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.01 par value, no shares issued and outstanding	—	—
Common stock, \$0.01 par value, 478,914,062 and 477,233,278 shares issued, respectively, and 323,483,178 and 449,782,424 shares outstanding, respectively	5	5
Treasury stock, at cost, 155,430,884 and 27,450,854 common shares, respectively	(3,136)	(708)
Additional paid-in capital	6,326	6,209
Retained earnings (Accumulated deficit)	(256)	(2,315)
Accumulated other comprehensive income (loss)	(294)	(214)
Total stockholders' equity	2,645	2,977
Total liabilities and stockholders' equity	\$ 22,497	\$ 19,783

(1) Hertz Global Holdings, Inc.'s consolidated total assets as of December 31, 2022 and December 31, 2021 include total assets of variable interest entities ("VIEs") of \$1.3 billion and \$734 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, 2022 and December 31, 2021 include total liabilities of VIEs of \$1.3 billion and \$733 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,		
	2022	2021	2020
Revenues	\$ 8,685	\$ 7,336	\$ 5,258
Expenses:			
Direct vehicle and operating	4,808	3,920	3,423
Depreciation of revenue earning vehicles and lease charges, net	701	497	2,030
Non-vehicle depreciation and amortization	142	196	225
Selling, general and administrative	959	688	645
Interest expense, net:			
Vehicle	159	284	455
Non-vehicle (excludes contractual interest of \$129 million for the year ended December 31, 2020)	169	185	153
Interest expense, net	328	469	608
Technology-related intangible and other asset impairments	—	—	213
Other (income) expense, net	2	(21)	(9)
Reorganization items, net	—	677	175
(Gain) from the sale of a business	—	(400)	—
Change in fair value of Public Warrants	(704)	627	—
Total expenses	6,236	6,653	7,310
Income (loss) before income taxes	2,449	683	(2,052)
Income tax (provision) benefit	(390)	(318)	329
Net income (loss)	2,059	365	(1,723)
Net (income) loss attributable to noncontrolling interests	—	1	9
Net income (loss) attributable to Hertz Global	2,059	366	(1,714)
Series A Preferred Stock deemed dividends	—	(450)	—
Net income (loss) available to Hertz Global common stockholders	\$ 2,059	\$ (84)	\$ (1,714)
Weighted-average common shares outstanding:			
Basic	379	315	150
Diluted	403	315	150
Earnings (loss) per common share:			
Basic	\$ 5.43	\$ (0.27)	\$ (11.44)
Diluted	\$ 3.36	\$ (0.27)	\$ (11.44)

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,		
	2022	2021	2020
Net income (loss)	\$ 2,059	\$ 365	\$ (1,723)
Other comprehensive income (loss):			
Foreign currency translation adjustments	(76)	(36)	(19)
Net gain (loss) on pension and postretirement benefit plans	(17)	25	(11)
Reclassification from other comprehensive income (loss) to other (income) expense for amortization of actuarial net losses	7	15	13
Total other comprehensive income (loss) before income taxes	(86)	4	(17)
Income tax (provision) benefit related to pension and postretirement benefit plans	7	(3)	(4)
Income tax (provision) benefit related to reclassified amounts of net periodic costs on pension and postretirement benefit plans	(1)	(3)	(2)
Total other comprehensive income (loss)	(80)	(2)	(23)
Total comprehensive income (loss)	1,979	363	(1,746)
Comprehensive (income) loss attributable to noncontrolling interests	—	1	9
Comprehensive income (loss) attributable to Hertz Global	\$ 1,979	\$ 364	\$ (1,737)

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)

	Mezzanine Equity											
	Preferred Stock Shares	Preferred Stock Amount	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	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
Balance as of:												
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
Net income (loss)	—	—	—	—	—	2,059	—	—	—	2,059	—	2,059
Other comprehensive income (loss)	—	—	—	—	—	—	(80)	—	—	(80)	—	(80)
Stock-based compensation charges, net of tax	—	—	—	—	131	—	—	—	—	131	—	131
Net settlement on vesting of restricted stock	—	—	—	—	(20)	—	—	—	—	(20)	—	(20)
Public Warrant exercises	—	—	—	—	6	—	—	—	—	6	—	6
Shares repurchases	—	—	(127)	—	—	—	—	128	(2,428)	(2,428)	—	(2,428)
December 31, 2022	—	\$ —	323	\$ 5	\$ 6,326	\$ (256)	\$ (294)	155	\$ (3,136)	\$ 2,645	\$ —	\$ 2,645

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 19, "Public Warrants - Hertz Global."
- (2) See Nasdaq Listing and Share Repurchase Programs for Common Stock in Note 17, "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,		
	2022	2021	2020
Cash flows from operating activities:			
Net income (loss)	\$ 2,059	\$ 365	\$ (1,723)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation and reserves for revenue earning vehicles, net	809	600	2,259
Depreciation and amortization, non-vehicle	142	196	225
Amortization of deferred financing costs and debt discount (premium)	53	122	59
Loss on extinguishment of debt	—	8	5
Stock-based compensation charges	130	10	(2)
Provision for receivables allowance	57	125	94
Deferred income taxes, net	301	270	(353)
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 sale of non-vehicle capital assets	(5)	(8)	(24)
Change in fair value of Public Warrants	(704)	627	—
(Gain) loss on financial instruments	(111)	(4)	(3)
Other	11	(1)	8
Changes in assets and liabilities:			
Non-vehicle receivables	(264)	(210)	195
Prepaid expenses and other assets	(126)	(20)	92
Operating lease right-of-use assets	280	274	366
Non-vehicle accounts payable	43	(70)	98
Accrued liabilities	80	(108)	(61)
Accrued taxes, net	73	24	(52)
Operating lease liabilities	(309)	(291)	(375)
Self-insured liabilities	19	(17)	(76)
Net cash provided by (used in) operating activities	2,538	1,806	953
Cash flows from investing activities:			
Revenue earning vehicles expenditures	(10,596)	(7,154)	(5,542)
Proceeds from disposal of revenue earning vehicles	6,498	2,818	10,098
Non-vehicle capital asset expenditures	(150)	(71)	(98)
Proceeds from disposal of non-vehicle capital assets	12	16	60
Sales of marketable securities	—	—	74
Collateral payments	—	(303)	—
Collateral returned in exchange for letters of credit	19	280	—
Return of (investment in) equity investments	(16)	—	—
Proceeds from the sale of a business, net of cash sold	—	871	—
Other	—	(1)	(1)
Net cash provided by (used in) investing activities	(4,233)	(3,544)	4,591
Cash flows from financing activities:			
Proceeds from issuance of vehicle debt	9,672	14,323	4,546
Repayments of vehicle debt	(6,639)	(12,607)	(10,751)
Proceeds from issuance of non-vehicle debt	—	4,644	1,812

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

	Years Ended December 31,		
	2022	2021	2020
Repayments of non-vehicle debt	(20)	(6,352)	(855)
Payment of financing costs	(48)	(185)	(75)
Proceeds from Plan Sponsors	—	2,781	—
Early redemption premium payment	—	(85)	—
Proceeds from issuance of common stock, net	—	—	28
Proceeds from exercises of Public Warrants	3	77	—
Proceeds from the issuance of preferred stock, net	—	1,433	—
Distributions to common stockholders	—	(239)	—
Contributions from (distributions to) noncontrolling interests	—	(38)	(75)
Proceeds from 2021 Rights Offering, net	—	1,639	—
Share repurchases	(2,461)	(654)	—
Repurchase of preferred stock	—	(1,883)	—
Other	(20)	(9)	(2)
Net cash provided by (used in) financing activities	487	2,845	(5,372)
Effect of foreign currency exchange rate changes on cash and cash equivalents and restricted cash and cash equivalents	(25)	(34)	46
Net increase (decrease) in cash and cash equivalents and restricted cash and cash equivalents during the period	(1,233)	1,073	218
Cash and cash equivalents and restricted cash and cash equivalents at beginning of period ⁽¹⁾	2,651	1,578	1,360
Cash and cash equivalents and restricted cash and cash equivalents at end of period ⁽¹⁾	\$ 1,418	\$ 2,651	\$ 1,578

Supplemental disclosures of cash flow information:

Cash paid during the period for:

Interest, net of amounts capitalized:

Vehicle	\$ 204	\$ 257	\$ 335
Non-vehicle	168	198	109
Income taxes, net of refunds	78	40	(11)
Operating lease liabilities	454	472	546

Supplemental disclosures of non-cash information:

Purchases of revenue earning vehicles included in accounts payable, net of incentives	\$ 53	\$ 27	\$ 9
Sales of revenue earning vehicles included in vehicle receivables	85	33	144
Purchases of non-vehicle capital assets included in accounts payable	23	24	7
Revenue earning vehicles and non-vehicle capital assets acquired through finance leases	15	79	32
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	614	177	152
Public Warrants issuance	—	800	—
Public Warrant exercises	3	103	—
Backstop equity issuance	—	164	—
Accrual for purchases of treasury shares	21	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 disclosed 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, 2022	December 31, 2021
ASSETS		
Cash and cash equivalents	\$ 943	\$ 2,257
Restricted cash and cash equivalents:		
Vehicle	180	77
Non-vehicle	295	316
Total restricted cash and cash equivalents	475	393
Total cash and cash equivalents and restricted cash and cash equivalents	1,418	2,650
Receivables:		
Vehicle	111	62
Non-vehicle, net of allowance of \$45 and \$48, respectively	863	695
Total receivables, net	974	757
Prepaid expenses and other assets	1,154	1,016
Revenue earning vehicles:		
Vehicles	14,281	10,836
Less: accumulated depreciation	(1,786)	(1,610)
Total revenue earning vehicles, net	12,495	9,226
Property and equipment, net	637	608
Operating lease right-of-use assets	1,887	1,566
Intangible assets, net	2,887	2,912
Goodwill	1,044	1,045
Total assets ⁽¹⁾	\$ 22,496	\$ 19,780
LIABILITIES AND STOCKHOLDER'S EQUITY		
Accounts payable:		
Vehicle	\$ 79	\$ 56
Non-vehicle	578	516
Total accounts payable	657	572
Accrued liabilities	890	809
Accrued taxes, net	170	157
Debt:		
Vehicle	10,886	7,921
Non-vehicle	2,977	2,986
Total debt	13,863	10,907
Operating lease liabilities	1,802	1,510
Self-insured liabilities	472	463
Deferred income taxes, net	1,363	1,012
Total liabilities ⁽¹⁾	19,217	15,430
Commitments and contingencies		
Stockholder's equity:		
Common stock, \$0.01 par value, 3,000 shares authorized and 100 shares issued and outstanding	—	—
Additional paid-in capital	4,844	7,190
Retained earnings (Accumulated deficit)	(1,271)	(2,626)
Accumulated other comprehensive income (loss)	(294)	(214)
Total stockholder's equity	3,279	4,350
Total liabilities and stockholder's equity	\$ 22,496	\$ 19,780

(1) The Hertz Corporation's consolidated total assets as of December 31, 2022 and December 31, 2021 include total assets of VIEs of \$1.3 billion and \$734 million, respectively, which can only be used to settle obligations of the VIEs. The Hertz Corporation's consolidated total liabilities as of December 31, 2022 and December 31, 2021 include total liabilities of VIEs of \$1.3 billion and \$733 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,		
	2022	2021	2020
Revenues	\$ 8,685	\$ 7,336	\$ 5,258
Expenses:			
Direct vehicle and operating	4,808	3,920	3,423
Depreciation of revenue earning vehicles and lease charges, net	701	497	2,030
Non-vehicle depreciation and amortization	142	196	225
Selling, general and administrative	959	688	645
Interest expense, net:			
Vehicle	159	284	455
Non-vehicle (excludes contractual interest of \$129 million for the year ended December 31, 2020)	169	185	151
Interest expense, net	328	469	606
Technology-related intangible and other asset impairments	—	—	213
Write-off of intercompany loan	—	—	133
Other (income) expense, net	2	(21)	(9)
Reorganization items, net	—	513	175
(Gain) from the sale of a business	—	(400)	—
Total expenses	6,940	5,862	7,441
Income (loss) before income taxes	1,745	1,474	(2,183)
Income tax (provision) benefit	(390)	(318)	328
Net income (loss)	1,355	1,156	(1,855)
Net (income) loss attributable to noncontrolling interests	—	1	9
Net income (loss) attributable to Hertz	\$ 1,355	\$ 1,157	\$ (1,846)

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,		
	2022	2021	2020
Net income (loss)	\$ 1,355	\$ 1,156	\$ (1,855)
Other comprehensive income (loss):			
Foreign currency translation adjustments	(76)	(36)	(19)
Net gain (loss) on pension and postretirement benefit plans	(17)	25	(11)
Reclassification from other comprehensive income (loss) to other (income) expense for amortization of actuarial net losses	7	15	13
Total other comprehensive income (loss) before income taxes	(86)	4	(17)
Income tax (provision) benefit related to pension and postretirement benefit plans	7	(3)	(4)
Income tax (provision) benefit related to reclassified amounts of net periodic costs on pension and postretirement benefit plans	(1)	(3)	(2)
Total other comprehensive income (loss)	(80)	(2)	(23)
Total comprehensive income (loss)	1,275	1,154	(1,878)
Comprehensive (income) loss attributable to noncontrolling interests	—	1	9
Comprehensive income (loss) attributable to Hertz	\$ 1,275	\$ 1,155	\$ (1,869)

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, except for share data)

	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)
Balance as of:									
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
Net income (loss)	—	—	—	—	1,355	—	1,355	—	1,355
Other comprehensive income (loss)	—	—	—	—	—	(80)	(80)	—	(80)
Stock-based compensation charges, net of tax	—	—	131	—	—	—	131	—	131
Dividends to Hertz Holdings ⁽³⁾	—	—	(2,477)	—	—	—	(2,477)	—	(2,477)
December 31, 2022	100	\$ —	\$ 4,844	\$ —	\$ (1,271)	\$ (294)	\$ 3,279	\$ —	\$ 3,279

(1) See Note 16, "Related Party Transactions."

(2) Effective October 31, 2021, the 767 lease agreement was terminated. See Note 3, "Divestitures."

(3) See "Share Repurchase Programs for Common Stock" in Note 17, "Equity – Hertz Global," for additional information.

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,		
	2022	2021	2020
Cash flows from operating activities:			
Net income (loss)	\$ 1,355	\$ 1,156	\$ (1,855)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation and reserves for revenue earning vehicles, net	809	600	2,259
Depreciation and amortization, non-vehicle	142	196	225
Amortization of deferred financing costs and debt discount (premium)	53	122	59
Loss on extinguishment of debt	—	8	5
Stock-based compensation charges	130	10	(2)
Provision for receivables allowance	57	125	94
Deferred income taxes, net	301	270	(353)
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 sale of non-vehicle capital assets	(5)	(8)	(24)
(Gain) loss on financial instruments	(111)	(4)	(3)
Other	11	(1)	8
Changes in assets and liabilities:			
Non-vehicle receivables	(264)	(210)	195
Prepaid expenses and other assets	(126)	(20)	94
Operating lease right-of-use assets	280	274	366
Non-vehicle accounts payable	43	(70)	98
Accrued liabilities	80	(108)	(61)
Accrued taxes, net	73	24	(52)
Operating lease liabilities	(309)	(291)	(375)
Self-insured liabilities	19	(17)	(76)
Net cash provided by (used in) operating activities	2,538	1,806	956
Cash flows from investing activities:			
Revenue earning vehicles expenditures	(10,596)	(7,154)	(5,542)
Proceeds from disposal of revenue earning vehicles	6,498	2,818	10,098
Non-vehicle capital asset expenditures	(150)	(71)	(98)
Proceeds from disposal of non-vehicle capital assets	12	16	60
Sales of marketable securities	—	—	74
Collateral payments	—	(303)	—
Collateral returned in exchange for letters of credit	19	280	—
Proceeds from the sale of a business, net of cash sold	—	871	—
Return of (investment in) equity investments	(16)	—	—
Other	—	(1)	(1)
Net cash provided by (used in) investing activities	(4,233)	(3,544)	4,591
Cash flows from financing activities:			
Proceeds from issuance of vehicle debt	9,672	14,323	4,546
Repayments of vehicle debt	(6,639)	(12,607)	(10,751)
Proceeds from issuance of non-vehicle debt	—	4,644	1,812

THE HERTZ CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(In millions)

	Years Ended December 31,		
	2022	2021	2020
Repayments of non-vehicle debt	(20)	(6,352)	(855)
Payment of financing costs	(48)	(185)	(75)
Early redemption premium payment	—	(85)	—
Advances to Hertz Holdings	—	—	(5)
Contributions from (distributions to) noncontrolling interests	—	(38)	(75)
Dividends paid to Hertz Holdings	(2,477)	(2,470)	—
Contributions from Hertz Holdings	—	5,642	—
Net cash provided by (used in) financing activities	488	2,872	(5,403)
Effect of foreign currency exchange rate changes on cash and cash equivalents and restricted cash and cash equivalents	(25)	(34)	46
Net increase (decrease) in cash and cash equivalents and restricted cash and cash equivalents during the period	(1,232)	1,100	190
Cash and cash equivalents and restricted cash and cash equivalents at beginning of period ⁽¹⁾	2,650	1,550	1,360
Cash and cash equivalents and restricted cash and cash equivalents at end of period ⁽¹⁾	\$ 1,418	\$ 2,650	\$ 1,550
Supplemental disclosures of cash flow information:			
Cash paid during the period for:			
Interest, net of amounts capitalized:			
Vehicle	\$ 204	\$ 257	\$ 335
Non-vehicle	168	198	109
Income taxes, net of refunds	78	40	(11)
Operating lease liabilities	454	472	546
Supplemental disclosures of non-cash information:			
Purchases of revenue earning vehicles included in accounts payable, net of incentives	\$ 53	\$ 27	\$ 9
Sales of revenue earning vehicles included in vehicle receivables	85	33	144
Purchases of non-vehicle capital assets included in accounts payable	23	24	7
Revenue earning vehicles and non-vehicle capital assets acquired through finance leases	15	79	32
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	614	177	152
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 disclosed 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-operated, 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.

On May 22, 2020, as a result of the impact from the COVID-19 global pandemic, the Debtors filed voluntary petitions for relief under Chapter 11 of the U.S. Bankruptcy Code in the Bankruptcy Court. On June 10, 2021, the Plan of Reorganization was confirmed by the Bankruptcy Court and on June 30, 2021, the Plan of Reorganization became effective and the Debtors emerged from Chapter 11.

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.

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.

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.

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 indefinite-lived intangible assets including goodwill, valuation of stock-

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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 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 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 the 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. Vehicle repurchase 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.

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 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 monitored quarterly 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. The Company has identified two reporting units (operating segments): 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 determined based on the reporting unit's WACC. The Company's discounted cash flow projections 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

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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 accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, the Company determines deferred tax assets and liabilities on the basis of the differences between the financial statement and tax bases of assets and liabilities by using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date.

The Company recognizes deferred tax assets to the extent that the Company believes that these assets are more likely than not to be realized. In making such a determination, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, carryback potential if permitted under the tax law, and results of recent operations.

The Company records uncertain tax positions in accordance with ASC 740 on the basis of a two-step process in which (1) the Company determines whether it is more likely than not that the tax positions will be sustained on the basis of the technical merits of the position and (2) for those tax positions that meet the more-likely-than-not recognition threshold, the Company recognizes the largest amount of tax benefit that is more than 50 percent likely to be realized upon ultimate settlement with the related tax authority.

The Company recognizes interest and penalties related to unrecognized tax benefits on the income tax expense line in the accompanying consolidated statements of operations. Accrued interest and penalties are included in the related tax liability line in the accompanying consolidated balance sheets.

The Company has elected to record tax on global intangible low-tax income ("GILTI") on a current basis. "GILTI" is a U.S. tax on certain earnings of foreign subsidiaries that are subject to foreign tax below a certain threshold.

Revenue Recognition

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.

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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. 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 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.

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 and Cash Equivalents and Restricted Cash and 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 cash equivalents include cash and cash equivalents that are not readily available for use in the Company's operating activities. Restricted cash and 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

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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.

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, 2022	December 31, 2021
Land, buildings and leasehold improvements	\$ 990	\$ 971
Service vehicles, equipment and furniture and fixtures	392	339
Less: accumulated depreciation	(745)	(702)
Total property and equipment, net	<u>\$ 637</u>	<u>\$ 608</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, 2022, 2021 and 2020 was \$97 million, \$108 million and \$129 million, respectively.

The Company follows the practice of expensing maintenance and repair costs for service vehicles, furniture and fixtures, and equipment, including the cost of minor replacements.

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 forty years and two to fifteen years, respectively. Long-lived assets and intangible assets with finite lives are

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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.

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

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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.

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 selling, general and administrative 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, 2022, 2021 and 2020 were \$262 million, \$195 million and \$129 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

Government Assistance

In November 2021, the FASB issued guidance that increases the transparency of government assistance transactions. The guidance requires disclosure of (1) the types of assistance, (2) an entity's accounting for the assistance, and (3) the effect of the assistance on an entity's financial statements. The guidance was effective for annual periods beginning after December 15, 2021. The Company adopted this guidance on January 1, 2022 on a prospective basis. As government assistance transactions were not material, the adoption of this guidance had no impact on the Company's financial position, results of operations or cash flows, and resulted in no associated disclosures.

Note 3—Divestitures

Donlen Sale

On March 30, 2021, the Company completed the sale of substantially all of the assets and certain liabilities of its Donlen subsidiary. 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.

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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.

Sale of Non-vehicle Capital Assets

In 2019, the Company completed the sale of certain non-vehicle capital assets in its Americas RAC segment. 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,	
	2022	2021
Revenue earning vehicles	\$ 13,654	\$ 10,506
Less accumulated depreciation	(1,649)	(1,518)
	12,005	8,988
Revenue earning vehicles held for sale, net ⁽¹⁾	490	238
Revenue earning vehicles, net	\$ 12,495	\$ 9,226

(1) Represents the carrying amount of vehicles for sale on the Company's retail lots or actively in the process of being sold through other disposition channels.

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Depreciation of revenue earning vehicles and lease charges, net includes the following:

(In millions)	Years ended December 31,		
	2022	2021	2020
Depreciation of revenue earning vehicles	\$ 1,806	\$ 963	\$ 2,204
(Gain) loss on disposal of revenue earning vehicles	(1,125)	(502)	(213)
Rents paid for vehicles leased	20	36	\$ 39
Depreciation of revenue earning vehicles and lease charges, net	\$ 701	\$ 497	\$ 2,030

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 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 14.0% to 15.0%. 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 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 14.0% to 15.5%. 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, 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 and 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.

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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, 2022			
Goodwill	\$ 1,029	\$ 236	\$ 1,265
Accumulated impairment losses	—	(220)	(220)
	1,029	16	1,045
Goodwill disposal and other changes during the period	(1)	—	(1)
	(1)	—	(1)
Balance as of December 31, 2022			
Goodwill	1,028	236	1,264
Accumulated impairment losses	—	(220)	(220)
	\$ 1,028	\$ 16	\$ 1,044

(In millions)	Americas RAC segment	International RAC segment	Total ⁽¹⁾
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.

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Intangible Assets, Net

Intangible assets, net, consists of the following major classes:

	December 31, 2022		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value
(In millions)			
Amortizable intangible assets:			
Customer-related	\$ 269	\$ (269)	\$ —
Concession rights	407	(405)	2
Technology-related intangibles	378	(312)	66
Other ⁽¹⁾	43	(42)	1
Total	1,097	(1,028)	69
Indefinite-lived intangible assets:			
Tradenames ⁽²⁾	2,794	—	2,794
Other ⁽³⁾	24	—	24
Total	2,818	—	2,818
Total intangible assets, net	\$ 3,915	\$ (1,028)	\$ 2,887

	December 31, 2021		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Value
(In millions)			
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

(1) Other amortizable intangible assets primarily include reacquired franchise rights.

(2) As of December 31, 2022 and 2021, \$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.

	Years Ended December 31,		
	2022	2021	2020
(In millions)			
Amortization of intangible assets	\$ 45	\$ 88	\$ 96

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The following table summarizes the Company's expected amortization expense based on its amortizable intangible assets as of December 31, 2022:

(In millions)	
2023	\$ 29
2024	23
2025	12
2026	2
2027	1
After 2027	2
Total expected amortization expense	<u>\$ 69</u>

Note 6—Debt

The Company's debt, including its available credit facilities, consists of the following (\$ in millions) as of December 31, 2022 and 2021:

Facility	Weighted-Average Interest Rate as of December 31, 2022	Fixed or Floating Interest Rate	Maturity	December 31, 2022	December 31, 2021
Non-Vehicle Debt					
Term B Loan	7.34%	Floating	6/2028	\$ 1,281	\$ 1,294
Term C Loan	7.34%	Floating	6/2028	245	245
Senior Notes Due 2026	4.63%	Fixed	12/2026	500	500
Senior Notes Due 2029	5.00%	Fixed	12/2029	1,000	1,000
First Lien RCF	N/A	Floating	6/2026	—	—
Other Non-Vehicle Debt ⁽¹⁾	7.81%	Fixed	Various	9	16
Unamortized Debt Issuance Costs and Net (Discount) Premium				(58)	(69)
Total Non-Vehicle Debt				<u>2,977</u>	<u>2,986</u>
Vehicle Debt					
HVF III U.S. ABS Program					
HVF III U.S. Vehicle Variable Funding Notes					
HVF III Series 2021-A Class A ⁽²⁾	5.79%	Floating	6/2024	2,363	2,813
HVF III Series 2021-A Class B ⁽²⁾	3.65%	Fixed	6/2023	188	188
				<u>2,551</u>	<u>3,001</u>
HVF III U.S. Vehicle Medium Term Notes					
HVF III Series 2021-1 ⁽²⁾	1.66%	Fixed	12/2024	2,000	2,000
HVF III Series 2021-2 ⁽²⁾	2.12%	Fixed	12/2026	2,000	2,000
HVF III Series 2022-1 ⁽²⁾	2.44%	Fixed	6/2025	750	—
HVF III Series 2022-2 ⁽²⁾	2.42%	Fixed	6/2027	652	—
HVF III Series 2022-3 ⁽²⁾	3.89%	Fixed	3/2024	383	—
HVF III Series 2022-4 ⁽²⁾	4.22%	Fixed	9/2025	667	—
HVF III Series 2022-5 ⁽²⁾	4.03%	Fixed	9/2027	317	—
				<u>6,769</u>	<u>4,000</u>
Vehicle Debt - Other					
Repurchase Facility	6.17%	Fixed	1/2023	86	—

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Facility	Weighted-Average Interest Rate as of December 31, 2022	Fixed or Floating Interest Rate	Maturity	December 31, 2022	December 31, 2021
European ABS ⁽²⁾	3.21%	Floating	11/2024	811	395
Hertz Canadian Securitization ⁽²⁾	6.24%	Floating	6/2024	283	191
Australian Securitization ⁽²⁾	4.67%	Floating	4/2024	168	128
New Zealand RCF	7.12%	Floating	6/2024	54	39
U.K. Financing Facility	7.00%	Floating	1/2023-12/2026	101	98
U.K. Toyota Financing Facility	2.20%	Floating	1/2023-8/2023	49	9
Other Vehicle Debt	2.94%	Floating	1/2023-4/2025	76	93
				1,628	953
Unamortized Debt Issuance Costs and Net (Discount) Premium				(62)	(33)
Total Vehicle Debt				10,886	7,921
Total Debt				\$ 13,863	\$ 10,907

N/A - Not applicable

(1) Other non-vehicle debt is primarily comprised of \$6 million and \$12 million in finance lease obligations as of December 31, 2022 and 2021, respectively.

(2) 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.

Non-Vehicle Debt

First Lien Credit Agreement

Pursuant to the Plan of Reorganization, on the Effective Date, Hertz entered into the First Lien Credit Agreement that provided 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.

Term B Loan and Term C Loan: 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

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index other than LIBOR and in March 2022, the First Lien RCF was amended to change the benchmark from USD LIBOR to the Secured Overnight Financing Rate ("SOFR") based rate. 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, 2022, 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.

In March 2022, Hertz increased the aggregate committed amount of the First Lien RCF from \$1.3 billion to \$1.5 billion and the sublimit for letters of credit from \$1.1 billion to \$1.4 billion and amended the First Lien RCF to change the benchmark from USD LIBOR to the SOFR based rate.

In May 2022, Hertz increased the aggregate committed amount of the First Lien RCF from \$1.5 billion to \$1.7 billion and the sublimit for letters of credit from \$1.4 billion to \$1.6 billion.

In June 2022, Hertz increased the aggregate committed amount of the First Lien RCF from \$1.7 billion to \$1.9 billion and the sublimit for letters of credit from \$1.6 billion to \$1.8 billion.

In July 2022, Hertz increased the aggregate committed amount of the First Lien RCF by \$55 million where the aggregate committed amount remains at \$1.9 billion and the sublimit for letters of credit by \$55 million where the aggregate sublimit remains at \$1.8 billion.

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 17, "Equity – Hertz Global."

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").

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.

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References to the "HVF III U.S. ABS Program" include HVF III's U.S. Vehicle Variable Funding Notes and HVF III's U.S. Vehicle Medium Term Notes.

HVF III U.S. Vehicle Variable Funding Notes

HVF III Series 2021-A Notes: In June 2021, Hertz issued the Series 2021-A Class A Notes with an initial 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 had an original maturity date of June 2023.

In March 2022, an increase to the commitments for the Series 2021-A Notes was made, increasing the maximum principal amount that may be outstanding from \$3.0 billion to \$3.2 billion.

In May 2022, an increase to the commitments for the Series 2021-A Notes was made, increasing the maximum principal amount that may be outstanding from \$3.2 billion to \$3.6 billion.

In June 2022, an increase to the commitments for the Series 2021-A Notes was made, increasing the maximum principal amount that may be outstanding from \$3.6 billion to \$3.8 billion. Additionally, the maturity date of the Series 2021-A Notes Class A Notes was extended to June 2024.

In July 2022, an increase to the commitments for the Series 2021-A Notes was made, increasing the maximum principal amount that may be outstanding from \$3.8 billion to \$3.9 billion.

HVF III U.S. Vehicle Medium Term Notes

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.

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.

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. At the time of issuance, Hertz, an affiliate of HVF III, purchased the Class D Notes in an aggregate principal amount of \$98 million which were subsequently sold to third parties in July and August 2022.

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. At the time of issuance, Hertz purchased the Class D Notes in an aggregate principal amount of \$98 million.

HVF III Series 2022-3 Notes: In March 2022, Hertz issued the Series 2022-3 Notes in four classes (Class A, Class B, Class C and Class D) in an aggregate principal amount of \$383 million. At the time of issuance, Hertz purchased the Class D Notes in an aggregate principal amount of \$50 million which were subsequently sold to third parties in July 2022.

HVF III Series 2022-4 Notes: In March 2022, Hertz issued the Series 2022-4 Notes in four classes (Class A, Class B, Class C and Class D) in an aggregate principal amount of \$667 million. At the time of issuance, Hertz purchased the Class D Notes in an aggregate principal amount of \$87 million which were subsequently sold to third parties in August 2022.

HVF III Series 2022-5 Notes: In March 2022, Hertz issued the Series 2022-5 Notes in four classes (Class A, Class B, Class C and Class D) in an aggregate principal amount of \$364 million. At the time of issuance, Hertz purchased the Class D Notes in an aggregate principal amount of \$47 million.

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There is subordination within each of the preceding series based on class.

HVF III Various Series 2022 Class D Notes: At the time of the respective HVF III initial offerings disclosed above, Hertz purchased the Class D Notes. Accordingly, the related principal amounts below are eliminated in consolidation as of December 31, 2022.

<u>(In millions)</u>	<u>Aggregate Principal Amount</u>
HVF III Series 2022-2 Class D Notes	98
HVF III Series 2022-5 Class D Notes	47
Total	<u>\$ 145</u>

Vehicle Debt-Other

Repurchase Facility

In June 2022, Hertz entered the Repurchase Facility, whereby Hertz may sell the HVF III Series 2022 Class D Notes to the Repurchase Facility counterparty and repurchase such notes from time to time. Transactions occurring under the Repurchase Facility are based on mutually agreeable terms and prevailing rates. As of December 31, 2022, transactions totaling \$86 million were outstanding under the Repurchase Facility and such transactions bear interest at a rate of SOFR plus 185 basis points and have a 30-day tenor.

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 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.

In December 2022, the European ABS was amended to (i) increase the aggregate maximum borrowings to €1.1 billion, (ii) extend the maturity to November 2024, and (iii) incorporate the Italian fleet within the European ABS financing structure. In connection with the amendment, the Hertz performance guarantee was amended to accommodate certain obligations of its Italian subsidiaries in their capacities as lessees, servicers and administrators under the amended European ABS.

Hertz Canadian Securitization

In January 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 provide for aggregate maximum borrowings of CAD\$350 million on a revolving basis, subject to availability under the borrowing base limitation.

In June 2022, the Hertz Canadian Securitization was amended to provide for aggregate maximum borrowings of CAD\$450 million, for a seasonal commitment period through November 2022. Following the expiration of the seasonal commitment period, aggregate maximum borrowings reverted to CAD\$350 million. Additionally, the Hertz

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Canadian Securitization was amended to extend the maturity of the aggregate maximum borrowings of CAD\$350 million to June 2024.

In December 2022, Hertz Canadian Securitization was amended to provide for aggregate maximum borrowings of CAD\$390 million, for a temporary commitment period through April 2023. Following the expiration of the temporary commitment period, aggregate maximum borrowings will revert to CAD\$350 million.

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.

In June 2021, the Australian Securitization was amended to provide for aggregate maximum borrowings of AUD\$210 million and extended the maturity to April 2022.

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.

In April 2022, Hertz New Zealand Holdings Limited, an indirect, wholly-owned subsidiary of Hertz, amended its credit agreement to extend the maturity to June 2024.

In October 2022, Hertz New Zealand Holdings Limited amended its credit agreement to provide for aggregate maximum borrowings up to NZD\$85 million, for a seasonal commitment period through March 2023. Following the expiration of the seasonal commitment period, aggregate maximum borrowings will revert to NZD\$60 million.

U.K. Financing Facility

In April 2021, a comprehensive restructuring of the U.K. Financing Facility was executed to provide for aggregate maximum borrowings of £100 million and to extend the maturity to April 2022.

In April 2022, Hertz U.K. Limited amended the U.K. Financing Facility to provide for aggregate maximum borrowings of up to £120 million, for a seasonal commitment period through October 2022. Following the expiration of the seasonal commitment period, aggregate maximum borrowings reverted to £100 million. Additionally, the U.K. Financing Facility was amended to extend the maturity of the aggregate maximum borrowings of £100 million to October 2023.

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.

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In March 2022, Hertz U.K. Limited amended the U.K. Toyota Financing Facility to increase aggregate maximum borrowings to £25 million and extended the maturity to October 2022.

In July 2022, Hertz U.K. Limited amended the U.K. Toyota Financing Facility to increase aggregate maximum borrowings from £25 million to £42 million and extended the maturity to June 2023.

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 interest expense, net in the accompanying consolidated statements of operations for the years ended December 31, 2022 and 2020. For the year ended December 31, 2021, 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. There were no losses on extinguishment of debt recognized for the year ended December 31, 2022.

The following table reflects the amount of loss for each respective redemption/termination:

<u>Redemption/Termination (in millions)</u>	<u>Years Ended December 31,</u>	
	<u>2021⁽¹⁾</u>	<u>2020</u>
Non-Vehicle Debt		
HIL Credit Agreement ⁽²⁾	\$ 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	4	—
Promissory Notes	2	—
Alternative Letter of Credit Facility	7	—
Letter of Credit Facility	8	—
Total Non-Vehicle Debt (subject to compromise)	88	—
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	—	5
Total Vehicle Debt	98	5
Total Loss on Extinguishment of Debt	\$ 199	\$ 5

(1) On June 10, 2021, the Plan of Reorganization was confirmed by the Bankruptcy Court and the Company emerged from Chapter 11. 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.

(2) 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.

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Maturities

As of December 31, 2022, the nominal amounts of maturities of debt for each of the years ending December 31 are as follows:

(In millions)	2023	2024	2025	2026	2027	After 2027
Non-Vehicle Debt	\$ 20	\$ 15	\$ 13	\$ 513	\$ 13	\$ 2,461
Vehicle Debt	657	5,875	1,430	2,016	970	—
Total	<u>\$ 677</u>	<u>\$ 5,890</u>	<u>\$ 1,443</u>	<u>\$ 2,529</u>	<u>\$ 983</u>	<u>\$ 2,461</u>

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.

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, 2022 and are presented net of any outstanding letters of credit:

(In millions)	Remaining Capacity	Availability Under Borrowing Base Limitation
Non-Vehicle Debt		
First Lien RCF	\$ 1,514	\$ 1,514
Total Non-Vehicle Debt	<u>1,514</u>	<u>1,514</u>
Vehicle Debt		
HVF III Series 2021-A	1,357	—
European ABS	357	—
Hertz Canadian Securitization	4	—
U.K. Financing Facility	19	—
U.K. Toyota Financing Facility	2	—
Total Vehicle Debt	<u>1,739</u>	<u>—</u>
Total	<u>\$ 3,253</u>	<u>\$ 1,514</u>

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Letters of Credit

As of December 31, 2022, there were outstanding standby letters of credit totaling \$691 million comprised primarily of \$431 million issued under the First Lien RCF and \$245 million issued under the Term C Loan. As of December 31, 2022, no capacity remains 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 and to provide credit enhancement for the Company's asset-backed securitization facilities, as well as to support the Company's vehicle rental concessions and leaseholds. As of December 31, 2022, 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 under the European ABS 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, 2022 and 2021, IFF No. 2 had total assets of \$1.3 billion and \$734 million, respectively, comprised primarily of intercompany receivables, and total liabilities of \$1.3 billion and \$733 million, respectively, comprised primarily of debt.

Covenant Compliance

The First Lien Credit Agreement requires Hertz to comply with the following financial covenant: 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. This financial covenant was effective beginning in the third quarter of 2021. As of December 31, 2022, Hertz was in compliance with the First Lien Ratio.

In addition to the financial covenant, the First Lien Credit Agreement contains customary affirmative covenants including, among other things, the delivery of quarterly and annual financial statements and compliance certificates, and covenants related to 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, restrictions on the incurrence of liens, indebtedness, asset dispositions and restricted payments. As of December 31, 2022, the Company was in compliance with all covenants in the First Lien Credit Agreement.

Accrued Interest

As of December 31, 2022 and 2021, accrued interest was \$19 million and \$12 million, respectively, which is included in accrued liabilities in the accompanying consolidated balance sheets.

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, 2022, the restricted net assets of the subsidiaries of Hertz and Hertz Global exceed 25% of their total consolidated net assets, respectively.

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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 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. Additionally, 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.

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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.			
	2022	2021	2022	2021	2022	2021
Change in Benefit Obligation						
Benefit obligation as of January 1	\$ 465	\$ 522	\$ 307	\$ 340	\$ 12	\$ 12
Service cost	—	—	1	1	—	—
Interest cost	16	12	5	4	—	1
Plan settlements	(24)	(26)	(5)	(6)	(1)	—
Benefits paid	(3)	(27)	(5)	(5)	(1)	(1)
Foreign currency exchange rate translation	—	—	(27)	(7)	—	—
Actuarial (gain) loss	(83)	(16)	(104)	(20)	(2)	—
Benefit obligation as of December 31	<u>\$ 371</u>	<u>\$ 465</u>	<u>\$ 172</u>	<u>\$ 307</u>	<u>\$ 8</u>	<u>\$ 12</u>
Change in Plan Assets						
Fair value of plan assets as of January 1	\$ 468	\$ 488	\$ 255	\$ 258	\$ —	\$ —
Actual return gain on plan assets	(103)	9	(91)	4	—	—
Company contributions	—	24	2	5	1	1
Plan settlements	(24)	(26)	(5)	(6)	—	—
Benefits paid	(3)	(27)	(5)	(5)	(1)	(1)
Foreign currency exchange rate translation	—	—	(25)	(1)	—	—
Fair value of plan assets as of December 31	<u>\$ 338</u>	<u>\$ 468</u>	<u>\$ 131</u>	<u>\$ 255</u>	<u>\$ —</u>	<u>\$ —</u>
Funded Status of the Plan						
Plan assets (less than) in excess of the benefit obligation	<u>\$ (33)</u>	<u>\$ 3</u>	<u>\$ (41)</u>	<u>\$ (52)</u>	<u>\$ (8)</u>	<u>\$ (12)</u>

In 2022, discount rates increased, resulting in actuarial gains for the U.S. and Non-U.S. pension and postretirement plans, partially offset by census data updates and experience.

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.

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(\$ in millions)	Pension Benefits				Postretirement Benefits (U.S.)	
	U.S.		Non-U.S.			
	2022	2021	2022	2021	2022	2021
Amounts recognized in balance sheets:						
Prepaid expenses and other assets	\$ —	\$ 3	\$ 12	\$ 30	\$ —	\$ —
Accrued liabilities	(33)	—	(53)	(82)	(8)	(12)
Net asset (obligation) recognized in the balance sheets	<u>\$ (33)</u>	<u>\$ 3</u>	<u>\$ (41)</u>	<u>\$ (52)</u>	<u>\$ (8)</u>	<u>\$ (12)</u>
Prior service credit	\$ —	\$ —	\$ (1)	\$ (2)	\$ —	\$ —
Net gain (loss)	(58)	(28)	(56)	(72)	2	—
Accumulated other comprehensive income (loss)	(58)	(28)	(57)	(74)	2	—
Funded/(Unfunded) accrued pension or postretirement benefit	25	31	16	22	(10)	(12)
Net obligation recognized in the balance sheets	<u>\$ (33)</u>	<u>\$ 3</u>	<u>\$ (41)</u>	<u>\$ (52)</u>	<u>\$ (8)</u>	<u>\$ (12)</u>
Total recognized in other comprehensive (income) loss	<u>\$ 29</u>	<u>\$ (20)</u>	<u>\$ (17)</u>	<u>\$ (21)</u>	<u>\$ (2)</u>	<u>\$ (1)</u>
Total recognized in net periodic benefit cost and other comprehensive (income) loss	<u>\$ 35</u>	<u>\$ (14)</u>	<u>\$ (15)</u>	<u>\$ (20)</u>	<u>\$ (2)</u>	<u>\$ (1)</u>
Accumulated Benefit Obligation as of December 31	<u>\$ 371</u>	<u>\$ 465</u>	<u>\$ 171</u>	<u>\$ 306</u>	<u>N/A</u>	<u>N/A</u>
Weighted-average assumptions as of December 31						
Discount rate	5.4 %	2.7 %	4.7 %	1.7 %	4.6 %	2.2 %
Expected return on assets	6.0 %	4.5 %	5.2 %	3.0 %	N/A	N/A
Average rate of increase in compensation	— %	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	6.1 %	5.6 %
Ultimate health care cost trend rate	N/A	N/A	N/A	N/A	4.0 %	4.0 %
Number of years to ultimate trend rate	N/A	N/A	N/A	N/A	24	25

N/A - Not applicable

The discount rate used to determine the December 31, 2022 and 2021 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.

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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.

	Pension Benefits						Postretirement Benefits (U.S.)		
	U.S.			Non-U.S.					
	Years Ended December 31,								
(\$ in millions)	2022	2021	2020	2022	2021	2020	2022	2021	2020
Components of Net Periodic Pension and Postretirement Expense (Benefit)									
Service cost	\$ —	\$ —	\$ —	\$ 1	\$ 1	\$ 1	\$ —	\$ —	\$ —
Interest cost	16	12	15	5	4	5	—	1	—
Expected return on plan assets	(14)	(18)	(20)	(7)	(7)	(7)	—	—	—
Net amortizations	—	—	2	1	2	1	—	—	—
Settlement loss	4	12	9	2	1	2	(1)	—	—
Net pension and postretirement expense (benefit)	\$ 6	\$ 6	\$ 6	\$ 2	\$ 1	\$ 2	\$ (1)	\$ 1	\$ —
Weighted-average discount rate for expense (January 1)	2.7 %	2.2 %	3.1 %	1.7 %	1.4 %	1.9 %	2.2 %	1.9 %	3.2 %
Weighted-average assumed long-term rate of return on assets (January 1)	4.5 %	4.5 %	4.8 %	3.0 %	3.0 %	3.2 %	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	5.6 %	5.5 %	5.8 %
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	4.0 %	4.5 %	4.5 %
Number of years to ultimate trend rate	N/A	N/A	N/A	N/A	N/A	N/A	24	25	18

N/A - Not applicable

The net of tax loss in accumulated other comprehensive income (loss) as of December 31, 2022 and 2021 relating to pension benefits of the Hertz Retirement Plan was \$92 million and \$88 million, respectively.

The provisions charged to net income (loss) for the years ended December 31, 2022, 2021 and 2020 for all other pension plans were approximately \$6 million, \$5 million and \$6 million, respectively.

The provisions charged to net income (loss) for the years ended December 31, 2022, 2021 and 2020 for the defined contribution plans were approximately \$20 million, \$16 million and \$11 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.

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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 6.0% 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, 2022			December 31, 2021		
	Level 1	Level 2	Measured at NAV ⁽¹⁾	Level 1	Level 2	Measured at NAV ⁽¹⁾
Asset Category						
Cash	\$ 8	\$ —	\$ —	\$ 5	\$ —	\$ —
Short Term Investments	—	31	—	—	27	—
Equity Funds ⁽²⁾ :						
U.S. Large Cap	—	40	—	—	59	—
U.S. Small Cap	—	5	—	—	7	—
International Large Cap	—	19	—	—	28	—
International Small Cap	—	4	—	—	5	—
International Emerging Markets	—	5	4	—	6	6
Fixed Income Securities:						
U.S. Treasuries	—	—	—	—	24	—
Corporate Bonds	—	161	29	—	247	—
Government Bonds	—	4	—	—	12	—
Municipal Bonds	—	6	—	—	10	—
Derivatives - Interest Rate	—	1	—	3	2	—
Non-Investment Grade Fixed Income ⁽²⁾	—	21	—	—	27	—
Total fair value of pension plan assets	\$ 8	\$ 297	\$ 33	\$ 8	\$ 454	\$ 6

(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 25% actively managed diversified growth and multi-asset credit funds, 8% passive equity funds and 67% 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 value of the liabilities

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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 5.2% expected long-term weighted-average rate of return on assets for the Plan in total.

The Company's U.K. Plan comprises \$126 million of the \$131 million in fair value of Non-U.S. plan assets as of December 31, 2022 and comprises \$248 million of the \$255 million in fair value of Non-U.S. plan assets as of December 31, 2021. 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:

<u>(In millions)</u>	December 31, 2022			December 31, 2021		
	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⁾	\$ 11	\$ —	\$ —	\$ —	\$ 37	\$ —
Multi Asset Credit	—	—	21	—	—	38
Passive Equity Funds:						
U.K. Equities ⁽²⁾	4	—	—	—	12	—
Overseas Equities ⁽²⁾	5	—	—	—	14	—
Passive Bond Funds:						
Corporate Bonds	4	—	—	—	27	—
Liability Driven Investments ⁽²⁾	76	—	—	—	96	—
Liquidity Fund	5	—	—	24	—	—
Total fair value of pension plan assets	\$ 105	\$ —	\$ 21	\$ 24	\$ 186	\$ 38

(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 2022 and 2021, the Company did not make any cash contributions to its U.S. qualified pension plan.

In 2022, the Company made no contributions to its U.S. non-qualified pension plans. In 2021, the Company made \$24 million of contributions to its U.S. non-qualified pension plans. In 2022, the Company made no discretionary contributions to its U.K. Plan. In 2021, the Company made discretionary contributions of \$3 million to its U.K. Plan.

The Company does not anticipate contributing to the U.S. qualified pension plan during 2023. The Company anticipates contributing approximately \$1 million to the U.K. Plan and approximately \$2 million to its other international plans during 2023. The level of 2023 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.

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Estimated Future Benefit Payments

The following table presents estimated future benefit payments:

(In millions)	Pension Benefits	Postretirement Benefits (U.S.)
2023	\$ 32	\$ 1
2024	34	1
2025	36	1
2026	39	1
2027	40	1
2027 to 2031	213	2
	<u>\$ 394</u>	<u>\$ 7</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 projected liabilities as of December 31, 2022. 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
		2022	2021		2022	2021	2020		
Western Conference of Teamsters	91-6145047	Green	Green	N/A	\$ 5	\$ 4	\$ 5	N/A	09/30/2024
Other Plans					—	1	2		
Total Contributions					<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 7</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 2022.

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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 2021, Hertz Global's Board approved the Hertz Global Holdings, Inc. 2021 Omnibus Incentive Plan (the "2021 Omnibus Plan"). The Company initially authorized 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, 2022, 41,866,495 shares of the Company's common stock are authorized and remain available for future grants under the 2021 Omnibus Plan.

A summary of the total compensation expense and related income tax benefits recognized for grants made under the 2021 Omnibus Plan is as follows:

(In millions)	Years Ended December 31,	
	2022	2021
Compensation expense	\$ 129	\$ 7
Income tax benefit	(7)	(2)
Total	\$ 122	\$ 5

As of December 31, 2022, there was \$214 million of total unrecognized compensation cost expected to be recognized over the remaining 2.2 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.

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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.

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, 2022 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, 2022	3,678,855	\$ 26.17	9.9	\$ —
Granted	—	—	—	—
Exercised	—	—	—	—
Forfeited or Expired	(533,872)	26.17	—	—
Outstanding as of December 31, 2022	3,144,983	—	8.2	—
Exercisable as of December 31, 2022	(1,400,077)	26.17	7.5	—
Non-vested as of December 31, 2022	1,744,906			

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.

A summary of the PSU activity as of December 31, 2022 under the 2021 Omnibus Plan is presented below:

	Shares	Weighted- Average Fair Value	Aggregate Intrinsic Value (In millions)
Outstanding as of January 1, 2022	—	\$ —	\$ —
Granted ⁽¹⁾	10,005,537	17.72	—
Vested	(560,518)	18.56	—
Forfeited or Expired	(152,270)	21.08	—
Outstanding as of December 31, 2022	9,292,749	17.62	143

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(1) Presented assuming the issuance at the original target award amount (100%).

Compensation expense for PSUs is based on the grant date fair value. For grants issued in 2022, vesting eligibility is based on market, performance and service conditions of one to five years. Accordingly, the number of shares issued at the end of the performance period could range between 0% and 200% of the original target award amount (100%) disclosed in the table above. Certain of these PSUs were valued on the grant date using a Monte Carlo simulation model that incorporates the assumptions noted in the following table:

<u>Assumption</u>	
Expected volatility	68 %
Expected dividend yield	— %
Expected term (years)	5
Risk-free interest rate	1.71 %
Weighted-average grant date fair value	\$ 17.61

As of December 31, 2022, there were no issued or outstanding grants of PSAs or PUs under the 2021 Omnibus Plan.

Restricted Stock and Restricted Stock Units

Restricted stock and RSUs granted under the 2021 Omnibus Plan 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. RSU grants issued in 2022 vest over a period of two to four years. For grants issued in 2021, the vesting period is three years except for 500,000 shares that vested in the first half of 2022.

A summary of RSU activity as of and for the year ended December 31, 2022 under the 2021 Omnibus Plan is presented below:

	Shares	Weighted-Average Fair Value	Aggregate Intrinsic Value (In millions)
Outstanding as of January 1, 2022	1,726,286	\$ 26.17	\$ 43
Granted	4,040,059	19.94	—
Vested	(2,121,074)	23.08	—
Forfeited or Expired	(232,508)	24.53	—
Outstanding as of December 31, 2022	3,412,763	20.82	53

Additional information pertaining to RSU activity under the 2021 Omnibus Plan was as follows:

	Years Ended December 31,	
	2022	2021
Total fair value of awards that vested (in millions)	\$ 49	\$ —
Weighted-average grant-date fair value of awards granted	\$ 19.94	\$ 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. As of December 31, 2022 and 2021, there were

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approximately 68,000 and 24,000 outstanding shares, respectively, of deferred stock units under the 2021 Omnibus Plan.

Note 9—Leases

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 ASC 842, *Lease Accounting* ("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, refueling and recharging 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.

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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, 2022, 2021 and 2020:

(In millions)	2022	2021	2020
Operating lease income from vehicle rentals	\$ 8,243	\$ 6,885	\$ 4,320
Operating lease income from fleet leasing	—	149	639
Variable operating lease income	212	131	30
Revenue accounted for under Topic 842	8,455	7,165	4,989
Revenue accounted for under Topic 606	230	171	269
Total revenues	\$ 8,685	\$ 7,336	\$ 5,258

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 January 1, 2019, the adoption date of Topic 842, or the commencement date of the lease, whichever is later.

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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, 2022, 2021 and 2020:

(In millions)	Years ended December 31,		
	2022	2021	2020
Minimum fixed lease costs:			
Short-term lease costs	\$ 142	\$ 171	\$ 142
Operating lease costs	438	449	527
Total	580	620	\$ 669
Variable lease costs	334	165	23
Total lease costs	\$ 914	\$ 785	\$ 692

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, 2022:

Weighted-average remaining lease term (in years)	11.4
Weighted-average discount rate	9.5 %

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, 2022:

(In millions)	
2023	\$ 471
2024	386
2025	307
2026	251
2027	215
After 2027	1,313
Total lease payments	2,943
Interest	(1,141)
Operating lease liabilities as of December 31, 2022	\$ 1,802

Note 10—Restructuring

Europe Restructuring

Due to the impact from COVID-19 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 was substantially completed in 2021.

U.S. Restructuring

Due to the impact from COVID-19, 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.

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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	—	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.

The following table summarizes the activity affecting the restructuring accrual, which is recorded in accrued liabilities in the accompanying consolidated balance sheet.

(In millions)	Termination Benefits	Other	Total
Balance as of January 1, 2021	\$ —	\$ —	\$ —
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 during 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.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

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,		
	2022	2021	2020
Domestic	\$ 2,120	\$ 710	\$ (1,692)
Foreign	329	(27)	(360)
Total income (loss) before income taxes	<u>\$ 2,449</u>	<u>\$ 683</u>	<u>\$ (2,052)</u>

Hertz

(In millions)	As of December 31,		
	2022	2021	2020
Domestic	\$ 1,416	\$ 1,501	\$ (1,823)
Foreign	329	(27)	(360)
Total income (loss) before income taxes	<u>\$ 1,745</u>	<u>\$ 1,474</u>	<u>\$ (2,183)</u>

The total income tax provision (benefit) consists of the following:

Hertz Global and Hertz

(In millions)	As of December 31,		
	2022	2021	2020
Current:			
Federal	\$ —	\$ —	\$ —
Foreign	41	24	18
State and local	32	21	4
Total current	<u>73</u>	<u>45</u>	<u>22</u>
Deferred:			
Federal	338	252	(356)
Foreign	42	19	35
State and local	(63)	2	(30)
Total deferred	<u>317</u>	<u>273</u>	<u>(351)</u>
Total provision (benefit) - Hertz Global	<u>390</u>	<u>318</u>	<u>(329)</u>
Federal deferred tax (provision) benefit applicable to Hertz Holdings	—	—	1
Total provision (benefit) - Hertz	<u>\$ 390</u>	<u>\$ 318</u>	<u>\$ (328)</u>

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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,	
	2022	2021
Deferred tax assets:		
Employee benefit plans	\$ 18	\$ 14
Net operating loss carry forwards	1,737	1,321
Capital loss carryforwards	194	167
Federal and state tax credit carry forwards	81	64
Deferred interest expense	70	10
Accrued and prepaid expenses	147	185
Operating lease liabilities	430	390
Total deferred tax assets	2,677	2,151
Less: valuation allowance	(511)	(690)
Total net deferred tax assets	2,166	1,461
Deferred tax liabilities:		
Depreciation on tangible assets	(2,297)	(1,342)
Intangible assets	(714)	(711)
Operating lease right-of-use assets	(456)	(408)
Total deferred tax liabilities	(3,467)	(2,461)
Net deferred tax liability - Hertz Global	(1,301)	(1,000)
Deferred tax asset - net operating loss applicable to Hertz Holdings	(3)	(3)
Net deferred tax liability - Hertz	\$ (1,304)	\$ (1,003)

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, 2022, the Company has approximately \$1.3 billion of tax-effected U.S. federal net operating loss carryforwards ("Federal NOLs"), which have an indefinite carryforward period and may offset 80% of taxable income generate in any future year. The Company has approximately \$45 million of federal tax credits which begin expiring in 2025. The Company has approximately \$50 million of tax-effected federal deferred interest expense which has an indefinite carryforward period. The Company has not recorded a valuation allowance on its Federal NOLs, federal credits, or deferred interest expense as there were adequate U.S. deferred tax liabilities that could be realized within the carry forward periods.

As of December 31, 2022, the Company has approximately \$164 million of tax-effected U.S. federal capital loss carryforwards of which a valuation allowance of approximately \$162 million has been recorded.

As of December 31, 2022, the Company has approximately \$194 million of tax-effected state net operating loss carryforwards. Some of these net operating losses have an indefinite carryforward period, and those that do not will begin to expire in 2023 if not utilized. These net operating losses are offset, in part, by a valuation allowance totaling \$63 million. The Company has approximately \$37 million in state tax credits for which a full valuation allowance is recorded. The state tax credits expire over various years beginning in 2023 depending upon the period when they

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were generated and the particular jurisdiction. The Company has approximately \$19 million of tax-effected deferred interest expense which has an indefinite carryforward period. The Company has approximately \$27 million of tax effected state capital losses that are fully offset by a valuation allowance. The tax effected amounts for all state tax attributes are net of federal benefit.

As of December 31, 2022, the Company has approximately \$243 million of tax-effected foreign net operating loss carry forwards. Some of the net operating losses have an indefinite carryforward period, and those that do not will begin to expire in 2031 if not utilized. These net operating losses are offset, in part, by a valuation allowance totaling \$187 million. The Company has no tax credits in foreign jurisdictions. The Company has approximately \$2 million of tax-effected foreign deferred interest which has an indefinite carryforward period. The Company has approximately \$3 million of tax-effected foreign capital loss carryforwards which a full valuation allowance has been recorded.

The Company recorded a valuation allowance against most of our deferred tax assets for several European operations as of both December 31, 2022, and December 31, 2021. We intend to continue maintaining a full valuation allowance on our deferred tax assets until there is sufficient evidence to support the reversal of all or some portion of these allowances. However, given our current earnings and anticipated future earnings, we believe that there is a reasonable possibility that within the next 12 months, sufficient positive evidence may become available to allow us to reach a conclusion that a portion of the valuation allowance will no longer be needed. Release of the valuation allowance would result in the recognition of certain deferred tax assets and a decrease to income tax expense for the period the release is recorded. However, the exact timing and amount of the valuation allowance release are subject to change on the basis of the level of profitability that we are able to actually achieve.

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.

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,		
	2022	2021	2020
Statutory federal tax rate	21 %	21 %	21 %
State and local income taxes, net of federal effect	4	7	5
Change in state rates, net of federal effect	—	2	1
Change in foreign statutory rates	—	(2)	—
Federal and foreign permanent differences	2	1	—
Tax credits	(1)	(1)	—
Withholding taxes	1	1	—
Valuation allowance	(6)	11	(11)
Change in fair value of public warrants	(7)	22	—
Non-deductible bankruptcy expenses	—	15	—
European reorganization	—	(46)	—
Uncertain tax positions	—	12	—
U.S. tax on foreign earnings	1	2	—
Other	1	2	—
Effective tax rate - Hertz Global	16	47	16
Hertz Holdings exclusive items	6	(25)	(1)
Effective tax rate - Hertz	22 %	22 %	15 %

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The change in tax provision in 2022 compared to 2021 is driven by improvements in financial performance in 2022, as well as the non-taxable change in fair value of Public Warrants, the tax benefits associated with the restructuring in Europe recognized in 2021, the impact of changes to state and foreign valuation allowances, and non-deductible bankruptcy costs incurred in 2021. Hertz Holdings exclusive items are comprised of transactions specific to Hertz Holdings only.

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.

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,		
	2022	2021	2020
Balance as of January 1	\$ 106	\$ 53	\$ 48
Increase (decrease) attributable to tax positions taken during prior periods	184	65	5
Increase (decrease) attributable to tax positions taken during the current year	9	19	1
Decrease attributable to settlements with taxing authorities	(1)	(31)	(1)
Balance as of December 31	<u>\$ 298</u>	<u>\$ 106</u>	<u>\$ 53</u>

The total amount of unrecognized tax benefits that, if recognized, would favorably impact the effective tax rate is \$200 million. 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, 2022, 2021 and 2020. 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 \$7 million as of December 31, 2022 and 2021, respectively.

During 2021 as part of a restructuring of European operations, we generated a tax loss of approximately \$1.3 billion, which was characterized as a capital loss in the 2021 provision. The Company is in the process of obtaining a pre-filing agreement with the Internal Revenue Services to determine whether the capital loss qualifies as an ordinary loss. It is reasonably possible that the total amounts of unrecognized tax benefits will significantly decrease by approximately \$190 million within 12 months of our reporting date if the IRS confirms that the loss we generated is ordinary in nature.

The Company is subject to examination by taxing authorities throughout the world. The tax years that are open for examination span from 2010 to 2022. 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.

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.

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.

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The Company has provided for deferred taxes on undistributed earnings of foreign subsidiaries. However, it is not practicable to estimate the deferred taxes on other differences on investments in foreign subsidiaries.

Note 12—Financial Instruments

The Company employs established risk management policies and procedures, and, under the terms of our ABS facilities, may be required to enter into interest rate derivatives, which seek to reduce the Company's commercial risk exposure to fluctuations in interest rates and currency exchange rates. Although the instruments utilized involve varying degrees of credit, market and interest risk, the Company contracts with multiple counterparties to mitigate concentrations of risk and the counterparties to the agreements are expected to perform fully under the terms of the agreements. The Company monitors counterparty credit risk, including lenders, on a regular basis, but cannot be certain that all risks will be discerned or that its risk management policies and procedures will always be effective. Additionally, upon the occurrence of an event of default under the Company's International Swaps and Derivatives Association ("ISDA") master derivative agreements, the non-defaulting party generally has the right, but not the obligation, to set-off any early termination amounts under any such agreements against any other amounts owed with regard to any other agreements between the parties to each such agreement.

None of the Company's financial instruments have been designated as hedging instruments as of December 31, 2022 and 2021.

Interest Rate Risk

The Company uses a combination of interest rate caps and swaps to manage its exposure to interest rate movements and to manage its mix of floating and fixed-rate debt.

Currency Exchange Rate Risk

The Company uses foreign currency exchange rate derivative financial instruments to manage its currency exposure resulting from intercompany transactions and other cross currency obligations.

Fair Value

The following table summarizes the estimated fair value of financial instruments:

	Fair Value of Financial Instruments			
	Asset Derivatives ⁽¹⁾		Liability Derivatives ⁽¹⁾	
	December 31,		December 31,	
	2022	2021	2022	2021
(In millions)				
Interest rate instruments	\$ 140	\$ 12	\$ —	\$ —
Foreign currency forward contracts	1	1	2	2
Total	\$ 141	\$ 13	\$ 2	\$ 2

(1) All asset derivatives are recorded in prepaid expenses and other assets and all liability derivatives are recorded in accrued liabilities in the accompanying consolidated balance sheets.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The following table summarizes the gains or (losses) on financial instruments for the period indicated:

(In millions)	Location of Gain (Loss) Recognized on Derivatives	Amount of Gain (Loss) Recognized in Income on Derivatives		
		Years Ended December 31,		
		2022	2021	2020
Interest rate instruments	Vehicle interest expense, net ⁽¹⁾⁽²⁾	\$ 127	\$ 3	\$ 12
Foreign currency forward contracts	Other (income) expense, net ⁽²⁾	(2)	2	(3)
Total		\$ 125	\$ 5	\$ 9

(1) In 2021, \$6 million of gains on interest rate instruments were recorded in other (income) expense, net, offset by \$3 million of losses on interest rate instruments which were recorded in selling, general and administrative expense.

(2) In 2020, all gains (losses) on financial instruments were recorded in selling, general and administrative expense.

The Company's foreign currency forward contracts and certain interest rate instruments are subject to enforceable master netting agreements with their counterparties. The Company does not offset such derivative assets and liabilities in its consolidated balance sheets, and the potential effect of the Company's use of the master netting arrangements is not material.

Note 13—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.

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, 2022		December 31, 2021	
	Nominal Unpaid Principal Balance	Aggregate Fair Value	Nominal Unpaid Principal Balance	Aggregate Fair Value
Non-Vehicle Debt	\$ 3,035	\$ 2,685	\$ 3,055	\$ 3,065
Vehicle Debt	10,948	10,304	7,954	7,908
Total	\$ 13,983	\$ 12,989	\$ 11,009	\$ 10,973

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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, 2022				December 31, 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Cash equivalents and restricted cash equivalents	\$ 443	\$ —	\$ —	\$ 443	\$ 1,678	\$ —	\$ —	\$ 1,678
Liabilities:								
Public Warrants	\$ 617	\$ —	\$ —	\$ 617	\$ 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

Hertz Global's Public Warrants are classified as liabilities and recorded at fair value in the accompanying consolidated balance sheets as of December 31, 2022 and 2021 in accordance with the provisions of ASC 480, *Distinguishing Liabilities from Equity* ("Topic 480"). See Note 19, "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 years ended December 31, 2022 and 2021, the fair value adjustments resulted in a gain of \$704 million and a loss of \$627 million, respectively, and were recorded in change in fair value of Public Warrants in the accompanying consolidated statements of operations for Hertz Global for the years ended December 31, 2022 and 2021.

Financial Instruments

The fair value of the Company's financial instruments as of December 31, 2022 and 2021 are disclosed in Note 12, "Financial Instruments." The Company's financial instruments are classified as Level 2 assets and liabilities and are priced using quoted market prices for similar assets or liabilities in active markets.

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Note 14—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, 2022	\$ (88)	\$ (107)	\$ (19)	\$ (214)
Other comprehensive income (loss) before reclassification	(10)	(76)	—	(86)
Amounts reclassified from accumulated other comprehensive income (loss)	6	—	—	6
Balance as of December 31, 2022	<u>\$ (92)</u>	<u>\$ (183)</u>	<u>\$ (19)</u>	<u>\$ (294)</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, 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>

Note 15—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, 2022 and 2021, the Company's liability recorded for self-insured liabilities was \$472 million and \$463 million, respectively. The Company believes that its analysis is based on the most relevant information available, combined with reasonable 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. The Company has summarized below the material legal proceedings to

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which the Company was a party during the year ended December 31, 2022 or the period after December 31, 2022, but before the filing of this 2022 Annual Report.

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 (the "2022 Notes"), (2) 5.500% Unsecured Notes due 2024 (the "2024 Notes"), (3) 7.125% Unsecured Notes due 2026 (the "2026 Notes"), and (4) 6.000% Unsecured Notes due 2028 (the "2028 Notes") issued by The Hertz Corporation (collectively, the "Notes"), filed a complaint (the "Complaint") against The Hertz Corporation and multiple direct and indirect subsidiaries thereof (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.* 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 payment of certain redemption premiums and post-petition interest that they assert total approximately \$272 million or, in the alternative, are entitled to payment of post-petition interest at a contractual rate that they assert total approximately \$125 million. The Complaint also asserts the right to pre-judgment interest from July 1, 2021, to the date of any judgment. On December 22, 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. On November 9, 2022, the Bankruptcy Court ruled that the make-whole premium is the same as unmatured interest and is disallowed under the U.S. Bankruptcy Code, granting summary judgment in the Defendants' favor. The Bankruptcy Court certified the matter directly to the U.S. Court of Appeals for the Third Circuit (the "Third Circuit") and, on January 25, 2023, the Third Circuit accepted Wells Fargo's appeal. The Defendants intend to continue to vigorously defend against the claims in this matter through the appellate process. The Company cannot predict the ultimate outcome or timing of this litigation.

Claims Related to Alleged False Arrests - A group of claims involving allegations that the police detained or arrested individuals in error after the Company reported rental cars as stolen have been advanced against the Company. These claims first arose from actions allegedly taken by the Company prior to its emergence from bankruptcy reorganization; some claims allege post-emergence behavior by the Company. These claims have been the subject of press coverage and the Company has received inquiries on the matter from certain members of government. The Company has policies to help ensure the proper treatment of its customers and to seek to protect itself against the theft of its services or assets, and has taken significant steps to modernize and update those policies. In December 2022, the Company entered into settlement agreements with 364 claimants in full and final resolutions of their claims for an aggregated amount of approximately \$168 million (the "Settlement"), all of which amount was paid by the Company during December 2022. The Settlement resolved nearly all of the false arrest-related claims being advanced in the U.S. Bankruptcy Court for the District of Delaware, Adv. Pro. No. 20-11247 (MFW) and state court in Delaware (captioned *Flannery, et al. v. Hertz Global Holdings, Inc., et al.*, C.A. No. N22C-07-100 and *Okoasia, et al. v. Hertz Global Holdings, Inc., et al.*, C.A. No. N22C-09-531). Also as a result of the Settlements, state court matters pending in Pennsylvania, captioned *Lovelace, et al. v. Hertz Global Holdings, Inc., et al.*, Case No. 220801729, and in Florida, captioned *Lizasoain, et al. v. Hertz Global Holdings, Inc., et al.*, Case No. 2022-015316-CA-1, were dismissed with prejudice. In the small number of claims remaining, the Company continues to vigorously defend itself and believes that the ultimate resolution of such remaining claims will not have a material adverse effect on the Company's business, financial condition, results of operations or cash flows. Relatedly, in May 2022, the Company filed a complaint against several of its insurers seeking a determination of its rights under its commercial general liability, and directors and officers liability, insurance policies for these alleged claims in a declaratory judgment action pending in Delaware Superior Court, *Hertz Global Holdings, Inc., et al. v. ACE American Insurance Co., et al.*, C.A. No. N22C-05-130 MMJ (CCLD). The Company believes that a meaningful portion of the amount being paid for the Settlements will ultimately be recovered from its insurance carriers.

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

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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 former executives Mark Frissora, Elyse Douglas and John Jefferey Zimmerman on March 25, 2019, and in state court in Florida against former executive Scott Sider on March 28, 2019. The complaints predominantly alleged breach of contract and sought repayment of incentive-based compensation received by the defendants in connection with restatements included in the former Hertz Global Holdings, Inc. ("Old Hertz Holdings") Form 10-K for the year ended December 31, 2014 and related accounting for prior periods. The complaints also sought recovery for the costs of an 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 and, on April 14, 2021, the Bankruptcy Court approved a Settlement Agreement between the Company and Scott Sider, closing the Florida action. Additionally, on December 29, 2021, the Company entered into a confidential settlement agreement with Jeff Zimmerman, leaving Mark Frissora as the sole remaining defendant in the New Jersey action. Fact and expert discovery have been completed and competing dispositive motions were fully briefed as of October 26, 2022. Pursuant to the agreements governing the separation of Herc Holdings Inc. from Hertz Global that occurred on June 30, 2016, Herc Holdings Inc. is entitled to 15% of the net proceeds of any repayment or recovery from these cases.

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 separation of the car rental business in 2016, the Company executed an agreement with Herc Holdings Inc. 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 16—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"). As a result of the Chapter 11 Cases, 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. Additionally, the loan due to an affiliate, which represented a tax-related liability from Hertz

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to Hertz Holdings, in the amount of \$65 million was subsequently settled via a non-cash distribution from Hertz to Hertz Holdings in 2021.

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 17—Equity – Hertz Global

Emergence from Bankruptcy

In connection with the emergence from Chapter 11, all of Hertz Global's existing authorized, issued, and outstanding common and preferred stock were cancelled. As of the Effective Date, there were 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.

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. As of December 31, 2021, all 1,500,000 shares of preferred stock were repurchased and retired.

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 sheets of Hertz Global as of December 31, 2022 and 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 any issued and outstanding 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 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 Hertz Global 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

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of the 2021 Rights Offering was backstopped by certain parties (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 19, "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.

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.

On December 21, 2021, 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 such share repurchases 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.

The difference between the carrying value of the Series A Preferred Stock and the redemption value paid by Hertz Global, including approximately \$7 million in certain fees, of \$450 million was recorded in Hertz Global's additional paid in capital as of December 31, 2021, and accordingly, was 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.

Nasdaq Listing

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 purchase price of \$300 million which is included in treasury stock in the accompanying Hertz Global consolidated balance sheets as of December 31, 2022 and 2021.

Share Repurchase Programs for Common Stock

On November 29, 2021, Hertz Global's Board approved the 2021 Share Repurchase Program that authorized the repurchase of up to \$2.0 billion worth of shares of Hertz Global's outstanding common stock. Between the inception of the 2021 Share Repurchase Program and December 31, 2021, a total of 17,106,026 shares of Hertz Global's

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common stock were repurchased by Hertz Global at an average share price of \$23.83, resulting in an aggregate purchase price of \$408 million. In 2022, the Company completed the 2021 Share Repurchase Program by repurchasing 80,677,021 shares of Hertz Global's common stock during the first and second quarters of 2022 at an average share price of \$19.74 for an aggregate purchase price of \$1.6 billion. Under the completed 2021 Share Repurchase Program, a total of 97,783,047 shares of Hertz Global common stock were repurchased for an aggregate purchase price of \$2.0 billion.

In June 2022, Hertz Global's Board of Directors approved the 2022 Share Repurchase Program that authorized additional repurchases of up to an incremental \$2.0 billion worth of shares of Hertz Global's outstanding common stock. Between the inception and December 31, 2022, a total of 47,303,009 shares of Hertz Global's common stock were repurchased under the 2022 Share Repurchase Program at an average share price of \$17.64 for an aggregate purchase price of \$835 million.

Between January 1, 2023 and January 26, 2023, a total of 1,079,647 shares of Hertz Global's common stock were repurchased under the 2022 Share Repurchase Program at an average share price of \$16.51 resulting in an aggregate purchase price of \$18 million.

Common shares repurchased are included in treasury stock in the accompanying Hertz Global consolidated balance sheets as of December 31, 2022 and 2021. Hertz Global funded the share repurchases with available cash and dividend distributions from Hertz.

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.

Note 18—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 years ended December 31, 2022 and 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 17, "Equity – Hertz Global," in December 2021 all shares of the Series A Preferred Stock were repurchased by Hertz Global. The difference between the carrying value of the Series A Preferred Stock 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 for the year ended December 31, 2021.

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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,		
	2022	2021	2020
Numerator:			
Net income (loss) attributable to Hertz Global	\$ 2,059	\$ 366	\$ (1,714)
Series A Preferred Stock deemed dividends ⁽¹⁾	—	(450)	—
Net income (loss) available to Hertz Global common stockholders, basic	2,059	(84)	(1,714)
Change in fair value of Public Warrants	(704)	—	—
Net income (loss) available to Hertz Global common stockholders, diluted	<u>\$ 1,355</u>	<u>\$ (84)</u>	<u>\$ (1,714)</u>
Denominator:			
Basic weighted-average common shares outstanding	379	315	150
Dilutive effect of stock options, RSUs and PUs	1	—	—
Dilutive effect of Public Warrants	23	—	—
Diluted weighted-average common shares outstanding ⁽²⁾	<u>403</u>	<u>315</u>	<u>150</u>
Antidilutive Public Warrants	—	14	—
Antidilutive stock options, RSUs and PSUs	6	1	2
Total antidilutive	<u>6</u>	<u>15</u>	<u>2</u>
Earnings (loss) per common share:			
Basic	\$ 5.43	\$ (0.27)	\$ (11.44)
Diluted	\$ 3.36	\$ (0.27)	\$ (11.44)

(1) Reflects the difference between the carrying value of the Series A Preferred Stock and the redemption value paid by Hertz Global, including approximately \$7 million in certain fees.

(2) 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 diluted earnings (loss) per common share have not been retrospectively adjusted for reporting periods prior to the Effective Date for the 2021 Rights Offering.

Note 19—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 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, 2022, 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. During the year ended December 31, 2022, 245,959 Public Warrants were exercised, of which 60,661 were cashless exercises and 185,298 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

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Public Warrants began trading on Nasdaq under the trading 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 sheets as of December 31, 2022 and 2021. See Note 13, "Fair Value Measurements."

Note 20—Segment Information

The Company's chief operating decision maker assesses performance and allocates resources based upon the financial information for the Company's reportable segments. 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, as well as sales of value-added services, in the U.S., Canada, Latin America and the Caribbean; and
- International RAC - Rental of vehicles, as well as sales of value-added services, in locations other than the U.S., Canada, Latin America and the Caribbean.

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.

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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,		
	2022	2021	2020
Revenues			
Americas RAC	\$ 7,280	\$ 6,215	\$ 3,756
International RAC	1,405	985	872
Total reportable segments	8,685	7,200	4,628
All other operations ⁽¹⁾	—	136	630
Total Hertz Global and Hertz	\$ 8,685	\$ 7,336	\$ 5,258
Depreciation of revenue earning vehicles and lease charges, net			
Americas RAC	\$ 553	\$ 343	\$ 1,352
International RAC	148	154	243
Total reportable segments	701	497	1,595
All other operations ⁽¹⁾	—	—	435
Total Hertz Global and Hertz	\$ 701	\$ 497	\$ 2,030
Depreciation and amortization, non-vehicle assets			
Americas RAC	\$ 114	\$ 166	\$ 182
International RAC	13	16	19
Total reportable segments	127	182	201
All other operations ⁽¹⁾	—	2	10
Corporate	15	12	14
Total Hertz Global and Hertz	\$ 142	\$ 196	\$ 225
Interest expense, net			
Americas RAC	\$ 60	\$ 198	\$ 259
International RAC	19	62	80
Total reportable segments	79	260	339
All other operations ⁽¹⁾	—	13	40
Corporate	249	196	229
Total Hertz Global	328	469	608
Hertz interest income from loan to Hertz Global	—	—	(2)
Total - Hertz	\$ 328	\$ 469	\$ 606
Adjusted EBITDA			
Americas RAC	\$ 2,292	\$ 2,173	\$ (810)
International RAC	350	90	(229)
Total reportable segments	2,642	2,263	(1,039)
All other operations ⁽¹⁾	—	13	93
Corporate	(337)	(146)	(49)
Total Hertz Global and Hertz	\$ 2,305	\$ 2,130	\$ (995)

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(In millions)	As of December 31,	
	2022	2021
Revenue earning vehicles, net		
Americas RAC	\$ 10,813	\$ 7,897
International RAC	1,682	1,329
Total reportable segments	12,495	9,226
Total Hertz Global and Hertz	\$ 12,495	\$ 9,226
Property and equipment, net		
Americas RAC	\$ 482	\$ 449
International RAC	64	67
Total reportable segments	546	516
Corporate	91	92
Total Hertz Global and Hertz	\$ 637	\$ 608
Total assets		
Americas RAC	\$ 17,645	\$ 14,352
International RAC	3,638	2,978
Total reportable segments	21,283	17,330
Corporate	1,214	2,453
Total Hertz Global ⁽²⁾	22,497	19,783
Corporate - Hertz	(1)	(3)
Total Hertz ⁽²⁾	\$ 22,496	\$ 19,780

(1) Substantially comprised of the Company's Donlen business, which was sold on March 30, 2021.

(2) The consolidated total assets of Hertz Global and Hertz as of December 31, 2022 and 2021 included total assets of VIEs of \$1.3 billion and \$734 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.

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(In millions)	Years Ended December 31,		
	2022	2021	2020
Revenue earning vehicles and non-vehicle capital assets			
Americas RAC:			
Expenditures	\$ (9,352)	\$ (5,935)	\$ (4,059)
Proceeds from disposals	5,768	2,137	7,965
Net expenditures - Hertz Global and Hertz	<u>\$ (3,584)</u>	<u>\$ (3,798)</u>	<u>\$ 3,906</u>
International RAC:			
Expenditures	\$ (1,379)	\$ (1,123)	\$ (930)
Proceeds from disposals	741	626	1,855
Net expenditures - Hertz Global and Hertz	<u>\$ (638)</u>	<u>\$ (497)</u>	<u>\$ 925</u>
All other operations:			
Expenditures	\$ —	\$ (155)	\$ (615)
Proceeds from disposals	—	70	335
Net expenditures - Hertz Global and Hertz	<u>\$ —</u>	<u>\$ (85)</u>	<u>\$ (280)</u>
Corporate:			
Expenditures	\$ (15)	\$ (12)	\$ (36)
Proceeds from disposals	1	1	3
Net expenditures - Hertz Global and Hertz	<u>\$ (14)</u>	<u>\$ (11)</u>	<u>\$ (33)</u>

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,		
	2022	2021	2020
Revenues			
U.S.	\$ 6,985	\$ 6,186	\$ 4,271
International	1,700	1,150	987
Total Hertz Global and Hertz	<u>\$ 8,685</u>	<u>\$ 7,336</u>	<u>\$ 5,258</u>

(In millions)	As of December 31,	
	2022	2021
Revenue earning vehicles, net		
U.S.	\$ 10,427	\$ 7,639
International	2,068	1,587
Total Hertz Global and Hertz	<u>\$ 12,495</u>	<u>\$ 9,226</u>
Property and equipment, net		
U.S.	\$ 558	\$ 527
International	79	81
Total Hertz Global and Hertz	<u>\$ 637</u>	<u>\$ 608</u>

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THE HERTZ CORPORATION AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(In millions)	As of December 31,	
	2022	2021
Total assets		
U.S.	\$ 18,149	\$ 16,174
International	4,348	3,609
Total Hertz Global	22,497	19,783
U.S. - Hertz	(1)	(3)
Total Hertz	\$ 22,496	\$ 19,780

Reconciliations of Adjusted EBITDA by reportable segment to consolidated amounts are summarized below:

Hertz Global

(In millions)	Years Ended December 31,		
	2022	2021	2020
Adjusted EBITDA:			
Americas RAC	\$ 2,292	\$ 2,173	\$ (810)
International RAC	350	90	(229)
Total reportable segments	2,642	2,263	(1,039)
All other operations ⁽¹⁾	—	13	93
Corporate ⁽²⁾	(337)	(146)	(49)
Total Hertz Global	2,305	2,130	(995)
Adjustments:			
Non-vehicle depreciation and amortization	(142)	(196)	(225)
Non-vehicle debt interest, net ⁽³⁾	(169)	(185)	(153)
Vehicle debt-related charges ⁽⁴⁾	(35)	(72)	(55)
Restructuring and restructuring related charges ⁽⁵⁾	(45)	(76)	(64)
Technology-related intangible and other asset impairments ⁽⁶⁾	—	—	(213)
Reorganization items, net ⁽⁷⁾	—	(677)	(175)
Pre-reorganization charges and non-debtor financing charges ⁽⁸⁾	—	(42)	(109)
Gain from the Donlen Sale ⁽⁹⁾	—	400	—
Change in fair value of Public Warrants ⁽¹⁰⁾	704	(627)	—
Unrealized gains (losses) on financial instruments ⁽¹¹⁾	111	4	3
Litigation settlements ⁽¹²⁾	(168)	—	—
Other items ⁽¹³⁾	(112)	24	(66)
Income (loss) before income taxes	\$ 2,449	\$ 683	\$ (2,052)

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Hertz

(In millions)	Years Ended December 31,		
	2022	2021	2020
Adjusted EBITDA:			
Americas RAC	\$ 2,292	\$ 2,173	\$ (810)
International RAC	350	90	(229)
Total reportable segments	2,642	2,263	(1,039)
All other operations ⁽¹⁾	—	13	93
Corporate ⁽²⁾	(337)	(146)	(49)
Total Hertz	2,305	2,130	(995)
Adjustments:			
Non-vehicle depreciation and amortization	(142)	(196)	(225)
Non-vehicle debt interest, net ⁽³⁾	(169)	(185)	(151)
Vehicle debt-related charges ⁽⁴⁾	(35)	(72)	(55)
Restructuring and restructuring related charges ⁽⁵⁾	(45)	(76)	(64)
Technology-related intangible and other asset impairments ⁽⁶⁾	—	—	(213)
Reorganization items, net ⁽⁷⁾	—	(513)	(175)
Pre-reorganization charges and non-debtor financing charges ⁽⁸⁾	—	(42)	(109)
Gain from the Donlen Sale ⁽⁹⁾	—	400	—
Unrealized gains (losses) on financial instruments ⁽¹¹⁾	111	4	3
Litigation settlements ⁽¹²⁾	(168)	—	—
Other items ⁽¹³⁾	(112)	24	(66)
Write-off of intercompany loan ⁽¹⁴⁾	—	—	(133)
Income (loss) before income taxes	\$ 1,745	\$ 1,474	\$ (2,183)

(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 and non-vehicle interest expense, as well as other business activities.

(3) In 2021, includes \$8 million of loss on extinguishment of debt associated with the payoff and termination of the HIL Credit Agreement resulting from the implementation of the Plan of Reorganization.

(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 charges incurred associated with the filing of and the emergence from the Chapter 11 Cases, as disclosed in Note 21, "Reorganization Items, Net."

(8) Represents charges incurred prior to the filing of the Chapter 11 Cases comprised of preparation charges for the reorganization, such as professional fees. Also, includes certain non-debtor financing and professional fee charges.

(9) Represents the net gain from the sale of the Company's Donlen business on March 30, 2021 as disclosed in Note 3, "Divestitures."

(10) Represents the change in fair value during the reporting period for Hertz Global's outstanding Public Warrants.

(11) Represents unrealized gains (losses) on derivative financial instruments. See Note 12, "Financial Instruments."

(12) Represents payments made for the settlement of certain claims related to alleged false arrests. See Note 15, "Contingencies and Off-Balance Sheet Commitments."

(13) Represents miscellaneous items. For 2022, primarily includes certain bankruptcy claims, certain professional fees and charges related to the settlement of bankruptcy claims and certain non-cash stock-based compensation charges. For 2021, primarily 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, primarily includes \$16 million associated with the Donlen Sale, partially offset by charges of \$18 million for losses associated with certain vehicle damages which were recorded in the second quarter, costs associated with the Company's information technology and finance transformation programs, partially offset by a \$20 million gain on the sale of non-vehicle capital assets, which was recorded in the first quarter.

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)

(14) For 2020, represents the write-off of the 2019 Master Loan between Hertz and Hertz Holdings, as disclosed in Note 16, "Related Party Transactions."

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.

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 and certain of their respective affiliates and holders of certain notes upon emergence from Chapter 11 in accordance with an equity purchase and commitment 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 year ended December 31, 2021 totaled \$485 million. As of December 31, 2021, \$25 million was recorded in accounts payable in the accompanying consolidated balance sheet, which was paid through the claim settlement process during the first half of 2022.

SCHEDULE I
CONDENSED FINANCIAL INFORMATION OF REGISTRANT
HERTZ GLOBAL HOLDINGS, INC.

PARENT COMPANY BALANCE SHEETS
(In millions, except par value)

	December 31,	
	2022	2021
ASSETS		
Cash and cash equivalents	\$ —	\$ 1
Restricted cash and cash equivalents	—	—
Total cash and cash equivalents and restricted cash and cash equivalents	—	1
Non-vehicle receivables, net of allowance	—	1
Prepaid expenses and other assets	1	1
Investments in subsidiaries, net	3,279	4,350
Deferred income taxes, net	3	2
Total assets	<u>\$ 3,283</u>	<u>\$ 4,355</u>
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accrued liabilities	\$ 21	\$ 54
Public Warrants	617	1,324
Total liabilities	638	1,378
Stockholders' equity:		
Preferred stock, \$0.01 par value, no shares issued and outstanding	—	—
Common stock, \$0.01 par value, 478,914,062 and 477,233,278 shares issued, respectively and 323,483,178 and 449,782,424 shares outstanding, respectively	5	5
Additional paid-in capital	6,326	6,209
Retained earnings (Accumulated deficit)	(256)	(2,315)
Accumulated other comprehensive income (loss)	(294)	(214)
Equity before treasury stock	5,781	3,685
Treasury stock, at cost, 155,430,884 and 27,450,854 common shares as of December 31, 2022 and 2021, respectively	(3,136)	(708)
Total stockholders' equity	2,645	2,977
Total liabilities and stockholders' equity	<u>\$ 3,283</u>	<u>\$ 4,355</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,		
	2022	2021	2020
Total Revenues	\$ —	\$ —	\$ —
Expenses:			
Interest expense, net	—	—	2
Write-off of intercompany loan	—	—	(133)
Reorganization items, net	—	164	—
Change in fair value of Public Warrants	(704)	627	—
Total expenses	(704)	791	(131)
Income (loss) before income taxes and equity in earnings (losses) of subsidiaries	704	(791)	131
Income tax (provision) benefit	—	—	1
Equity in earnings (losses) of subsidiaries, net of tax	1,355	1,157	(1,846)
Net income (loss)	2,059	366	(1,714)
Series A Preferred Stock deemed dividends	—	(450)	—
Net income (loss) available to Hertz Holdings common stockholders	\$ 2,059	\$ (84)	\$ (1,714)

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,		
	2022	2021	2020
Net income (loss)	\$ 2,059	\$ 366	\$ (1,714)
Total other comprehensive income (loss)	(80)	(2)	(23)
Total comprehensive income (loss)	<u>\$ 1,979</u>	<u>\$ 364</u>	<u>\$ (1,737)</u>

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

PARENT COMPANY STATEMENTS OF CASH FLOWS
(In millions)

	Years Ended December 31,		
	2022	2021	2020
Net cash provided by (used in) operating activities	\$ —	\$ —	\$ (3)
Cash flows from financing activities:			
Proceeds from loans with Hertz	—	—	5
Proceeds from Plan Sponsors	—	2,781	—
Proceeds from 2021 Rights Offering, net	—	1,639	—
Contributions to Hertz	—	(5,642)	—
Proceeds from exercises of Public Warrants	3	77	—
Proceeds from issuance of preferred stock, net	—	1,433	—
Distributions to common stockholders	—	(239)	—
Share repurchases	(2,461)	(654)	—
Repurchase of preferred stock	—	(1,883)	—
Dividends from Hertz	2,477	2,470	—
Proceeds from issuance of stock, net	—	—	28
Other	(20)	(9)	(2)
Net cash provided by (used in) financing activities	<u>(1)</u>	<u>(27)</u>	<u>31</u>
Net increase (decrease) in cash and cash equivalents and restricted cash and cash equivalents during the period	(1)	(27)	28
Cash and cash equivalents and restricted cash and cash equivalents at beginning of period	1	28	—
Cash and cash equivalents and restricted cash and cash equivalents at end of period	<u>\$ —</u>	<u>\$ 1</u>	<u>\$ 28</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.

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 2022 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 section below included in Note 15, "Contingencies and Off-Balance Sheet Commitments," to the Notes to its consolidated financial statements included in this 2022 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

- Litigation Against Former Executives

The remaining sections of Note 15, "Contingencies and Off-Balance Sheet Commitments," and Note 9, "Leases," to the Notes to its consolidated financial statements included in this 2022 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 2022, \$2.5 billion in cash dividends were paid to Hertz Holdings to fund common stock repurchases and in 2021, \$2.5 billion in cash dividends were paid by Hertz to Hertz Holdings to fund preferred stock and common stock share repurchases, as further disclosed in Note 17, "Equity – Hertz Global" to the Notes to its consolidated financial statements in this 2022 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 16, "Related Party Transactions," to the Notes to its consolidated financial statements in this 2022 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data." There were no non-cash dividends paid by Hertz in 2022, 2021 or 2020.

Note 4—Share Repurchases

For a discussion of the share repurchase programs of Hertz Holdings, refer to Note 17, "Equity – Hertz Global" to the Notes to its consolidated financial statements in this 2022 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data." In 2022 and 2021, Hertz Holdings repurchased 127,980,030 shares and 27,450,854 shares, respectively, for \$2.4 billion and \$708 million, respectively. These amounts are included in treasury stock in the accompanying parent-only balance sheets of Hertz Holdings as of December 31, 2022 and 2021.

Between January 1, 2023 and January 26, 2023, Hertz Holdings repurchased a total of 1,079,647 shares for \$18 million.

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				Balance at End of Period
		Charged to Expense	Translation Adjustments	Deductions		
Receivables allowances:						
Year ended December 31, 2022	\$ 50	\$ 57	\$ —	\$ (62) ⁽¹⁾		\$ 45
Year ended December 31, 2021	46	125	—	(121) ⁽¹⁾		50
Year ended December 31, 2020	35	94 ⁽²⁾	—	(83) ⁽¹⁾⁽²⁾		46
Tax valuation allowances:						
Year ended December 31, 2022	\$ 690	\$ —	\$ (33)	\$ (146) ⁽³⁾		\$ 511
Year ended December 31, 2021	651	78	(39)	—		690
Year ended December 31, 2020	396	218	37	—		651

(1) Amounts written off, net of recoveries.

(2) Activity includes allowances associated with Donlen while classified as held for sale prior to completion of the Donlen Sale on March 30, 2021, as disclosed in Note 3, "Divestitures," to the notes to the Company's consolidated financial statements in this 2022 Annual Report under the caption Item 8, "Financial Statements and Supplementary Data."

(3) Activity represents the release of a valuation allowance.

**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 2022 Annual Report. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of December 31, 2022, 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, 2022. 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, 2022.

The effectiveness of our internal control over financial reporting as of December 31, 2022 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report, which appears in this 2022 Annual Report.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the three months ended December 31, 2022, 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

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

ITEM 9A. CONTROLS AND PROCEDURES (Continued)

this 2022 Annual Report. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of December 31, 2022, 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, 2022. 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, 2022.

The effectiveness of our internal control over financial reporting as of December 31, 2022 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report, which appears in this 2022 Annual Report.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the three months ended December 31, 2022, 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.

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

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 2022 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 2022 Annual Report.

Hertz

As disclosed in the Explanatory Note to this 2022 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 Colleen Batcheler, 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 2022 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."

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

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 16, "Related Party Transactions," to the Notes to the Company's consolidated financial statements in this 2022 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 2022.

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 2022 and 2021, were as follows:

(In millions)	2022	2021
Audit fees ⁽¹⁾	\$ 10	\$ 14
Audit-related fees ⁽²⁾	1	1
Tax fees	—	—
Total	\$ 11	\$ 15

(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 2022.

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

PART IV

ITEM 15. EXHIBIT AND FINANCIAL STATEMENT SCHEDULES

The following documents are filed as part of this 2022 Annual Report:

		Page
(a)	1. <i>Financial Statements:</i>	
	Our financial statements filed herewith are set forth in Part II, Item 8 of this 2022 Annual Report as follows:	
	<u>(A) Hertz Global Holdings, Inc. and Subsidiaries—</u>	
	Reports of Independent Registered Public Accounting Firm	75
	Consolidated Balance Sheets	83
	Consolidated Statements of Operations	84
	Consolidated Statements of Comprehensive Income (Loss)	85
	Consolidated Statements of Changes in Equity	86
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	<u>(B) The Hertz Corporation and Subsidiaries—</u>	
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	2. <i>Financial Statement Schedules:</i>	
	Our financial statement schedules filed herewith are set forth in Part II, Item 8 of this 2022 Annual Report as follows ^(a) :	
	(A) Hertz Global Holdings, Inc.—Schedule I—Condensed Financial Information of Registrant	151
	(B) Hertz Global Holdings, Inc. and Subsidiaries and The Hertz Corporation and Subsidiaries-Schedule II—Valuation and Qualifying Accounts	155
	(a) Omitted schedules are not applicable	
	3. <i>Exhibits:</i>	
	The attached list of exhibits in the “Exhibit Index” immediately preceding the signature page to this 2022 Annual Report is filed as part of this 2022 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
2.1	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).
2.2	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	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).
3.2	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).
3.2.1	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).
3.2.2	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).
3.3	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).
3.4	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).
4.1	Hertz Holdings	Description of securities registered under Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.1 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), filed on February 23, 2022).
4.2	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).
4.2.1	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).
4.2.2	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).

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

EXHIBIT INDEX (Continued)

Exhibit Number		Description
4.3	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).
4.3.1	Hertz Holdings Hertz	Amendment No. 1 dated June 27, 2022 to 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 10.3 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 July 28, 2022).
4.4	Hertz Holdings Hertz	Amended and Restated Series 2021-A Supplement dated as of June 24, 2022, among Hertz Vehicle Financing, 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 10.1 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 June 27, 2022).
4.5	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).
4.5.1	Hertz Holdings Hertz	Amendment No. 1 dated June 27, 2022 to 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 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 July 28, 2022).
4.6	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).
4.6.1	Hertz Holdings Hertz	Amendment No. 1 dated June 27, 2022 to 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 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 July 28, 2022).
4.7	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).
4.7.1	Hertz Holdings Hertz	Amendment No. 1 dated June 27, 2022 to 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 10.7 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 July 28, 2022).
4.8	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).

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

EXHIBIT INDEX (Continued)

Exhibit Number		Description
4.8.1	Hertz Holdings Hertz	Amendment No. 1 dated June 27, 2022 to 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 10.8 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 July 28, 2022).
4.9	Hertz Holdings Hertz	Series 2022-3 Supplement, dated as of March 30, 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, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on April 1, 2022).
4.9.1	Hertz Holdings Hertz	Amendment No. 1 dated June 27, 2022 to 2022-3 Supplement, dated as of March 30, 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 10.9 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 July 28, 2022).
4.10	Hertz Holdings Hertz	Series 2022-4 Supplement, dated as of March 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 10.2 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 1, 2022).
4.10.1	Hertz Holdings Hertz	Amendment No. 1 dated June 27, 2022 to 2022-4 Supplement, dated as of March 30, 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 10.10 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 July 28, 2022).
4.11	Hertz Holdings Hertz	Series 2022-5 Supplement, dated as of March 30, 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 10.3 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 April 1, 2022).
4.11.1	Hertz Holdings Hertz	Amendment No. 1 dated June 27, 2022 to 2022-5 Supplement, dated as of March 30, 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 10.11 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 July 28, 2022).
4.12	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).
4.12.1	Hertz Holdings Hertz	Amendment No. 1 dated June 27, 2022 to 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 lessee, servicer and guarantor, DTG Operations, Inc. as lessee, and those permitted lessees from time to time party thereto (incorporated by reference to Exhibit 10.4 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 July 28, 2022).
4.13	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).

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

EXHIBIT INDEX (Continued)

Exhibit Number		Description
4.14	Hertz Holdings Hertz	<u>Amended and Restated Issuer Facility Agreement dated as of December 20, 2022, 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 (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 December 22, 2022).</u>
4.14.1	Hertz Holdings Hertz	<u>Amended and Restated Performance Guaranty and Indemnity, dated as of December 20, 2022, 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 (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), filed on December 22, 2022).</u>
4.14.2	Hertz Holdings Hertz	<u>Amended and Restated Dutch Master Lease and Servicing Agreement dated as of December 20, 2022, 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.*</u>
4.14.3	Hertz Holdings Hertz	<u>Amended and Restated French Master Lease and Servicing Agreement, dated as of December 20, 2022, 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.*</u>
4.14.4	Hertz Holdings Hertz	<u>Amended and Restated German Master Lease and Servicing Agreement, dated as of December 20, 2022, 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.*</u>
4.14.5	Hertz Holdings Hertz	<u>Italian Master Lease Agreement dated as of December 20, 2022, by and among IFM SPV S.R.L., Hertz Italiana S.R.L., those Permitted Lessees from time to time becoming Lessees thereunder, Hertz Fleet Italiana S.R.L., International Fleet Financing No. 2 B.V., and Banca Finanziaria Internazionale S.P.A.*</u>
4.14.6	Hertz Holdings Hertz	<u>Amended and Restated Spanish Master Lease and Servicing Agreement dated as of December 20, 2022, 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.*</u>
4.14.7	Hertz Holdings Hertz	<u>Amended and Restated Master Definitions and Constructions Agreement dated as of December 20, 2022, 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, BNP Paris, Italian Branch, BNP Paribas S.A., Hertz Italiana S.R.L., IFM SPV S.R.L., Hertz Fleet Italiana S.R.L., Credit Agricole Corporate and Investment Bank, Hertz Europe Limited, The Hertz Corporation, BNP Paribas, Luxembourg Branch, TMF SFS Management BV, TMF France Management SARL, TMF France SAS, KPMG Advisory SAS, BNP Paribas Trust Corporation UK Limited, BNP Paribas S.A., Dublin Branch, BNP Paribas S.A., Netherlands Branch, Banca Nazionale Del Lavoro S.P.A., 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 (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 December 22, 2022).</u>
10.1	Hertz Holdings Hertz	<u>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).</u>
10.2	Hertz Holdings Hertz	<u>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).</u>

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

EXHIBIT INDEX (Continued)

Exhibit Number		Description
10.3	Hertz Holdings Hertz	<u>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).</u>
10.4	Hertz Holdings Hertz	<u>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).</u>
10.5	Hertz Holdings Hertz	<u>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).</u>
10.5.1	Hertz Holdings Hertz	<u>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).</u>
10.6	Hertz Holdings Hertz	<u>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).</u>
10.6.1	Hertz Holdings Hertz	<u>Amendment No. 1 dated August 3, 2021 to Credit Agreement dated June 30, 2021, by and among THC 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 10.4 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 April 27, 2022).</u>
10.6.2	Hertz Holdings Hertz	<u>Amendment No. 2 dated November 23, 2021 to Credit Agreement dated June 30, 2021, by and among THC 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 10.5 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 April 27, 2022).</u>
10.6.3	Hertz Holdings Hertz	<u>Amendment No. 3 dated March 31, 2022 to Credit Agreement dated June 30, 2021, by and among THC 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 10.4 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 April 1, 2022).</u>
10.6.4	Hertz Holdings Hertz	<u>Amendment No. 4 dated May 13, 2022 to Credit Agreement dated 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 10.1 to the Current Report of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on May 13, 2022).</u>
10.6.5	Hertz Holdings Hertz	<u>Amendment No. 5 dated June 23, 2022 to Credit Agreement dated 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 10.2 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 June 27, 2022).</u>

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

EXHIBIT INDEX (Continued)

Exhibit Number		Description
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). †
10.8.1	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). †
10.9	Hertz Holdings Hertz	Form of Director and Officer Indemnification Agreement (incorporated by reference to Exhibit 10.10 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 23, 2022).
10.10	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). †
10.11	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). †
10.12	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). †
10.13	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). †
10.14	Hertz Holdings Hertz	Form of Restricted Stock Unit Agreement under the 2021 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.18 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 July 28, 2022). †
10.15	Hertz Holdings Hertz	Form of Performance Stock Unit Agreement under the 2021 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.19 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 July 28, 2022). †
10.16	Hertz Holdings Hertz	Form of Executive Sign-On Performance Stock Unit Agreement under the 2021 Omnibus Incentive Plan (incorporated by reference to Exhibit 10.20 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 July 28, 2022). †
10.17	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). †
10.18	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). †
10.18.1	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). †

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

EXHIBIT INDEX (Continued)

Exhibit Number		Description
10.19	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). †
10.19.1	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). †
10.20	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). †
10.20.1	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). †
10.21	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). †
10.22	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	Employment Agreement, dated as of February 3, 2022, between Hertz Global Holdings, Inc., and Stephen M. Scherr (incorporated by reference to Exhibit 10.7 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 April 27, 2022). †
10.24	Hertz Holdings Hertz	Aircraft Time Sharing Agreement dated as of April 22, 2022 between The Hertz Corporation and Stephen M. Scherr (incorporated by reference to Exhibit 10.21 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 July 28, 2022). †
10.25	Hertz Holdings Hertz	Offer letter between Colleen Batcheler and Hertz Global Holdings, Inc. dated April 4, 2022. †*
10.26	Hertz Holdings Hertz	Confidential Severance Agreement and General Release of Claims dated June 14, 2022 between The Hertz Corporation and Angela Brav (incorporated by reference to Exhibit 10.23 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 July 28, 2022). †
10.27	Hertz Holdings Hertz	Confidential Severance Agreement and General Release of Claims dated June 30, 2022 between The Hertz Corporation and M. David Galainena (incorporated by reference to Exhibit 10.22 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 July 28, 2022). †
10.28	Hertz Holdings Hertz	Offer letter between Eric Leef and Hertz Global Holdings, Inc. dated September 2, 2020. †*
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). *

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

EXHIBIT INDEX (Continued)

Exhibit Number		Description
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. ^{**}
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

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

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, in Lee County, Florida on the 7th day of February, 2023.

HERTZ GLOBAL HOLDINGS, INC.
THE HERTZ CORPORATION
(Registrants)

By: /s/ KENNY CHEUNG

Name: Kenny Cheung

Title: *Executive Vice President and Chief Financial Officer*

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrants and in the capacities indicated on February 7, 2023:

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

Signature	Title
<u>/s/ STEPHEN SCHERR</u> Stephen Scherr	<i>Chief Executive Officer of the Registrants, Chairperson of the Board and Director of Hertz Global Holdings, Inc. (Principal Executive Officer)</i>
<u>/s/ KENNY CHEUNG</u> Kenny Cheung	<i>Executive Vice President and Chief Financial Officer of the Registrants and Director of The Hertz Corporation (Principal Financial Officer)</i>
<u>/s/ ALEXANDRA BROOKS</u> Alexandra Brooks	<i>Senior Vice President and Chief Accounting Officer of the Registrants (Principal Accounting Officer)</i>
<u>/s/ THOMAS WAGNER</u> Thomas Wagner	<i>Vice Chairperson of the Board and Director of Hertz Global Holdings, Inc.</i>
<u>/s/ FRAN BERMANZOHN</u> Fran Bermanzohn	<i>Director of Hertz Global Holdings, Inc.</i>
<u>/s/ COLIN FARMER</u> Colin Farmer	<i>Director of Hertz Global Holdings, Inc.</i>
<u>/s/ JENNIFER FEIKIN</u> Jennifer Feikin	<i>Director of Hertz Global Holdings, Inc.</i>
<u>/s/ MARK FIELDS</u> Mark Fields	<i>Director of Hertz Global Holdings, Inc.</i>
<u>/s/ VINCENT J. INTRIERI</u> Vincent J. Intrieri	<i>Director of Hertz Global Holdings, Inc.</i>
<u>/s/ EVELINA VOUGESSIS MACHAS</u> Evelina Vougeassis Machas	<i>Director of Hertz Global Holdings, Inc.</i>
<u>/s/ JEFFREY NEDELMAN</u> Jeffrey Nedelman	<i>Director of Hertz Global Holdings, Inc.</i>
<u>/s/ ANDREW SHANNAHAN</u> Andrew Shannahan	<i>Director of Hertz Global Holdings, Inc.</i>
<u>/s/ PAUL STONE</u> Paul Stone	<i>Director of The Hertz Corporation</i>
<u>/s/ COLLEEN BATCHELER</u> Colleen Batcheler	<i>Director of The Hertz Corporation</i>

Originally dated 25 September 2018, as amended and restated on 29 April 2021, 21 December 2021 and 21 June 2022 and further amended and restated on 20 December 2022

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

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This Agreement (as amended, modified or supplemented from time to time in accordance with the provisions hereof, this “**Agreement**”) is originally made on 25 September 2018, as amended and restated on 29 April 2021, 21 December 2021 and 21 June 2022 and further amended and restated on ____ December 2022 and shall become effective at the Effective Time **between**:

- (1) **STUURGROEP FLEET (NETHERLANDS) B.V.**, a private company with limited liability incorporated under the laws of the Netherlands (*besloten vennootschap met beperkte aansprakelijkheid*), 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.

2.1.2 [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, sub-clause 5.2.2 (E) of the German Master Lease and sub-clause 5.2.2 (E) of the Italian 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, sub-clause 5.2.2 (D) of the German Master Lease and sub-clause 5.2.2 (D) of the Italian 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) During the period from (and including) the Fourth Amendment Date until the Non-RCC Expiry Date in circumstances where Non-Program Vehicles are to be acquired from a Dealer or an Auction Seller where it is not reasonably practicable to enter into a Vehicle Purchasing Agreement with such Dealer or Auction Seller that complies with the Required Contractual Criteria, 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 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) the purchase price of the Vehicle(s) shall be paid to the relevant Dealer or Auction Seller in full by the date falling no later than five (5) Business Days from the date of (A) in respect of a purchase from a Dealer, delivery of the relevant Vehicle(s) and (B) in respect of a purchase from an Auction Seller, the applicable Vehicle Purchasing Agreement and in each case, to the extent that the purchase price has not been paid in full by the date falling no later than five (5) Business Days in accordance with paragraphs (A) and (B) above, such Vehicle(s) will not constitute Non-RCC Compliant Eligible Vehicles for the purposes of this Agreement;
 - (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;
 - (iv) at any time of determination, the aggregate Net Book Value of all Vehicles where the Vehicles have been delivered to or to the order of the Dutch FleetCo by an Auction Seller or Dealer pursuant to a Vehicle Purchasing Agreement but for which the full purchase price payable by or on behalf of the Dutch FleetCo has not yet been paid by or on behalf of the Dutch FleetCo, shall, in aggregate with the Net Book Value of such Vehicles acquired by the relevant FleetCo pursuant to the equivalent clause in each

of the other Master Leases, be no more than EUR 10,000,000. For the avoidance of doubt, any Vehicles acquired pursuant to a Vehicle Purchasing Agreement which is not compliant with the Required Contractual Criteria but for which the purchase price has been paid in full shall be disregarded for the purposes of the limit set out in this paragraph (b)(iv) and further, to the extent that on such date of determination, the Net Book Value of such Vehicles acquired by the FleetCos pursuant to this Clause 6.3(b)(iv) and the equivalent clause in each of the other Master Leases is more than EUR 10,000,000, then such excess shall be treated as Non-RCC Compliant Unpaid Vehicle Concentration Excess Amount; and

- (v) at any time of determination, the aggregate Net Book Value of such Non-RCC Compliant Eligible Vehicles shall be equal to or less than thirty (30) per cent. of the aggregate Net Book Value of all Eligible Vehicles as at that date of determination and to the extent that on such date of determination, the Net Book Value of such Non-RCC Compliant Eligible Vehicles is more than thirty (30) per cent of the aggregate Net Book Value of all Eligible Vehicles, such excess shall be treated as Non-RCC Compliant Eligible Vehicle Concentration Excess Amount and the Dutch FleetCo shall not purchase any further Vehicles pursuant to any Vehicle Purchasing Agreement which does not comply with the Required Contractual Criteria until such time that the Net Book Value of such Non-RCC Compliant Eligible Vehicles is equal to or less than thirty (30) per cent. of the aggregate Net Book Value of all Eligible Vehicles (and the Non-RCC Compliant Eligible Vehicle Concentration Excess Amount is brought down to nil). For the avoidance of doubt, a breach by the Dutch FleetCo of the obligation to ensure the aggregate Net Book Value of Non-RCC Compliant Eligible Vehicles shall be equal to or less than thirty (30) per cent. of the aggregate Net Book Value of all Eligible Vehicles set out in this Sub-Clause (v) shall not on its own constitute a Lease Event of Default or a Leasing Company Amortization Event.
- (c) On any date after the Non-RCC Expiry Date, the Servicer shall not negotiate any Vehicle Purchasing Agreements on behalf of Dutch FleetCo which do not comply with the Required Contractual Criteria. For the avoidance of doubt, this restriction shall not apply to any Vehicles which the Dutch FleetCo may have purchased pursuant to sub-clause (b) above.
- (d) 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*);

- (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.
- (e) 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:

[Dutch Master Lease and Servicing Agreement – Signature Page]

Lessee and Servicer
HERTZ AUTOMOBIELEN NEDERLAND B.V.

By:

Title:

[Dutch Master Lease and Servicing Agreement – Signature Page]

Dutch Security Trustee

SIGNED for and on behalf of
BNP PARIBAS TRUST CORPORATION UK LIMITED

Signed by: _____
Title:

Signed by: _____
Title:

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.

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.

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 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 contractsovernemng*). 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 contractsovernemng*) 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 Agreement

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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

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Schedule 6
Form of Initial Lease Vehicle Acquisition Schedule

Vehicles to be leased pursuant to the Dutch Master Lease as of the Closing Date, whose Vehicle Lease Commencement Date shall be the Closing Date:

[illegible]

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, 21 December 2021 and 21 June 2022 and further amended and restated on 20 December 2022
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

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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, 21 December 2022 and 21 June 2022 and, further amended and restated on ____ December 2022 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, 487 581 498 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 (*Servicer 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, sub-clause 5.2.2(E) of the German Master Lease and sub-clause 5.2.2 (E) of the Italian 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, sub-clause 5.2.2(D) of the German Master Lease and sub-clause 5.2.2 (D) of the Italian 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) During the period from (and including) the Fourth Amendment Date until the Non-RCC Expiry Date, in circumstances where Non-Program Vehicles are to be acquired from a Dealer or an Auction Seller where it is not reasonably practicable to enter into a Vehicle Purchasing Agreement with such Dealer or Auction Seller that complies with the Required Contractual Criteria, 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 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) the purchase price of the Vehicle(s) shall be paid to the relevant Dealer or Auction Seller in full by the date falling no later than five (5) Business Days from the date of (A) in respect of the purchase from a Dealer, delivery of the relevant Vehicle(s) and (B) in respect of a purchase from an Auction Seller, the applicable Vehicle Purchasing Agreement and in each case, to the extent that the purchase price has not been paid in full by the date falling no later than five (5) Business Days in accordance with paragraphs (A) and (B) above, such Vehicle(s) will not constitute Non-RCC Compliant Eligible Vehicles for the purposes of this Agreement;
 - (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 following such payment;

- (iv) at any time of determination, the aggregate Net Book Value of such Vehicles where the Vehicles have been delivered to or to the order of the French FleetCo by an Auction Seller or Dealer pursuant to a Vehicle Purchasing Agreement but for which the full purchase price payable by or on behalf of the French FleetCo has not yet been paid by or on behalf of the French FleetCo, shall in aggregate with the Net Book Value of such Vehicles acquired by the relevant FleetCo pursuant to the equivalent clause in each of the other Master Leases, be no more than EUR 10,000,000. For the avoidance of doubt, any Vehicles acquired pursuant to a Vehicle Purchasing Agreement which is not compliant with the Required Contractual Criteria but for which the purchase price has been paid in full shall be disregarded for the purposes of the limit set out in this paragraph (b)(iv) and further, to the extent that on such date of determination, the Net Book Value of such Vehicles acquired by the FleetCos pursuant to this Clause 6.3(b)(iv) and the equivalent clause in each of the other Master Leases is more than EUR 10,000,000, then such excess shall be treated as Non-RCC Compliant Unpaid Vehicle Concentration Excess Amount; and
- (v) at any time of determination, the aggregate Net Book Value of all Non-RCC Compliant Eligible Vehicles shall be equal to or less than thirty (30) per cent. of the aggregate Net Book Value of all Eligible Vehicles as at that date of determination and to the extent that on such date of determination, the Net Book Value of such Non-RCC Compliant Eligible Vehicles is more than thirty (30) per cent of the aggregate Net Book Value of all such Eligible Vehicles, such excess shall be treated as Non-RCC Compliant Eligible Vehicle Concentration Excess Amount and the French FleetCo shall not purchase any further Vehicles pursuant to any Vehicle Purchasing Agreement which does not comply with the Required Contractual Criteria until such time that the Net Book Value of such Non-RCC Compliant Eligible Vehicles is equal to or less than thirty (30) per cent. of the aggregate Net Book Value of all Eligible Vehicles (and the Non-RCC Compliant Eligible Vehicle Concentration Excess Amount is brought down to nil). For the avoidance of doubt, a breach by the French Fleetco of the obligation to ensure the aggregate Net Book Value of Non-RCC Compliant Eligible Vehicles shall be equal to or less than thirty (30) per cent. of the aggregate Net Book Value of all Eligible Vehicles set out in this Sub-Clause (v) shall not on its own constitute a Lease Event of Default or a Leasing Company Amortization Event.
- (c) On any date after the Non-RCC Expiry Date, the Servicer shall not negotiate any Vehicle Purchasing Agreements on behalf of French FleetCo which do not comply with the Required Contractual Criteria. For the avoidance of doubt, this restriction shall not apply to any Vehicles which the French FleetCo may have purchased pursuant to sub-clause (b) above.
- (d) 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.

(e) 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 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 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, safety, 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: _____

[FRENCH MASTER LEASE AND SERVICING AGREEMENT – SIGNATURE PAGE]

Lessee and Servicer

HERTZ FRANCE SAS

By: _____

French Security Trustee

SIGNED for and on behalf of
BNP PARIBAS TRUST CORPORATION UK LIMITED

Signed by: _____

Title:

Signed by: _____

Title:

Issuer Security Trustee

SIGNED for and on behalf of
BNP PARIBAS TRUST CORPORATION UK LIMITED

Signed by: _____

Title:

Signed by: _____

Title:

[FRENCH MASTER LEASE AND SERVICING AGREEMENT – SIGNATURE PAGE]

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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: _____

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: _____

**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:

**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: [●]

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: [●]

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.

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’

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

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.

- (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.

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 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.

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]
- 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:

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.

5 This Acknowledgement is governed by French law.

[Existing Supplier] [New Supplier]

By: By:

SCHEDULE V
DRAFT INTRA-GROUP VEHICLE PURCHASING AGREEMENT

WEIL\196789894\1\52396.0010

_____202[•]

RAC FINANCE SAS

AND

[•]

INTRA-GROUP VEHICLE PURCHASING AGREEMENT AGREEMENT

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, 487 581 498 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

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 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.

SIGNATURE PAGE TO THE SALE AND PURCHASE AGREEMENT

The Purchaser

RAC FINANCE SAS

By: _____

Name:

Title:

The Seller

[•]

By: _____

Name:

Title:

Schedule

Description of Vehicles Sold

WEIL:1967898941152396.0010

**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
487 581 498 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.

HERTZ FRANCE S.A.S.

Signature:

Nom:

Qualité:

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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
487 581 498 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:

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
487 581 498 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 :

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
487 581 498 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:

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
487 581 498 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 :

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
487 581 498 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:

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:

SCHEDULE VIII
FORM OF INITIAL LEASE VEHICLE ACQUISITION SCHEDULE

Vehicles to be leased pursuant to the French Master Lease as of the Closing Date, whose Vehicle Lease Commencement Date shall be the Closing Date:

[illegible]

Originally dated 25 September 2018 and as amended and restated on 29 April 2021, 21 December 2021 and 21 June 2022 and further amended and restated on 20 December 2022

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

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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, 21 December 2021 and 21 June 2022 and further amended and restated on ____ December 2022 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, sub-clause 5.2.2(E) of the Dutch Master Lease and sub-clause 5.2.2 (E) of the Italian 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, sub-clause 5.2.2(D) of the Dutch Master Lease and sub-clause 5.2.2 (D) of the Italian 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) During the period from (and including) the Fourth Amendment Date until the Non-RCC Expiry Date, in circumstances where Non-Program Vehicles are to be acquired from a Dealer or an Auction Seller where it is not reasonably practicable to enter into a Vehicle Purchasing Agreement with such Dealer or Auction Seller that complies with the Required Contractual Criteria, 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) the purchase price of the Vehicle(s) shall be paid to the relevant Dealer or Auction Seller in full by the date falling no later than five (5) Business Days from the date of (A) in respect of a purchase from a Dealer, delivery of the relevant Vehicle(s) and (B) in respect of a purchase from an Auction Seller, the applicable Vehicle Purchasing Agreement and in each case, to the extent that the purchase price has not been paid in full by the date falling no later than five (5) Business Days in accordance with paragraphs (A) and (B) above, such Vehicle(s) will not constitute Non-RCC Compliant Eligible Vehicles for the purposes of this Agreement;
 - (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;
 - (iv) at any time of determination, the aggregate Net Book Value of such Vehicles where the Vehicles have been delivered to or to the order of the German FleetCo by an Auction Seller or Dealer pursuant to a Vehicle Purchasing Agreement but for which the full purchase price payable by or on behalf of the German FleetCo has not yet been paid by or on behalf of the German FleetCo, shall, in aggregate with the Net Book Value of such Vehicles acquired by the relevant FleetCo pursuant to the equivalent clause in each of the other Master Leases, be no more than EUR 10,000,000. For the avoidance of doubt, any Vehicles acquired pursuant to a Vehicle Purchasing Agreement which is not compliant with the Required Contractual Criteria but for which the purchase price has been paid in full shall be disregarded for the purposes of the limit set out in this paragraph (b)(iv) and further, to the extent that on such date of determination, the Net Book Value of such Vehicles acquired by the FleetCos pursuant to this Clause 6.3(b)(iv) the equivalent clause in each of the other Master Leases is more than EUR 10,000,000, then such excess shall be treated as Non-RCC Compliant Unpaid Vehicle Concentration Excess Amount; and
 - (v) at any time of determination, the aggregate Net Book Value of all Non-RCC Compliant Eligible Vehicles shall be equal to or less than thirty (30) per cent. of the aggregate Net Book Value of all Eligible Vehicles as at that date of determination and to the extent that on such date of determination, the Net Book Value of such Non-RCC Compliant Eligible Vehicles is more than thirty (30) per cent of the aggregate

Net Book Value of all Eligible Vehicles, such excess shall be treated as Non-RCC Compliant Eligible Vehicle Concentration Excess Amount and the German FleetCo shall not purchase any further Vehicles pursuant to any Vehicle Purchasing Agreement which does not comply with the Required Contractual Criteria until such time that the Net Book Value of such Non-RCC Compliant Eligible Vehicles is equal to or less than thirty (30) per cent. of the aggregate Net Book Value of all Eligible Vehicles (and the Non-RCC Compliant Eligible Vehicle Concentration Excess Amount is brought down to nil). For the avoidance of doubt, a breach by the German FleetCo of the obligation to ensure the aggregate Net Book Value of Non-RCC Compliant Eligible Vehicles shall be equal to or less than thirty (30) per cent. of the aggregate Net Book Value of all Eligible Vehicles set out in this Sub-Clause (v) shall not on its own constitute a Lease Event of Default or a Leasing Company Amortization Event.

- (c) On any date after the Non-RCC Expiry Date, the Servicer shall not negotiate any Vehicle Purchasing Agreements on behalf of German FleetCo which do not comply with the Required Contractual Criteria. For the avoidance of doubt, this restriction shall not apply to any Vehicles which the German FleetCo may have purchased pursuant to sub-clause (b) above.
- (d) 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 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 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:

German Security Trustee

SIGNED for and on behalf of
BNP PARIBAS TRUST CORPORATION UK LIMITED

Signed by: _____
Title:

Signed by: _____
Title:

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.

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 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*]

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-vitiation 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]

SCHEDULE V

Form of Initial Lease Vehicle Acquisition Schedule

Vehicles to be leased pursuant to the German Master Lease as of the Closing Date, whose Vehicle Lease Commencement Date shall be the Closing Date:

[illegible]

**C L I F F O R D
C H A N C E**

CLIFFORD CHANCE LLP

EXECUTION VERSION

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.

TO:

IFM SPV S.R.L.

Via Galileo Galilei 2

39100 Bolzano

Italy

To the attention of: *Board of Directors*

With copy to:

BANCA FINANZIARIA INTERNAZIONALE S.P.A.

Via V. Alfieri, 1, 31015

Conegliano (TV)

Italy

To the attention of: *Managing Director*

INTERNATIONAL FLEET FINANCING NO. 2 B.V.

Fourth Floor, 3 George's Dock, IFSC,

Dublin 1

Ireland

To the attention of: *Bryn Cavers-Davies*

HERTZ ITALIANA S.R.L.

Via del Casale Cavallari, 204

00145 Rome

Italy

To the attention of: *Daniela Dei Agnoli*

Bolzano, 7 December 2022

Dear Sirs,

We refer to the proposal contained in your letter dated the date hereof, the contents of which we reproduce in full below and sign by way of full and unconditioned acceptance thereof.

"TO:

HERTZ FLEET ITALIANA S.R.L.

Via Galileo Galilei 2

39100 Bolzano

Italy

To the attention of: *Albana Qoshku*

HERTZ ITALIANA S.R.L.

Via del Casale Cavallari, 204

00145 Rome

Italy

To the attention of: *Daniela Dei Agnoli*

BANCA FINANZIARIA INTERNAZIONALE S.P.A.

Via V. Alfieri, 1, 31015

Conegliano (TV)

Italy

To the attention of: *Managing Director*

INTERNATIONAL FLEET FINANCING NO. 2 B.V.

Fourth Floor, 3 George's Dock, IFSC,

Dublin 1

Ireland

To the attention of: *Bryn Cavers-Davies*

Bolzano, 7 December 2022

Dear Sirs,

RE: Hertz – Italian Master Lease Agreement

We refer to our recent discussions and hereby propose to you the following:

IFM SPV S.R.L.
as Italian FleetCo and Lessor

HERTZ ITALIANA S.R.L.
as Italian OpCo and Lessee

Those Permitted Lessees from time to time becoming Lessees hereunder

HERTZ FLEET ITALIANA S.R.L.
as Italian Fleet Servicer and Italian Fleet Seller

INTERNATIONAL FLEET FINANCING NO. 2 B.V.
as Italian Noteholder

and

BANCA FINANZIARIA INTERNAZIONALE S.P.A.
as Italian Master Servicer

ITALIAN MASTER LEASE AGREEMENT

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ITALIAN MASTER LEASE AGREEMENT

BETWEEN

- (1) **IFM SPV S.R.L.**, a limited liability company (*società a responsabilità limitata*), incorporated and existing under the laws of Italy, pursuant to the Italian Securitisation Law, whose registered office is at Via Galileo Galilei 2, 39100 Bolzano (BZ), Italy, fully paid quota capital of Euro 10,000, fiscal code and registration No. with the companies register of Bolzano number 03185110214, in the process of being enrolled in the *elenco delle società veicolo* held by the Bank of Italy pursuant to the resolution of the Bank of Italy dated 7 June 2017 and having as its corporate object the realisation of securitisation transactions pursuant to articles 7 and 7.2 of the Italian Securitisation Law ("**Italian FleetCo**"), acting in its capacity as lessor (in such capacity, the "**Lessor**");
- (2) **HERTZ ITALIANA S.R.L.**, a limited liability company (*società a responsabilità limitata*) incorporated in the Republic of Italy, with registered office at Via del Casale Cavallari, 204 – 00145 Rome, share capital fully paid up equal to Euro 1,635,000, vat number, tax code and number of registration with the register of companies of Rome n. 00433120581, subject to the activity of direction and coordination (*soggetta all'attività di direzione e coordinamento*) pursuant to article 2497 of the Italian civil code ("**Italian OpCo**"), acting in its capacity as a lessee (in such capacity as lessee, the "**Lessee**");
- (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 (Italian OpCo and the Additional Lessees, in their capacities as lessees, each a "**Lessee**" and, collectively, the "**Lessees**");
- (4) **HERTZ FLEET ITALIANA S.R.L.**, a limited liability company (*società a responsabilità limitata*), incorporated in the Republic of Italy, with registered office at Via Galileo Galilei, 2 – 39100, Bolzano, share capital fully paid up equal to Euro 10,000, VAT number, tax code and number of registration, with the register of companies of Bolzano no. 09536331003, as seller of the initial Italian Vehicles (in such capacity, "**Italian Fleet Seller**"), and as fleet servicer (in such capacity, the "**Italian Fleet Servicer**");
- (5) **INTERNATIONAL FLEET FINANCING NO.2 B.V.**, a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, having its official seat (*statutaire zetel*) in Amsterdam, the Netherlands and its office at Fourth Floor, 3 George's Dock, IFSC, Dublin 1, Ireland, registered with the Trade Register of the Dutch Chamber of Commerce under the number 34394429 (the "**Italian Noteholder**"); and
- (6) **BANCA FINANZIARIA INTERNAZIONALE S.P.A.**, *breviter* Banca Finint S.p.A., a bank incorporated as a joint stock company (*società per azioni*) under the laws of the Republic of Italy, having its registered office in Via V. Alfieri, 1, 31015 Conegliano (TV), Italy, share capital of Euro 91,743,007.00 fully paid up, tax code and enrolment in the companies' register of Treviso-Belluno no. 04040580963, VAT Group "*Gruppo IVA FININT S.P.A.*" – VAT no. 04977190265, registered in the banks' register held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act under no. 5580 and in the register of the banking group held by the Bank of Italy as parent company of the Banca Finanziaria Internazionale Banking Group, member of the "*Fondo Interbancario di Tutela dei Depositi*" and of the "*Fondo Nazionale di Garanzia*" (the "**Italian Master Servicer**" and "**Banca Finint**").

The Lessor, the Lessee and the Italian Master Servicer are hereinafter collectively referred to as the "**Parties**" and each of them as a "**Party**".

Whereas:

- (A) The Lessor has purchased or will purchase title (*proprietà*) to certain Italian Vehicles from the Italian Fleet Seller (the "**Initial Italian Vehicles**") on arm's length terms pursuant to an Italian fleet transfer agreement entered into on or about the date hereof by and between Italian FleetCo and the Italian Fleet Seller (the "**Italian Fleet Transfer Agreement**"). Pursuant to the Italian Fleet Transfer Agreement, the Italian Fleet Seller and the Lessor may enter into one or more additional deeds for the sale of further Vehicles originally owned by the Italian Fleet Seller. The Lessor will also purchase, subject to certain conditions being satisfied, title (*proprietà*) to Italian Vehicles from various third party sellers on arm's-length terms pursuant to one or more other motor vehicle purchase agreements or otherwise, on an ongoing basis.
- (B) The purchase of the Italian Vehicles by the Lessor takes place in the context of a securitisation transaction carried out in accordance with articles 7 and 7.2 of the Italian Securitisation Law (the "**Italian Securitisation**"), pursuant to which the Lessor will issue a single class of notes (the "**Italian Notes**") pursuant to the Italian Securitisation Law, The Italian Notes will be subscribed by the Italian Noteholder on the Fifth Amendment Date.
- (C) Furthermore, the Lessor will enter into additional:
- (i) Vehicle Purchasing Agreements pursuant to which Italian FleetCo purchases fleets of Vehicles from a Manufacturer, Dealer or Auction Seller including, without limitation, Manufacturer Programmes and Sale Agreements; and
 - (ii) Intra-Group Vehicle Purchasing Agreements pursuant to which Italian FleetCo purchases Non-Program Vehicles from other FleetCo or Opco or another Affiliate of a FleetCo.
- (D) The purchase price of the purchased Vehicles will be funded by the Italian FleetCo in the context of the Italian Securitisation (a) for the Initial Italian Vehicles and further Vehicles' purchases from the Italian Fleet Seller in accordance with the terms of the Italian Fleet Transfer Agreement, through the net proceeds of the issuance of the Italian Notes on the Fifth Amendment Date and (b) for any further sales of Vehicles from the Manufacturers, Dealers and/or Auction Sellers, from time to time, through the Italian Collections (together with the Advance(s) made available to Italian FleetCo pursuant to the Italian Note Purchase agreement) in accordance with the Italian Priority of Payments.
- (E) The activity financed by Italian FleetCo through the Italian Securitisation shall comprise (i) the leasing of the purchased Italian Vehicles, and (ii) the resale or on-sale of the Lease Vehicles to, among others, the Manufacturers and/or Dealers mentioned above, whereby the proceeds deriving from such leasing activity and sale of Lease Vehicles will be used by Italian FleetCo to pay, among other things, the transaction costs of the Italian Securitisation and to make any payments with respect to interests accrued and principal due on the Italian Notes.
- (F) Italian FleetCo, as Lessor (*locatore*), desires to lease (*concedere in leasing operativo*) to Italian OpCo, as Lessee (*conduttore*), and Italian OpCo, as Lessee (*conduttore*), intends to lease from the Lessor (*locatore*) certain Lease Vehicles for use in connection with the business of Italian OpCo, including use by such Lessee's employees, directors, officers, representatives, agents and other business associates in their personal or professional capacities, in accordance with the terms hereof.
- (G) Pursuant to this Agreement, Italian FleetCo, as Lessor (*locatore*), may also lease (*concedere in leasing operativo*) certain Lease Vehicles to each entity who is a Permitted Lessee pursuant to Clause 12 (*Additional Lessees*) below (each an "**Additional Lessee**" and, together with Italian OpCo, the "**Lessees**"),

- (H) On the date hereof, the Lessor entered into a fleet servicing agreement with, amongst others, the Italian Fleet Servicer (the "**Italian Fleet Servicing Agreement**"), pursuant to which Italian FleetCo, with the acknowledgment of the Italian Master Servicer and upon direction of the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)), has appointed the Italian Fleet Servicer to act as its lawful agent (*mandatario con rappresentanza*) pursuant to article 1704 of the Italian Civil Code, also in the interest of the Italian Noteholder, to perform the management of the fleets of Italian Vehicles purchased from time to time by Italian FleetCo under the Italian Securitisation, including all the Lease Vehicles leased (*concesse in leasing*) to the Lessee pursuant to this Agreement through the performance of the services identified under the Italian Fleet Servicing Agreement for the purposes of the Italian Securitisation Law.

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 (the "**Master Definitions and Constructions Agreement**") a draft of which is attached hereto as Schedule 8 (*Draft Master Definitions and Construction Agreement*). The principles of interpretation and construction set out in the Master Definitions and Constructions Agreement shall apply to this Agreement. It is hereby agreed that, should the attached Master Definitions and Constructions Agreement be amended on or about the Fifth Amendment Date, the new version executed by, among others, the Parties will be deemed to form an integral and essential part of this Agreement in replacement of the version originally attached hereto.

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 Italian used in this Agreement and having a specific legal meaning should prevail over the English translation.
- 1.2.5 In this Agreement, Clauses marked as [Reserved] are included only for the purpose of ensuring the numbering consistency across similar documents in other jurisdictions in the context of the Securitisation.

1.3 Role of the Italian Master Servicer

Pursuant to a master servicing agreement (the "**Master Servicing Agreement**") entered into on or prior to the date of this Agreement, Italian FleetCo appointed Banca Finint as Italian Master Servicer of the Italian Securitisation, in the name and on behalf of the Italian FleetCo, with the duty of, among other things, (a) acting as the "*soggetto incaricato della riscossione dei crediti ceduti e dei servizi di cassa e di pagamento*" pursuant to article 2, sub-paragraph 3 of the Italian Securitisation Law and (b) verifying that the Italian Securitisation is in compliance with applicable Italian law and the Bank of Italy's regulations and consistent with the Italian Information Memorandum (being the "*Prospetto Informativo*") in accordance with article 2, sub-paragraph 6-*bis* of the Italian Securitisation Law and with any relevant applicable regulation, including Bank of Italy Regulation No. 285 of 17 September 2013, as amended, supplemented and/or superseded from time to time ("**Regulation 285**").

1.4 Role of the Italian Fleet Servicer

The Parties acknowledge that pursuant to the Italian Fleet Servicing Agreement, the Lessor, with the acknowledgment of the Italian Master Servicer, has appointed the Italian Fleet Servicer to perform, among other things, certain obligations under the Italian Fleet Servicing Agreement, and such performance shall discharge the relevant obligations to the same extent as if the Italian FleetCo had performed them. Furthermore, in accordance with the Italian Fleet Servicing Agreement, the Italian FleetCo will agree that the Italian Fleet Servicer will exercise the rights and actions, in the name and on behalf of the Italian FleetCo, against the Manufacturers arising from the statutory warranties due by such Manufacturers as well as all conventional warranties set out in the applicable motor vehicle purchase agreements, all (present and future) legal proceedings exercisable by the Italian FleetCo against any Manufacturer or against any third party connected therewith and/or resulting from the exercise of such warranties (including, without limitation, any action aiming at the termination of the relevant sale (*azione di risoluzione*), arising from any hidden defect of the Lease Vehicle (*azione di garanzia per vizi*), and/or arising from any third party rights purported in respect of Lease Vehicles (*azione di garanzia per evizione*)).

1.5 Lessor's capacity

For all purposes, the Lessee hereby acknowledges and agrees that the Lessor is not a Manufacturer, repairer or servicing agent in respect of any Lease Vehicle.

1.6 Segnalazione certificata inizio attività (SCIA)

Italian FleetCo hereby confirms and represents, also for the benefit of the Italian Noteholder and the Italian Master Servicer, that it does not have any knowledge (constructive or actual), nor is in receipt, of an objection by the competent authorities to the "*Segnalazione certificata di inizio attività*" (SCIA) filing and any related certificate filing, made by Italian FleetCo with the Municipality of Bolzano on 5 December 2022. This representation is given on the date hereof and shall be deemed to be repeated on the date on which any Further Italian Vehicles are sold and transferred by the Italian Fleet Seller to Italian FleetCo.

1.7 Effectiveness

Subject to Clause 2.7 (*Condition subsequent*), the Parties hereto acknowledge and agree that this Agreement shall become effective on the date on which Italian FleetCo has received the letter of acceptance of the contractual proposal relating to this Agreement consistent with such proposal.

1.8 Article 1411 of the Italian Civil Code

Each of the Italian Noteholder, the Italian Master Servicer and the Italian Fleet Servicer hereby declares that it accepts, for the purposes of article 1411 et seq. of the Italian Civil Code, the rights and benefits in its favour set out in this Agreement. The Parties acknowledge that, by declaring that it accepts the above-mentioned rights and benefits under this Agreement, the Italian Noteholder, the Italian Master Servicer and the Italian Fleet Servicer shall have no liabilities to, and will not assume or have any obligations of, any other Party to this Agreement.

This Agreement contains stipulations by the Parties in favour of the Italian Noteholder in accordance with article 1411 of the Italian Civil Code, which will be separately accepted by the Italian Noteholder through execution of the Italian Intercreditor Agreement and other Italian Related Documents.

1.9 Data Protection and Privacy Law provisions

1.9.1 Where necessary to enable the Italian OpCo to deliver the services hereunder, for such purposes Italian FleetCo authorises the Italian OpCo to process personal data on behalf of Italian FleetCo in accordance with this Clause. When the Italian OpCo processes such personal data, the Italian OpCo 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 Italian OpCo shall process personal data only for the purposes contemplated by this Agreement and shall act only on the instructions of Italian FleetCo (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 Italian OpCo directly and any other applicable laws. The Italian OpCo shall answer the reasonable enquiries of Italian FleetCo to enable Italian FleetCo to monitor the Italian OpCo's compliance with this Clause and the Italian OpCo shall not sub-contract its processing of personal data without the prior written consent of Italian FleetCo.

1.9.2 For the purposes of the above, Italian FleetCo hereby appoints, pursuant to and for the purpose of article 29, paragraphs 1 and 3 of the Italian Privacy Code, the Italian OpCo, and the Italian OpCo accepts such appointment, as responsible (*responsabile del trattamento*) (in such capacity, a "**Privacy Law Responsible Person**") for the treatment of the personal data from time to time transferred to the Italian OpCo pursuant to this Agreement and the Italian OpCo agrees to follow the instructions given by Italian FleetCo in relation to such treatment as set out in Schedule 9 (*Atto di nomina del responsabile del trattamento dei dati personali*).

2 Nature of Agreement

- (a) Each of the Lessee and the Lessor acknowledges that the relationship between the Lessor and the Lessee pursuant to this Agreement shall be only that of a lessor (*locatore*) and a lessee (*conduttore*) and that any lease of Lease Vehicles granted pursuant to this Agreement shall be an operating lease governed (*leasing operativo*) by Italian 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 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 of the Lessor and the Lessee hereby confirms to and for the benefit of the Italian Noteholder, that it is the intention of each of the Lessor and the Lessee that:
- (1) this Italian Master Lease constitutes a single indivisible lease of all the Vehicles subject to such Italian Master Lease and not separate leases governed by similar terms; and
 - (2) this Italian Master Lease is intended for all purposes (including bankruptcy) to the maximum extent permitted by the applicable law, to be a single lease with respect to all Vehicles subject to such Italian Master Lease.

2.1 Lease of Vehicles

2.1.1 Purchase of Initial Italian Vehicles and further Lease Vehicles from Italian FleetCo Seller.

- (A) On or prior to the date of this Agreement, the Italian Fleet Seller shall have transferred to Italian FleetCo the Initial Italian Vehicles to which it has legal title on the date hereof.
- (B) On the date hereof and subject to the terms and provisions hereto, (A) the Lessor shall lease to the Lessee and (B) the Lessee shall lease from the Lessor, in each case, all Vehicles transferred pursuant to Sub-Clause 2.1.1(A) above.
- (C) The capitalized cost of each Vehicle leased pursuant to this Clause 2.1 shall be equal to such Vehicle's Net Book Value immediately prior to such Vehicle's Lease Vehicle Commencement Date.

2.1.2 Agreement to Lease. From time to time, subject to the terms and provisions hereof (including satisfaction of the conditions precedent set forth in Clause 2.1.3 (*Conditions Precedent to Lease of Lease Vehicles*)), the Lessor agrees to lease to the Lessee, and the 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 2.1.4 (*Lease Vehicle Purchases and Lease Vehicle Acquisition Schedules*) and 2.2.2 (*Intra-Lease Transfers*), respectively.

2.1.3 Conditions Precedent to Lease of Lease Vehicles. The agreement of the Lessor to commence leasing any Lease Vehicle to the Lessee hereunder is subject to the following conditions precedent being satisfied at the time (i) of the relevant transfer of the Vehicles included in the Initial Italian Vehicles or (ii) the Lessor orders such Lease Vehicles and will continue to be satisfied when the Lease Vehicles are delivered to Italian 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.* Save for the purchase of the Lease Vehicles included in the Initial Italian Vehicles, Italian 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 and in compliance with the Required Contractual Criteria;
- (F) *Lease Expiration Date.* The Lease Expiration Date has not occurred;
- (G) *Payment.* If such Lease Vehicle was purchased by Italian FleetCo on non-credit terms, Italian FleetCo has paid in full the purchase price for such Lease Vehicle and if such Lease Vehicle was purchased on credit terms by Italian FleetCo, such Lease Vehicle has been delivered to or (as the case may be) is available for collection by Italian FleetCo; and
- (H) *Past leases.* If such Lease Vehicle was purchased at the time of the Initial Italian Vehicles transfer, any previous leases over such Lease Vehicles have been terminated or otherwise expired in accordance with their terms (the "**Terminated Italian Master Lease**").

2.1.4 Lease Vehicle Purchases and Lease Vehicle Acquisition Schedules

- (A) The 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 2.1.3 (*Conditions Precedent to Lease of Lease Vehicles*) above have been satisfied or waived by Italian FleetCo (as directed by the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*), order (or cause to be order by the Italian Fleet Servicer on its behalf) the relevant Vehicles in accordance with the terms of the relevant Vehicle Purchasing Agreement.
- (B) 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 2.1.3 (*Conditions Precedent to Lease of Lease Vehicles*) are satisfied).
- (C) [Reserved].
- (D) The 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 the Lessee, which schedules shall include the Basic Lease Vehicle Information (each such schedule, substantially in the form of Schedule 6 (*Form of Lease Vehicle Acquisition Schedule*) hereto, a “**Lease Vehicle Acquisition Schedule**”). The 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 date hereof shall be substantially in the form as set out in Schedule 6 (*Form of Lease Vehicle Acquisition Schedule*).

2.1.5 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 2.1.3 (*Conditions Precedent to Lease of Lease Vehicles*) above are not satisfied).

2.1.6 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 the Lessee, such Lessee shall have the right to inspect such vehicle within 5 (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) [Reserved]

2.2 Certain Transfers

2.2.1 Sales to Lessee. Unless a Lease Event of default has occurred and is continuing, 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.

2.2.2 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 Lessee 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. The 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 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

2.4.1 Lessee Right to Return. The 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 Italian Master Lease Scheduled Expiration Date to the Italian Fleet Servicer (who will act on behalf of the Italian FleetCo and in accordance with the Italian Fleet Servicing Agreement) at the location for such Lease Vehicle's return reasonably specified by the Italian Fleet 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 2.4.1 (*Lessee Right to Return*).

2.4.2 Lessee Obligation to Return.

- (A) The 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 Italian Master Lease Scheduled Expiration Date to the Italian Fleet Servicer (who will act on behalf of the Italian FleetCo and in accordance with the Italian Fleet Servicing Agreement) at the location for such Lease Vehicle's return reasonably specified by the Italian Fleet 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 Italian Fleet 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 realisable disposition proceeds).
- (B) The 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

2.5.1 Mandatory Program Vehicle to Non-Program Vehicle Redesignations. With respect to any Lease Vehicle that is a Program Vehicle leased by the Lessee hereunder as of any date of determination, the Lessor shall on the date specified in Clause 2.5.4 (*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.

2.5.2 Optional Program Vehicle to Non-Program Vehicle Redesignations. In addition to Clause 2.5.1 (*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 the 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 2.5.2 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.

- 2.5.3 *Non-Program Vehicle to Program Vehicle Redesignations.*** With respect to any Lease Vehicle that is a Non-Program Vehicle leased by the 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 2.5.1 (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) after designating such Lease Vehicle as a Program Vehicle.
- 2.5.4 *Timing of Redesignations.*** With respect to any redesignation to be effected pursuant to Clause 2.5.1 (*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 2.5.1(B) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) occurs. With respect to any redesignation to be effected pursuant to Clause 2.5.2 (*Optional Program Vehicle to Non-Program Vehicle Redesignations*) or 2.5.3 (*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.
- 2.5.5 *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 2.5.1 (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*) or Clause 2.5.2 (*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 2.5.4 (*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**”).
- 2.5.6 *Non-Program Vehicle to Program Vehicle Redesignation Payments.*** With respect to any Lease Vehicle that is redesignated as a Program Vehicle pursuant to Clause 2.5.3 (*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 2.5.4 (*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 2.5.6 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, at any time in accordance with Clause 16 (*Non-petition and Limited Recourse*) below; 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.

2.6 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, 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:

- 2.6.1 any defect in the condition, merchantability, quality or fitness for use of the Lease Vehicles or any part thereof;
- 2.6.2 any damage to, removal, abandonment, salvage, loss, scrapping or destruction of or any requisition or taking of the Lease Vehicles or any part thereof;
- 2.6.3 any restriction, prevention or curtailment of or interference with any use of the Lease Vehicles or any part thereof;
- 2.6.4 any defect in or any Security on title to the Lease Vehicles or any part thereof;
- 2.6.5 any change, waiver, extension, indulgence or other action or omission in respect of any obligation or liability of such Lessee or the Lessor;
- 2.6.6 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;
- 2.6.7 any claim that such Lessee has or might have against any Person including, without limitation, the Lessor;
- 2.6.8 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;
- 2.6.9 any invalidity or unenforceability or disaffirmance of this Agreement or any provision hereof or any of the other Italian Related Documents or any provision of any thereof, in each case whether against or by such Lessee or otherwise;

2.6.10 any insurance premiums payable by such Lessee with respect to the Lease Vehicles; or

2.6.11 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.

To the maximum extent permitted by the applicable law this Agreement shall not be cancellable by the Lessee (subject to Clause 26 (*Lessee Termination and Resignation*)) and, except as expressly provided by this Agreement, the 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.

2.7 Condition subsequent

The lease of the Vehicles purchased by Italian FleetCo under this Agreement is taking place within the context of the issue of the Italian Notes. Therefore, the Parties hereby agree and acknowledge that:

2.7.1 in the event that the Italian Notes are not issued and subscribed for by the Fifth Amendment Date, each of the Parties shall be automatically released and discharged from its obligations under this Agreement which shall be automatically terminated;

2.7.2 save for the provisions of article 1358 of the Italian Civil Code, the termination of this Agreement under this Clause 2.7 shall not give rise to any cost or charge for the Parties, nor will it give them any right or action for indemnity or liability; and

2.7.3 in the event this Agreement is terminated pursuant to this Clause 2.7, the Parties undertake to perform all necessary or reasonable activities to allow each of them to return to their original legal and accounting positions.

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 Italian Master Lease, such date shall be the date hereof;

(B) in respect of Lease Vehicles to be leased pursuant to this Agreement and which were not leased under the Terminated Italian Master Lease, in no event shall such date be a date later than (i) the date that funds are expended by Italian 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 Italian Master Lease Scheduled Expiration Date,

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 (C) above, no Vehicle Lease Expiration Date will occur if an Italian Master Lease Extension Agreement has been executed within five (5) Business Days of the Italian Master Lease Scheduled Expiration Date.

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.

3.1.5 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 Italian Master Lease Extension Agreement in substantially the form set out in Schedule 7 (*Form of Italian Master Lease Extension/Renewal Agreement*) on or before the Italian Master Lease Scheduled Expiration Date (or within 5 (five) Business Days after the Italian Master Lease Scheduled Expiration Date) in which circumstance the lease of the relevant Lease Vehicle will expire on the immediately following Italian 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 Italian Master Lease Scheduled Expiration Date). The Italian Master Lease Extension Agreement shall become effective on the date stated therein (subject to the deemed extension provision in this Sub-Clause 3.1.5 (*Extension/Renewal of Term*)).

3.2 Italian Master Lease Term

The “**Lease Commencement Date**” shall mean the date of signing of this Agreement. The “**Lease Expiration Date**” shall mean the later of (i) the date of the final payment in full or cancellation of the Italian Notes in accordance with the Italian Terms and Conditions and (ii) the Vehicle Lease Expiration Date for the last Lease Vehicle leased by the Lessee hereunder, ***provided that*** such lease may be renewed in accordance with Clause 3.1.5 (*Extension/Renewal of Term*) above. 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

The 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 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 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 Italian Note during the Interest Period for the Italian Note ending on the second Business Day immediately preceding the Determination Date immediately preceding such Payment Date; plus
- (b) all Italian 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 Lessee.

4.6 Casualty; Ineligible Vehicles

On the second day of each calendar month, the Lessee shall deliver to the Italian Fleet Servicer (for itself and as agent on behalf of Italian FleetCo) 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 Italian Fleet 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*), the 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*), the 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 Italian Fleet 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 Italian 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 Italian Noteholder under the Italian Notes) on such Payment Date.

4.8 Making of Payments

- 4.8.1 All payments hereunder shall be made by the Lessee 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 Italian Collection Account not later than 12.00 noon, London time, on such Payment Date.
- 4.8.3 If the 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 the 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 Italian FleetCo on any overdue amounts owed by Italian FleetCo with respect to the Italian Note or (ii) if no such

interest is payable by Italian 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) The 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) The 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 Italian Noteholder accordingly.
- (C) If the 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 the 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, the Lessee shall deliver to the Lessor and the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) 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, the Lessee, 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 the 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 Italian Fleet Servicer.

4.11 [Reserved]

5 Vehicle Operational Covenants

5.1 [Reserved]

5.1.1 Maintenance and Repairs. With respect to the Lessee and the Lease Vehicles leased by such Lessee hereunder, such Lessee shall pay for all maintenance and repairs. The 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 the 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. The 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 Italian Noteholder and itself, insurance cover providing protection against public and product liability in respect of Vehicles which the Lessor leases to the Lessee 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 Italian Noteholder*) 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 Italian Noteholder 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 Italian Noteholder 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 Italian Liquidation Co-ordinator and (if so requested) supply the Lessor and the Italian Noteholder 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.* The 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 the Lessee and the Lease Vehicles leased by such Lessee hereunder and notwithstanding the fact that the Lessor is the legal owner of any Italian Vehicle, the Lessee shall be responsible for the payment of all registration fees, title fees, licence fees or other similar governmental fees and taxes, excluding Italian car registration tax (*imposta provinciale di trascrizione*), but including Italian motor vehicle duty (*tassa automobilistica*) and 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 *Licences, authorisations, consents and approvals.* The 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.

5.2 Vehicle Use

5.2.1 The 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 2.4 (*Italian Fleet Servicer Functions with Respect to Lease Vehicle Returns, Disposition and Invoicing*) of the Italian Fleet Servicing Agreement, Clause 8.6 (*Preservation of Rights*) and Clause 9 (*Default and Remedies Therefor*) hereof and Clause 10.2 (*Rights of the Italian Noteholder upon Amortization Event or Certain Other Events of Default*) of the Italian Note Purchase Agreement. The 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, the 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 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 the Lessee (and which franchisee, for the avoidance of doubt, may be an Affiliate of the 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 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 the 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 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 in Sub-Clause 5.2.2(E) below, any Affiliate of the 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;
 - (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 Italian Collection Account.

- (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, 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 Dutch Master Lease, 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; 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 Italian Fleet Servicer's behalf, with all proceeds of such sale to be deposited into the Italian 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 Italian OpCo, in its capacity of Lessee, 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 (other than Italian OpCo) shall deliver to the Italian OpCo 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 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 Italian OpCo 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 (other than Italian OpCo) shall deliver to the Italian OpCo 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 Italian OpCo, in its capacity of Lessee, 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 the Lessee from any obligations under this Agreement.

5.3 Non-Disturbance

With respect to the 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 2.4 (*Italian Fleet Servicer functions with respect to Lease Vehicle Returns, Disposition and Invoicing*) of the Italian Fleet Servicing Agreement, Clause 8.6 (*Preservation of rights*) and Clause 9 (*Default and Remedies Therefor*) hereof and except that the Lessor and the Italian Noteholder 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 2.5.1(B) (*Mandatory Program Vehicle to Non-Program Vehicle Redesignations*), the Lessee of such Lease Vehicle shall notify the Lessor and the Italian Fleet Servicer of such event or condition in the normal course of operations.

5.6 Landlord's lien

5.6.1 So as to anticipate any eventual attempt by any landlord or concessionaire or sub-lessor of premises having entered with the Lessee into a commercial lease agreement (*contratto di locazione commerciale*), concession or a sub-concession or lease of public assets belonging

to the so called "*patrimonio disponibile*" to invoke any special lien (*privilegio speciale*) in respect of any Lease Vehicles, which may be parked from time to time in the relevant leased premises, the Lessee will send or cause to be sent a notice substantially in the form set out in Schedule 10 (*Form of Notice to Landlords*) to the relevant landlord and/or concessionaire / sub-lessor of any such premises (the "**Relevant Third Party**") on the date hereof and, in any case, no later than by the end of January 2023.

5.6.2 Each such notice sent pursuant to Clause 5.6.1 above will be signed by the Lessee, and will be sent, with copy to the Lessor and the Italian Fleet Servicer, by registered mail with acknowledgement of receipt (*piego raccomandato aperto*) on headed paper of the Lessee expressly stating that:

- (a) the Lessor is the owner (*proprietario*) of the Vehicles parked in the premises of the Relevant Third Party; and
- (b) where such Relevant Third Party so requests, the Lessee will provide information as to which Lease Vehicle among all Vehicles parked in the relevant premises belong to a party other than the Lessor (with sufficient information to permit the correct identification of those Vehicles).

5.6.3 In respect of Clause 5.6.2, alternatively, the Lessee may serve such notice by way of certified e-mail message (*posta elettronica certificata - PEC*) from the certified email account of the Lessee to the certified e-mail account of the Relevant Third Party, with copy to the certified e-mail account of the Lessor and the Italian Fleet Servicer. The text of the notice can be set out (i) in the body of such certified email message or (ii) in an attachment to such e-mail, *provided that* such attachment bears a date certain (*data certa*) through the use of electronic signatures or digital time stamps (*marcatura temporale*).

5.6.4 In relation to new lease agreements with new Relevant Third Parties, the Lessee shall either:

- (A) procure that the Relevant Third Party acknowledges in the relevant commercial lease agreement, concession or sub-concession or lease of public assets belonging to the so called "*patrimonio disponibile*", that the Lessor is the owner (*proprietario*) of the Lease Vehicles parked in the premises of such Relevant Third Party, allowing the removal of such Lease Vehicles therefrom by the Lessor at any time. If so required, the Lessee will provide information to such Relevant Third Party, by means of notice, as to which Lease Vehicle(s) among all vehicles parked in the relevant premises belong to a party other than the Lessor (with sufficient information to permit the correct identification of those Italian Vehicles); or
- (B) the Lessee will send (or cause to be sent) a notice complying with the provisions of Clauses 5.6.1, 5.6.2 and 5.6.3 above at the latest 3 (three) Business Days before the date on which the first Lease Vehicle is parked or is due to be parked in the relevant premises of the Relevant Third Party.

6 [Reserved]

7 Certain Representations and Warranties

Italian OpCo, as Lessee, represents and warrants to the Lessor and the Italian Noteholder that on the date hereof, and as of each Vehicle Lease Commencement Date, and each Additional Lessee represents and warrants to the Lessor and the Italian Noteholder 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 Italy, with corporate power under the laws of Italy 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 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 Italian 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 Italian 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 deed of incorporation and the by-laws of the Lessee.

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 Italian 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 Italian Supplemental Documents True and Correct

All information contained in any material Italian 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 the Lessee under this Agreement and the Italian Related Documents are satisfied in full, each Lessee covenants and agrees that, unless at any time the Lessor and the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) shall otherwise expressly consent in writing, it will:

8.1 Corporate Existence

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 Italian Collateral;
- 8.2.2 at any time and from time to time during regular business hours, upon reasonable prior notice from the Lessor, or the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)), or the Italian Fleet Servicer, or the Italian OpCo permit the Lessor, or the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)), the Italian Fleet Servicer, or the Italian OpCo (or such other Person who may be designated from time to time by the Lessor, or the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)), or the Italian Fleet Servicer, or the Italian OpCo) 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 Italian Collateral;
- 8.2.3 permit any of the Lessor, or the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)), or the Italian Fleet Servicer, or the Italian OpCo (or such other Person who may be designated from time to time by any of the Lessor, or the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)), or the Italian Fleet Servicer, or the Italian OpCo) 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 Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*), or the Italian Fleet Servicer or the Italian OpCo may reasonably request;

8.2.4 upon the request of the Lessor, or the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*), or the Italian Fleet Servicer 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 and/or the Italian Noteholder the location and mileage (as recorded in the relevant Lessee's computer systems) of each Lease Vehicle leased by such Lessee hereunder and to make available for the Lessor's and/or the Italian Noteholder's (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*) and/or the Italian Fleet Servicer'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 (3) Business Days, make its records pertaining to the Lease Vehicles leased by such Lessee hereunder available to the Lessor or the Italian Noteholder or the Italian Fleet Servicer 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 Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)):

8.5.1 no later than the prescribed statutory deadline required by its by-laws 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 Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in*

relation to the Italian Related Documents) 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 the Lessee posts such documents, or provides a link thereto on Italian OpCo's or any Parent's website (or such other website address as the Lessee may specify by written notice to the Lessor and the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*) from time to time) or (ii) on which such documents are posted on Italian OpCo's or any Parent's behalf on an internet or intranet website to which the Lessor and the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*) have access (whether a commercial, government or third-party website or whether sponsored by or on behalf of the Italian Noteholder).

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 Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*) in respect of the Italian 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 Italian Vehicles in favour of the Lessor.

9 Default and Remedies

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 the 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 the Lessee occurs;
- 9.1.3 the failure of the 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 Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*) 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 the 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 the Lessee to the Lessor or the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*) 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 Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) 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 the 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 Italian Related Documents) or a proceeding shall be commenced by the Lessee to establish the invalidity or unenforceability of this Agreement, in each case other than with respect to the 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 Italian 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 and Italian Noteholder Upon Lease Event of Default*) and 9.4 (*Liquidation Event and Non-Performance of Certain Covenants*).

9.3 Rights of Lessor and Italian Noteholder Upon Lease Event of Default

9.3.1 If a Lease Event of Default shall occur and be continuing, then the Lessor (or the Italian Fleet Servicer on its behalf) may proceed by appropriate court action or actions available to it under Italian law to enforce performance by the 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 (as directed by the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) or the Italian Fleet Servicer 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 (but not the obligation) to

- (A) terminate the Lessee's rights of use and possession hereunder of all or a portion of the Lease Vehicles leased hereunder by such Lessee,
- (B) take all steps and/or initiate all actions or recourses (whether judicial or not) which may be available under the applicable law in order to:
 - (a) re possess any Lease Vehicles;
 - (b) peaceably enter upon the premises of the 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 the Lessee, or its successors or assigns, and to use or dispose of such Lease Vehicles for any purpose whatsoever; and
 - (c) the Lessee, at the request of the Lessor (as directed by the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)), shall return or cause to be returned all Lease Vehicles to and in accordance with the directions of the Lessor or the Italian Fleet Servicer, as the case may be.

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 Italian 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 the 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 Italian FleetCo (as directed by the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) shall have the rights against the Lessee and the Italian Collateral and under the Italian Related Documents, 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 the 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 the Lessee hereunder and (iii) to peaceably enter upon the premises of the 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 the Lessee, or its successors or assigns, and to use such Lease Vehicles for any purpose whatsoever.

9.4.2 [Reserved]

9.4.3 Notwithstanding the exercise of any rights or remedies pursuant to this Clause 9.4, the Lessor (as directed by the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) 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 towards the Lessee, necessary or desirable to allow the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) to exercise the rights, remedies, powers, privileges and claims given to the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) pursuant to Italian Condition 13.2 (*Rights of the Italian Noteholder upon Amortization Event or Certain Other Events of Default*), and the Lessee acknowledges that it has hereby granted to the Lessor all such rights, remedies, powers, privileges and claims granted by the Lessor to the Italian Noteholder pursuant to Italian Condition 13.2 (*Rights of the [Italian Noteholder] upon Amortization Event or Certain Other Events of Default*) and that the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) may act in lieu of the Lessor in the exercise of all such rights, remedies, powers, privileges and claims.

9.4.5 The Italian FleetCo (as directed by the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) 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 Italian Note with respect to which a Liquidation Event is then continuing as set forth in the Issuer Note Purchase Agreement, taking into account the receipt of proceeds of all other vehicles being disposed of that have been pledged to secure such Italian Note.

9.5 Measure of Damages

If a Lease Event of Default or Liquidation Event occurs and the Lessor or the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) exercises the remedies granted to the Lessor or the Italian Noteholder under Clause 8.6 (*Preservation of rights*), this Clause 9 (*Measure of Damages*) or Italian Condition 13.2 (*Rights of the Italian Noteholder upon Amortization Event or Certain Other Events of Default*), the amount that the Lessor shall be permitted to recover from the 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 Italian Fleet 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 Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) 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 Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)), 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 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 and Italian Noteholder Upon Lease Event of Default*) shall be applied by the Lessor in accordance with the terms of the Italian Related Documents.

10 Certification of Trade or Business Use

The 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 Italian FleetCo (such consent, given in accordance with the terms of the Italian Related Documents and not to be unreasonably withheld or delayed) and the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)), any Affiliate of Italian OpCo that was incorporated under the laws of Italy (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 and the Italian Noteholder:

- 12.1** a Joinder in Lease Agreement substantially in the form attached hereto as Annex A (each an “**Affiliate Joinder in Lease**”);
- 12.2** a copy of the by-laws (*statuto*) 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 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 or the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) 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.

13.4 Taxes and other duties

The Lessee shall pay all stamp, registration and other taxes and duties (including any interest and penalties thereon or in connection therewith) which may be payable on or in connection with this Agreement and shall indemnify the Lessor against any claim, demand, action, liability, damages, cost, loss or expense (including, without limitation, legal fees) which it may incur or may be made against it as a result or arising out of or in relation to any failure to pay or delay in paying any of the same.

In the event that any amount related to indemnities payable by the Lessee to the Lessor in this Agreement pursuant to this Agreement is or become, at any time, subject to Tax in the hands of the Lessor, the Lessee shall increase the amount of the payment to the extent necessary to ensure that the net amount received and retained by the Lessor is equal to the amount that it would have received had the payment not been subject to any such Tax.

14 Security and Assignments

14.1 [Reserved]

14.2 [Reserved]

14.3 Limitations on the Right of the Lessee 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 the Lessee hereunder without consent of the Lessee. Except for Permitted Security, the 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 the Lessee, acceptance for lease of each Lease Vehicle pursuant to Clause 2.1.6 (*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. The Lessee acknowledges that the Lessor is not a Manufacturer or agent thereof or primarily engaged in the sale or distribution of Lease Vehicles. The Lessee acknowledges that the Lessor makes no representation, warranty or covenant, express or implied in any such case, as to the fitness, safety, 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 the 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 the Lessee, such Lessee agrees to bear all such risks at its sole cost and expense. The 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 the Lessee leases each Lease Vehicle "as is". Upon the Lessor's acquisition of any Lease Vehicle identified in a request from the Lessee pursuant to Clause 2.1.4 (*Lease Vehicle Purchases and Lease Vehicle Acquisition Schedules*), 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 the Lessee.

16 Non-Petition and Limited Recourse

16.1 Non-Petition in favour of Italian FleetCo

Each Party (other than Italian FleetCo) agrees with and acknowledges to Italian FleetCo that:

- 16.1.1 none of the Parties (nor any person on its behalf other than the Italian Noteholder) shall, other than in accordance with the Italian Terms and Conditions, have the right to take or join any person in taking any steps against Italian FleetCo for the purpose of obtaining payment of any amount due from Italian FleetCo to any of such Party;
- 16.1.2 until the date falling 2 (two) years and 1 (one) day after the later of (i) the date on which the Italian Notes and any other notes issued in any further securitisation undertaken by Italian FleetCo have been redeemed in full or cancelled in accordance with the relevant terms and conditions and (ii) the Italian Legal Final Payment Date, none of the Parties (nor any person on its behalf other than the Italian Noteholder) shall initiate or join any person in initiating an Event of Bankruptcy in relation to Italian FleetCo; and

16.1.3 none of the Parties shall be entitled to take or join in the taking of any corporate action, legal proceedings or other procedure or step which would result in the Italian Priority of Payments not being complied with.

Each of the Parties agrees and acknowledges that only the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) shall pursue the remedies available under the general law or under the Italian Related Documents to obtain payment of the Italian Obligations and no Party (other than the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*))) shall be entitled to proceed directly against Italian FleetCo to obtain payment of the Italian Obligations.

16.2 Limited Recourse in favour of Italian FleetCo

Each of the Other Italian FleetCo Creditors agrees with and acknowledges to Italian FleetCo that:

16.2.1 all obligations of Italian FleetCo to such Other Italian FleetCo Creditor, including, without limitation, the Italian Obligations, are limited recourse obligations of Italian FleetCo;

16.2.2 it will have a claim only in respect of the Italian Collections and at all times only in accordance with the Italian Priority of Payments and will not have any claim, by operation of law or otherwise, against, or recourse to, Italian FleetCo's other assets including any assets relating to any further securitisation carried out by Italian FleetCo or its contributed capital;

16.2.3 sums payable to such Other Italian FleetCo Creditor in respect of Italian FleetCo's obligations to such Other Italian FleetCo Creditor shall be limited to the lesser of (A) the aggregate amount of all sums due and payable to such Other Italian FleetCo Creditor and (B) the Italian Collections, net of any sums which are payable by Italian FleetCo in accordance with the applicable Italian Priority of Payments in priority to or *pari passu* with sums payable to such Other Italian FleetCo Creditor; and

16.2.4 on the date on which the Italian Notes are redeemed or cancelled in full the Other Italian FleetCo Creditors shall have no further claim against Italian FleetCo in respect of any such unpaid amounts and such unpaid amounts shall be cancelled and discharged in full.

17 Submission to Jurisdiction

The parties agree that the courts of Milan 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.

18 Governing Law

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by Italian 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.

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 the 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 Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) and the Lessee, subject to any restrictions on such waivers, alterations, modifications, amendments, supplements or terminations set forth in the Italian Note Purchase 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, the 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 [Reserved]

26 Termination and Resignation

Upon any Additional Lessee (the “**Resigning Lessee**”) delivering irrevocable written notice to the Lessor, the Italian Fleet Servicer, the Italian OpCo and the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) 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 Italian Fleet Servicer, the Italian OpCo and the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) 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 Italian Fleet Servicer, the Italian OpCo and the Italian Noteholder (acting in accordance with the terms of Italian Condition 16 (*Powers of the Italian Noteholder under and in relation to the Italian Related Documents*)) (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 Italian Fleet Servicer in accordance with 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 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 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 the Lessee of its obligations under this Agreement.

28 Governing Language

This Agreement is in the English language. If this Agreement is translated into another language, the English text prevails, save for words in Italian used in this Agreement and having specific legal meaning under Italian law will prevail over the English translation.

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 IFM SPV S.R.L., an entity established in Italy (“**Italian FleetCo**”), as lessor pursuant to the Italian Master Lease Agreement, dated as of [●] (as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “**Lease**”), among Italian FleetCo as Lessor, Hertz Italiana S.r.L. (“**Italian OpCo**”) as a Lessee, those affiliates of Italian OpCo from time to time becoming Lessees thereunder (together with Italian OpCo, the “**Lessees**”) and **International Fleet Financing no. 2 B.V.** as Italian Noteholder (the “**Italian Noteholder**”). 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 Italian FleetCo and the Italian Noteholder that (i) the Joining Party is an Affiliate of Italian 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, Italian FleetCo and the Italian Noteholder 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 Italian 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:

IFM SPV S.R.L.

By: _____

Name: _____

Title: _____

INTERNATIONAL FLEET FINANCING NO. 2 B.V.

as Italian Noteholder

By: _____

Name: _____

Title: _____

Exhibit
Form of Lessee Resignation Notice

[●]

Italian FleetCo as Lessor

Hertz Fleet Italiana S.r.L as Italian Fleet Servicer]

Re: Lessee Termination and Resignation

Ladies and Gentlemen

Reference is hereby made to the Italian Master Lease Agreement, dated as of [●] (as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “**Italian Master Lease**”), among Italian FleetCo as Lessor, Hertz Fleet Italiana S.r.L. (“**Italian Fleet Servicer**”), Hertz Italiana S.r.L. (“**Italian OpCo**”) as a Lessee, those affiliates of Hertz from time to time becoming Lessees thereunder (together with Italian OpCo, the “**Lessees**”) and **INTERNATIONAL FLEET FINANCING NO. 2 B.V.** as Italian Noteholder. Capitalised terms used herein and not otherwise defined shall have the meanings assigned to them in the Italian Master Lease.

Pursuant to Clause 26 (*Lessee Termination and Resignation*) of the Italian Master Lease, [●] (the “**Resigning Lessee**”) provides Italian FleetCo, Italian Fleet Servicer and Italian OpCo, irrevocable, written notice that such Resigning Lessee desires to resign as “**Lessee**” under the Italian Master Lease.

Nothing herein shall be construed to be an amendment or waiver of any requirements of the Italian 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 Italian Noteholder

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 Italian Noteholder, 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 Italian Noteholder 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 [Italian Noteholder]]

Dear Sirs

Letter of Undertaking

Hertz Italiana S.r.L. (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, IFM SPV S.r.l. and **International Fleet Financing No. 2 B.V.**
- 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 Italian law.

Yours faithfully

.....

Date: [●]

Part B
Motor Third Party Liability

To: [Lessor]

Dear Sirs

Letter of Undertaking

Hertz Italiana S.r.L., (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, IFM SPV S.r.l., 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 Italian law.

Yours faithfully

.....

Date: [●]

Schedule 3
[Reserved]

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Schedule 4
[Reserved]

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Annex 1
[Reserved]

[Page intentionally left blank]

Annex 2
[Reserved]

[Page intentionally left blank]

Schedule 5
[Reserved]

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We hereby acknowledge and agree that the Vehicles referred hereunder are leased (*concessi in leasing*) as from the relevant Vehicle Lease Commencement Date until the contemplated lease end date specified hereunder, in accordance with the Italian Master Lease Agreement.

The Vehicles leased hereunder are not subject to the purchase option in favour of the Lessee (*non sono soggette a facoltà di acquisto del locatario*).

[The contemplated lease end date specified hereunder may be postponed (*prorogata*) by executing a letter substantially in the form of this Vehicle Schedule in accordance with, and subject to, the terms of the Italian Master Lease Agreement.]

Lessee
[●]

By:
With a copy to: [*Italian Noteholder*]

Schedule 7
Form of Italian Master Lease Extension/Renewal Agreement

To: [Italian FleetCo] (the "**Lessor**")

[•]

From: [Italian OpCo] (the "**Lessee**")

[•]

Copy to: [Italian Fleet Servicer], [Italian Noteholder] and [Italian Liquidation Coordinator]

Date: [•]

Dear Sirs

RE: Hertz - Master Lease Renewal Agreement

We refer to the Italian Master Lease Agreement, dated on or about [•] (as amended from time to time) between the Lessee and the Lessor (the "**Italian Master Lease Agreement**"). Words and expressions used in this letter have the meanings ascribed to them in the Italian Master Lease Agreement.

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 Master Lease Agreement be [extended / renewed] until [date] [year] on the terms set out in the Italian Master Lease Agreement.

This letter is a Master Lease Extension/Renewal Agreement, and all provisions of the Italian Master Lease Agreement shall continue to apply *mutatis mutandis*.

Yours faithfully,

[•]

for and on behalf of the Lessee

Schedule 8
Draft Master Definitions and Constructions Agreement

**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, 21 DECEMBER 2021, 21 JUNE 2022 AND _____ 2022**

MASTER DEFINITIONS AND CONSTRUCTIONS AGREEMENT

among

INTERNATIONAL FLEET FINANCING NO. 2 B.V.
as Issuer, Dutch Noteholder, FCT Noteholder, German Noteholder, Spanish Noteholder and Italian 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 S.A.
FCT Custodian

BNP PARIBAS S.A.
FCT Registrar

BNP PARIBAS S.A.
FCT Paying Agent

BNP PARIBAS, ITALIAN BRANCH
as Italian Paying Agent and Italian Payment Account Bank

BNP PARIBAS S.A.
as French Lender and FCT Servicer

HERTZ ITALIANA S.R.L.
as Italian OpCo and Italian Lessee

IFM SPV S.R.L.
as Italian FleetCo and Italian Lessor

HERTZ FLEET ITALIANA S.R.L.
as Italian Fleet Seller, Italian Administrator and Italian Fleet 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, LUXEMBOURG BRANCH
as Registrar

TMF SFS MANAGEMENT B.V.
as Issuer Back-Up Administrator, Dutch Back-Up Administrator, French Back-Up Administrator, German Back-Up Administrator, Spanish Back-Up Administrator and Italian Back-Up Administrator

TMF France Management SARL

as TMF SARL

TMF France SAS

as TMF SAS

KPMG ADVISORY SAS
as Dutch Liquidation Co-ordinator, French Liquidation Co-ordinator,
German Liquidation Co-ordinator, Spanish Liquidation Co-ordinator and Italian 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 S.A.
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., DUBLIN BRANCH
as Italian Notes Custodian

BNP PARIBAS S.A., NETHERLANDS BRANCH
as Dutch Account Bank

BANCA NAZIONALE DEL LAVORO S.P.A.
as Italian Account Bank

BANCA FINANZIARIA INTERNAZIONALE S.P.A
as Italian FleetCo Corporate Services Provider and Italian Master Servicer

SANNE TRUSTEE SERVICES LIMITED
as trustee of the Hertz Funding France Trust and Securitisation Company Shareholder

**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**

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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, 21 December 2021, 21 June 2022 and thereafter on _____ 2022.

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, depository 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, the Spanish Account Letter of Acknowledgement and the Italian Cash Allocation, Management and Payments Agreement.

“**Account Bank**” means, the Issuer Account Bank, the Dutch Account Bank, the FCT Account Bank, the French Account Bank, the German Account Bank, the Spanish Account Bank and the Italian 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 and/or the Italian Cash Allocation, Management and Payments Agreement, 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 or Italian Cash Allocation, Management and Payments Agreement, 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, the Spanish Facility Agreement or under Clause 11.1(c), (d), (g) or (k) of the French Facility Agreement or under the Italian Condition 13.1(c), (d), (f), (h) or (i).

“Additional Lessee” has the meaning specified 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, or with respect to the Italian Securitisation, has the meaning given to it in Clause 2.4 (a) of the Italian Note Purchase Agreement.

“**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, the Spanish Note Principal Amount and the Italian 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 Unpaid” 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 Agreement, Spanish Amendment and Restatement Deed and French Amendment and Restatement Agreement.

“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 by each Lessee pursuant to Clause 8.5(a) (*Reporting Requirements*) of each Master Lease, save for the Italian Lessee, in which case the delivery of such the Financial Statements shall be pursuant to Clause 8.5(a) (*Reporting Requirements*) of the Italian Fleet Servicing Agreement.

“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 which is not a public holiday or a bank holiday in London, Paris, Amsterdam, Madrid, Milan, 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, Milan, 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, Milan, 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 1,100,000,000, and/or following a Class A 2022 Liquidity Drawstop, EUR 915,000,000; 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, that certain fee letter, dated on or around the Third Amendment Date, and that certain fee letter, dated on or around the Fifth 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, that certain fee letter dated on or about the Third Amendment Date and that certain fee letter dated on or about the Fifth 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:

- (a) 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
- (b) 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
- (c) 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.

“**Clearstream**” means Clearstream Banking, Luxembourg with offices at 42 avenue JF Kennedy, L-1855 Luxembourg.

“**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 30 November 2024, 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.

“**Controlled Investment Affiliate**” means as to any person, any other person which directly or indirectly is in control of, is controlled by, or is under common control with, such person and is organised by such person (or any person controlling such person) primarily for making equity or debt investments in Hertz or its direct or indirect parent company or other portfolio companies of such person.

“**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)
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 Purchasing 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 (which for the purposes of this definition shall exclude Non-Program Vehicles acquired by the Italian FleetCo which are designated as Italian Fleet Seller Buy-Back Vehicles), 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 Fifth 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,

provided that, if such Person is a company or corporation incorporated in Italy, an “*Event of Bankruptcy*” shall be deemed to have occurred if:

(i) such company or corporation is declared insolvent or the competent judicial authorities instated a special administration proceedings, liquidation of such company/corporation or the appointment of liquidator/administrator or such company or corporation has become subject to any applicable bankruptcy, liquidation, administration, insolvency, composition or reorganisation (including, without limitation, “*fallimento*”, “*liquidazione coatta amministrativa*”, “*concordato preventivo*”, and “*amministrazione straordinaria*”, each such expression bearing the meaning ascribed to it by the laws of the Republic of Italy, including the seeking of liquidation, winding-up, reorganisation, dissolution, administration) or similar proceedings or the whole or any substantial part of the undertaking or assets of such company or corporation are subject to a *pignoramento* or similar procedure having a similar effect (other than, in the case of the Italian FleetCo, any portfolio of assets purchased by the Italian FleetCo for the purposes of further securitisation transactions) unless, in the opinion of the Italian Noteholder (who may in this respect rely on the advice of a lawyer selected by it), such proceedings are being disputed in good faith with a reasonable prospect of success; or

(ii) an application for the commencement of any of the proceedings under roman (i) above is made in respect of or by such company or corporation or such proceedings are otherwise initiated against such company or corporation and, in the opinion of the Italian Noteholder (who may in this respect rely on the advice of a lawyer selected), the commencement of such proceedings are not being disputed in good faith with a reasonable prospect of success; or

(iii) such company or corporation takes any action for a re-adjustment of or deferment of any of its obligations or makes a general assignment or an arrangement or composition with or for the benefit of its creditors (other than, in the case of the Italian FleetCo, the Other Italian FleetCo Creditors) or is granted by a competent court a moratorium in respect of any of its indebtedness or any guarantee, indemnity or assurance against loss given by it in respect of any indebtedness or applies for suspension of payments; or

(iv) an order is made or an effective resolution is passed for the winding-up, liquidation or dissolution in any form of such company or corporation or any of the events under article 2484 of the Italian Civil Code occurs with respect to such company or corporation (except a winding-up for the purposes of, or pursuant to, a solvent amalgamation or reconstruction, the terms of which have been previously approved in writing by the Italian Noteholder); or

(v) such company or corporation becomes subject to any proceedings equivalent or analogous to those above under the law of any jurisdiction in which such company or corporation is deemed to carry on business.

“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).

“Fifth Amendment Date” means the Fifth Amendment Date as defined in the amendment and restatement deed in respect of certain issuer level related documents dated on or around 20 December 2022.

“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 Supplemental Dutch Security Trust Deed” means the first supplemental security trust deed dated on or around the Fifth Amendment Date entered into by, amongst others, the Dutch Security Trustee and the Dutch FleetCo and as further amended, restated or supplemented from time to time.

“First Supplemental French Security Trust Deed” means the first supplemental security trust deed dated on or around the Fifth Amendment Date entered into by, amongst others, the French Security Trustee and the French FleetCo and as further amended, restated or supplemented from time to time.

“First Supplemental German Security Trust Deed” means the first supplemental security trust deed dated on or around the Fifth Amendment Date entered into by, amongst others, the German Security Trustee and the German FleetCo and as further amended, restated or supplemented from time to time.

“First Supplemental Issuer Security Trust Deed” means the first supplemental security trust deed dated on or around the Fifth Amendment Date entered into by, amongst others, the Issuer Security Trustee and the Issuer and as further amended, restated or supplemented from time to time.

“First Supplemental Spanish Security Trust Deed” means the first supplemental security trust deed dated on or around the Fifth Amendment Date entered into by, amongst others, the Spanish Security Trustee and the Spanish FleetCo and as further amended, restated or supplemented from time to time.

“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, the Spanish FleetCo and/or the Italian FleetCo, as applicable.

“FleetCo AAA Component” means the Dutch AAA Component, the French AAA Component, the German AAA Component, the Spanish AAA Component and/or the Italian 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, a Spanish Acceleration Notice and/or an Italian Acceleration Notice, as applicable.

“FleetCo Account” means any Dutch Accounts, any French Accounts, any German Accounts, any Spanish Accounts and any Italian 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, the Spanish Administration Agreement and/or the Italian Administration Agreement, as applicable.

“FleetCo Administrator” means the Dutch Administrator, the French Administrator, the German Administrator, the Spanish Administrator and/or the Italian Administrator, as applicable.

“FleetCo Administrator Default” means a Dutch Administrator Default, a French Administrator Default, a German Administrator Default, a Spanish Administrator Default and/or an Italian 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, the Spanish Aggregate Asset Amount and/or the Italian 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, the Spanish Back-Up Administration Agreement and/or the Italian 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, the Spanish Back-Up Administrator and/or the Italian Back-Up Administrator, as applicable.

“FleetCo Carrying Charges” means the Dutch Carrying Charges, the French Carrying Charges, the German Carrying Charges, the Spanish Carrying Charges and/or the Italian 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, the German Class A Baseline Advance Rate and/or the Italian 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, the Spanish Class A Blended Advance Rate and/or the Italian 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, the Spanish Class A Blended Advance Rate Weighting Denominator and the Italian 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, the Spanish Class A Blended Advance Rate Weighting Numerator and the Italian 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, the German Class B Baseline Advance Rate and/or the Italian 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, the Spanish Class B Blended Advance Rate and/or the Italian 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, the Spanish Class B Blended Advance Rate Weighting Denominator and the Italian Class B Blended Advance Rate Weighting Denominator, as applicable.

Spanish Class B Blended Advance Rate Weighting Denominator and the Italian 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, the Spanish Class B Blended Advance Rate Weighting Numerator and the Italian 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 and/or the Italian Collateral, as applicable.

“**FleetCo Collection Account**” means the Dutch Collection Account, the French Collection Account, the German Collection Account, the Spanish Collection Account and/or the Italian Collection Account, as applicable.

“**FleetCo Collections**” means the Dutch Collections, the French Collections, the German Collections, the Spanish Collections and/or the Italian Collections, as applicable.

“**FleetCo Daily Collection Report**” means the Dutch Daily Collection Report, the French Daily Collection Report, the German Daily Collection Report, the Spanish Daily Collection Report and/or the Italian 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, the Spanish Master Lease and the Italian Master Lease.

“**FleetCo Enforcement Notice**” means a Dutch Enforcement Notice, a French Enforcement Notice, a German Enforcement Notice, a Spanish Enforcement Notice and/or an Italian Enforcement Notice, as applicable.

“**FleetCo Facility Agreement**” means the Dutch Facility Agreement, the French Facility Agreement, the German Facility Agreement, the Spanish Facility Agreement and/or the Italian Note Purchase Agreement, as applicable.

“**FleetCo Interest Collections**” means the Dutch Interest Collections, the French Interest Collections, the German Interest Collections, the Spanish Interest Collections and/or the Italian Interest Collections, as applicable.

“**FleetCo Maximum Principal Amount**” means the Dutch Maximum Principal Amount, the French Maximum Principal Amount, the German Maximum Principal Amount, the Spanish Maximum Principal Amount and/or the Italian 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, the German Note and the Italian Note as applicable.

“**FleetCo Principal Collections**” means the Dutch Principal Collections, the French Principal Collections, the German Principal Collections, the Spanish Principal Collections and/or the Italian Principal Collections, as applicable.

“**FleetCo Priority of Payments**” means the Dutch Priority of Payments, the French Priority of Payments, the German Priority of Payments, the Spanish Priority of Payments and/or the Italian Priority of Payments, as applicable.

“**FleetCo Registrar**” means the Dutch Registrar, the German Registrar, 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, the Spanish Related Documents and/or the Italian Related Documents, as applicable.

“**FleetCo Repeating Representations**” means the Dutch Repeating Representations, the French Repeating Representations, the German Repeating Representations, the Spanish Repeating Representations and the Italian Repeating Representations, as applicable.

“**FleetCo Required Reserve Advance**” means the Dutch Required Reserve Advance, the French Required Reserve Advance, the German Required Reserve Advance, the Spanish Required Reserve Advance and/or the Italian Required Reserve Advance, as applicable.

“**FleetCo Reserve Advance**” means the Dutch Reserve Advance, the French Reserve Advance, the German Reserve Advance, the Spanish Reserve Advance and/or the Italian 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, the Spanish Transaction Account and/or the Italian 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.

“**Fourth Amendment Date**” means the Fourth Amendment Date as defined in the amendment and restatement deed in respect of certain issuer level related documents dated on or around 21 June 2022.

“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 Agreement” means the amendment and restatement agreement entered into, by amongst others, French FleetCo, French OpCo and the French Security Trustee dated on or about the Fifth Amendment Date.

“FSMA” means the Financial Services and Markets Act 2000.

“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 Agreement” means the amendment and restatement agreement entered into, by amongst others, German FleetCo, German OpCo and the German Security Trustee dated on or about the Fifth 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 Italy Concentration Excess Amount, the Spain Concentration Excess Amount, the Non-Program Vehicle Concentration Excess Amount, the Light-Duty Truck Concentration Excess Amount, the Manufacturer Concentration Excess Amount, (up to and including the Non-RCC Expiry Date only) the Non-RCC Compliant Eligible Vehicle 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 Fifth Amendment Date shall end on and but not include the Fifth Amendment Date and (ii) the first Interest Period following the Fifth Amendment Date shall commence on and include the Fifth 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 2.1 of Schedule 3 to each Master Lease, except for Italy, in which case it has the meaning specified in Clause 2.1 of Schedule 1 (*Required Contractual Criteria for Vehicle Purchasing Agreements*) to the Italian Fleet Servicing Agreement.

“**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 (except for the Italian FleetCo, in which case, pursuant to Clause 2.5 (*Required Contractual Criteria*) of the Italian Fleet Servicing Agreement), 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 (except for Italy, which template is set out in Schedule 3 (*Draft Intra-Group Vehicle Purchasing Agreement*) of the Italian Fleet Servicing Agreement).

“**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 Servicer dated on or about the Fifth 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 Italian Note Purchase 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, the Issuer Declaration of Trust, the Italian Note Accounts Security Deed, the Italian Notes Custody Agreement, the Second Ranking Deed of Pledge of Registered Shares, the Second Ranking Deed of Pledge of Convertible Notes and the First Supplemental Issuer Security Trust Deed.

“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 2 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.

“Italy Concentration Excess Amount” means, as of any date of determination, the excess, if any, of the aggregate amount of the Italian AAA Components as of such date over the Maximum Italian AAA Amount as of such date, subject to the Concentration Excess Amount Calculation Convention.

“Italian Note Accounts Security Deed” means the Irish law governed deed of charge over securities and cash account agreement entered into between Italian Noteholder and Issuer Security Trustee dated on or about the Fifth Amendment Date and as may be amended, restated or supplemented from time to time.

“Italian Notes Custodian” means BNP Paribas S.A., Dublin Branch pursuant to the terms of the Italian Custody Agreement.

“Italian Notes Custody Agreement” means the custody agreement between the Italian Noteholder and the Italian Notes Custodian dated 16 December 2022, as amended from time to time, pursuant to which the Italian Notes Securities Account and the Italian Notes Cash Account have been opened.

“Italian Notes Cash Account” means the Italian notes cash account opened with the Italian Notes Custodian and identified as such in Schedule 1 (*Account Details*) to the Italian Notes Custody Agreement.

“Italian Notes Securities Account” means the Italian notes securities account opened with the Italian Notes Custodian and identified as such in Schedule 1 (*Account Details*) to the Italian Notes Custody Agreement.

“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 (*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, Spanish Leasing Company Amortization Event or an Italian Leasing Company Amortization Event, as applicable.

“**Leasing Company Note**” means the Dutch Note, German Note, Spanish Note and Italian 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 each 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, the Spanish Liquidation Co-ordination Agreement and the Italian 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, the Spanish Liquidation Co-ordinator and the Italian 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%
DR Automobiles	3%
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%
Tesla	10%
Toyota	55%
Volkswagen	55%
Volvo	25%
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, the Spanish Master Lease and/or the Italian 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 Italian 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.

“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 Non-RCC Compliant Eligible Vehicle Amount” means, as of any date of determination up to and including the Non-RCC Expiry Date only, an amount equal to 30% of the aggregate Net Book Value of all Eligible Vehicles as of such date.

“Maximum Non-RCC Compliant Unpaid Vehicle Amount” means, as of any date of determination up to and including the Non-RCC Expiry Date only, an amount equal to EUR 10,000,000 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.

“Maximum Weighted Average Interest Cap Rate” means at any date of determination, the greatest Weighted Average Strike Rate calculated for a forward-looking period of 8 months following such date of determination.

“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, the Spanish Minimum Profit Amount or the Italian 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, a Spanish Monthly Collateral Certificate or an Italian 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, a Spanish Monthly Servicing Certificate and/or an Italian Monthly Servicing Certificate, as applicable.

“**Monthly Third Party Mark**” means, with respect to any Eligible Vehicle, as of any date the Third Party Provider 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 such Third Party Provider 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 (A) during the period from and including the Fourth Amendment Date to and including 31 December 2023, 65% and (B) at any other time, 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 to 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, for the avoidance of doubt, for which the purchase price has been paid in full by or on behalf of such FleetCo) and that such FleetCo acquired from an Auction Seller or Dealer 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.

“Non-RCC Compliant Eligible Vehicle Concentration Excess Amount” means, as of any date of determination up to and including the Non-RCC Expiry Date, the excess, if any, of the aggregate Net Book Value of all Non-RCC Compliant Eligible Vehicles over the Maximum Non-RCC

Compliant Eligible Vehicle Amount as of such date, subject to the Concentration Excess Amount Calculation Convention.

“Non-RCC Compliant Unpaid Vehicle Concentration Excess Amount” means, as of any date of determination up to and including the Non-RCC Expiry Date, the excess, if any, of the aggregate Net Book Value of all Vehicles where the Vehicles have been delivered to or to the order of a FleetCo by an Auction Seller or Dealer pursuant to a Vehicle Purchasing Agreement but for which the full purchase price payable by or on behalf of such FleetCo has not yet been paid by or on behalf of such FleetCo, over the Maximum Non-RCC Compliant Unpaid Vehicle Amount.

“Non-RCC Expiry Date” means the date falling on 31 December 2023.

“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, Spanish OpCo and/or Italian 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 Sections 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) any of the Management Investors, (iii) the Plan Sponsors, (iv) any “group” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) of which any of the Persons specified in clauses (i) to (iii) 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 the relevant Parent entity held by such “group”), and any other Person that is a member of such “group” and (v) any Person acting in the capacity of an underwriter in connection with a public or private offering of Capital Stock of Holdings or any Subsidiary thereof or any Parent entity.

“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.

“**Plan Sponsors**” means collectively, certain funds and accounts managed or advised by Knighthood Capital Management, LLC or one of its Controlled Investment Affiliates (“**Knighthood**”) and certain funds and accounts managed or advised by Certares Opportunities LLC or one of its Controlled Investment Affiliates (“**Certares**”) and CK Amarillo LP, a Delaware limited partnership formed by Certares and Knighthood.

“**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, Spanish Potential Leasing Company Amortization Event or Italian 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.

“Prospectus Regulation” means Regulation (EU) 2017/1129.

“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, Barclays Bank PLC and Bank of America Europe Designated Activity

Company 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, 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, Germany in respect of German FleetCo and Italy in respect of the Italian 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 Purchasing Agreements*) to each Master Lease, except for Italy, in which case the contractual criteria are set out in Schedule 1 (*Required Contractual Criteria for Vehicle Purchasing Agreements*) to the Italian Fleet Servicing Agreement.

“Required Letter of Credit/Cash Liquid Enhancement Amount” means, as of any date of determination, an amount equal to the product of (a) the Class A Program Fee during the Rapid Amortization Period plus the Maximum Weighted Average Interest Cap Rate, (b) the ratio of 8 months over 12 months and (c) the Adjusted Principal Amount as of such date.

“Required Liquid Enhancement Amount” means, as of any date of determination, an amount equal to the sum of (i) the Required Letter of Credit/Cash Liquid Enhancement Amount and (ii) the product of (a) 2.25% 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,plus, in each case, prior to the Non-RCC Expiry Date, the Non-RCC Compliant Unpaid Vehicle Concentration Excess Amount (if any) on such date.

“Required Reserve Advance Amount” means with respect to any date of determination, the excess, if any, of

- (i) the Required Liquid Enhancement Amount, as of such date, over
- (ii) 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 66⅔% 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 66⅔% 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.

“**Second Ranking Deed of Pledge of Registered Shares**” means the second ranking deed of pledge of registered shares of the Issuer dated on or about the Fifth Amendment Date, granted by Hertz Holdings Netherlands 2 B.V. and Wilmington Trust SP Services (Dublin) Limited.

“**Second Ranking Deed of Pledge of Convertible Notes**” means the second ranking deed of pledge of convertible notes of the Issuer dated on or about the Fifth Amendment Date, granted by Hertz Holdings Netherlands 2 B.V..

“**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, the Spanish Servicer and/or the Italian Fleet Servicer, as applicable.

“**Servicer Default**” has the meaning specified in Clause 9.6 (*Servicer Default*) of the Dutch Master Lease, the French Master Lease, the German Master Lease and the Spanish Master Lease or, in the case of Italian Fleet Servicer, has the meaning specified in Clause 6.2 (*Servicer Default*) of the Italian Fleet Servicing Agreement.

“**Servicer Records**” has the meaning specified in Clause 6.8 (*Servicer Records and Servicer Reports*) of each Master Lease or, in the case of Italy, Clause 2.13 (*Italian Fleet Servicer Records and Italian Fleet Servicer Reports*) of the Italian Fleet Servicing Agreement.

“**Servicer Report**” has the meaning specified in Clause 6.8 (*Servicer Records and Servicer Reports*) of each Master Lease or, in the case of Italy, Clause 2.13 (*Italian Fleet Servicer Records and Italian Fleet Servicer Reports*) of the Italian Fleet Servicing Agreement.

“**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.

“**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 Fourth 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 or the Italian Paying Agent, 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, except for Italy, in which case it has the meaning specified in Clause 2.11 (*Sub-Servicers*) of the Italian Fleet Servicing Agreement.

“**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 the 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.

“**Supplemental Security Documents**” means each of the following documents:

- (a) First Supplemental Issuer Security Trust Deed;
- (b) First Supplemental Dutch Security Trust Deed;
- (c) First Supplemental French Security Trust Deed;
- (d) First Supplemental Spanish Security Trust Deed;
- (e) First Supplemental German Security Trust Deed;
- (f) Second Ranking Deed of Pledge of Registered Shares;
- (g) Second Ranking Deed of Pledge of Convertible Notes;
- (h) Dutch Second Ranking Deed of Pledge of Registered Shares;
- (i) Dutch Second Ranking Deed of Non-Possessory Pledge of Vehicles;

- (j) Dutch Second Ranking Receivables Pledge;
- (k) Second Ranking French Bank Accounts Pledge Agreement;
- (l) Second Ranking French On-Going Business Pledge Agreement;
- (m) Second Ranking French Share Pledge Agreement;
- (n) Second Ranking French Receivables Pledge Agreement;
- (o) Second Ranking French Vehicle Pledge Agreement; and
- (p) Second German Account Pledge Agreement.

“**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**” means The Hertz Corporation.

“**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.

“**Third Party Provider**” means Cars2Click or such other equivalent, reputable third-party provider as is agreed by the Administrative Agent, acting on the instructions of the Required Noteholders, or for the provision of market values that can be used by the French FleetCo, German FleetCo, Spanish FleetCo and the Dutch FleetCo, Autovista up to February 2023.

“**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 Italy Concentration Excess Amount, (ii) the Spain Concentration Excess Amount as of such date, if any, (iii) the Non-Program Vehicle Concentration Excess Amount as of such date, if any, (iv) the Light-Duty Truck Concentration Excess Amount as of such date, if any, and (v) (up to and including the Non-RCC Expiry Date) the Non-RCC Compliant Eligible Vehicle Concentration Excess Amount, 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.

“Weighted Average Strike Rate” means, as of any date of determination, the weighted average strike rate of the Interest Rate Caps, weighted on the basis of the notional amount for the given month in the Interest Rate Cap’s notional schedule.

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	76.25%
Dutch Eligible Investment Grade Program Receivable Amount	76.25%

Dutch Eligible Non-Investment Grade Program Vehicle Amount	65.75%
Dutch Eligible Non-Investment Grade (High) Program Receivable Amount	65.75%
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: - Dutch Eligible Vehicles subleased to France: 67.75% - Dutch Eligible Vehicles subleased to Spain: 60.5% - Dutch Eligible Vehicles subleased to Germany: 66.25% - Dutch Eligible Vehicles subleased to Italy: 67%	67.75%
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: - Dutch Eligible Vehicles subleased to France: 65.75% - Dutch Eligible Vehicles subleased to Spain: 52.25% - Dutch Eligible Vehicles subleased to Germany: 57.25% - Dutch Eligible Vehicles subleased to Italy: 63.25%	65.75%

Dutch Net VAT Receivables	94.75%
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:

- (a) 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
- (b) 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 Advisory SAS.

“**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 EUR 310,000,000, and/or following a Class A 2022 Liquidity Drawstop, EUR 310,000,000 provided further that 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, the Spanish Note Principal Amount and the Italian 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 Second Ranking Deed of Pledge of Registered Shares” means the second ranking deed of pledge of registered shares of Dutch FleetCo dated on or about the Fifth Amendment Date, entered into by Dutch FleetCo, Stuurgroep Holland B.V. and the Dutch Security Trustee.

“Dutch Second Ranking Deed of Non-Possessory Pledge of Vehicles” means the second ranking deed of non-possessory pledge of vehicles dated on or about the Fifth Amendment 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 Second Ranking Receivables Pledge” means the second ranking deed of pledge of receivables dated on or about the Fifth Amendment 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 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, the Dutch Shares Pledge, the Dutch Second Ranking Deed of Pledge of Registered Shares, the Dutch Second Ranking Deed of Non-Possessory Pledge of Vehicles, and the Dutch Second Ranking Receivables 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 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, 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 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.

“**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.

“**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 Supplemental Transfer Deed**” means the transfer deed (*acte de cession de créances*) substantially in the form of the schedule to the FCT Transfer and Servicing Agreement, to be delivered on any Transfer Date (as defined under the FCT Transfer and Servicing Agreement) following 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.

“**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 (i) 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 or (ii) any FCT Supplemental Transfer Date.

“**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	89.25%
French Eligible Investment Grade Program Receivable Amount	89.25%
French Eligible Non-Investment Grade Program Vehicle Amount	76%
French Eligible Non-Investment Grade (High) Program Receivable Amount	76%
French Eligible Non-Investment Grade (Low) Program Receivable Amount	0%
French Eligible Investment Grade Non-Program Vehicle Amount, provided that where the relevant French Eligible Vehicles are subleased pursuant to Clause 5.2.2 (D) and 5.2.2 (E) of the French Master Lease, the following French Class A Baseline Advance Rate shall apply to such subleased Vehicles:	78.5%
- French Eligible Vehicles subleased to the Netherlands:	
- French Eligible Vehicles subleased to Spain:	67.75%
- French Eligible Vehicles subleased to Germany:	60.5%
- French Eligible Vehicles subleased to Italy:	66.25%
	67%

French Eligible Non-Investment Grade Non-Program Vehicle Amount, provided that where the relevant French Eligible Vehicles are subleased pursuant to Clause 5.2.2 (D) and 5.2.2 (E) of the French Master Lease, the following French Class A Baseline Advance Rate shall apply to such subleased Vehicles:	75%
- French Eligible Vehicles subleased to the Netherlands:	
- French Eligible Vehicles subleased to Spain:	65.75%
- French Eligible Vehicles subleased to Germany:	52.25%
- French Eligible Vehicles subleased to Italy:	57.25%
	63.25%
French Net VAT Receivables	97%
Remainder AAA Amount	0%

“**French Class A Blended Advance Rate**” means, as of any date of determination, the percentage equivalent of a fraction, the numerator of which is the French Class A Blended Advance Rate Weighting Numerator and the denominator of which is the French Class A Blended Advance Rate Weighting Denominator, in each case as of such date.

“**French Class A 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 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 French AAA Select Component equal to the product of such French AAA Select Component and the French Class A Adjusted Advance Rate with respect to such French AAA Select Component, in each case as of such date.

“**French Class B 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 B Baseline Advance Rate for such French AAA Component, minus (ii) the Class B Concentration Excess Advance Rate Adjustment for such French AAA Select Component minus (iii) the Class B MTM/DT Advance Rate Adjustment for such French AAA Select Component; and (B) zero.

“**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, 487 581 498 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 Lessee**” means Hertz France S.A.S.

“**French Lessor**” means RAC Finance S.A.S.

“**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 Advisory SAS.

“**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 1,100,000,000, and/or following a Class A 2022 Liquidity Drawstop, EUR 915,000,000; 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, the Spanish Note Principal Amount and the Italian 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, the French Shares Pledge, the Second Ranking French Bank Accounts Pledge Agreement, the Second Ranking French On-Going Business Pledge Agreement, the Second Ranking French Receivables Pledge Agreement, the Second Ranking French Share Pledge Documents, and the Second Ranking French Vehicle Pledge Agreement.

“**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*.

“**Second Ranking French Bank Accounts Pledge Agreement**” means a second ranking bank accounts pledge agreement dated the Fifth Amendment Date between the French FleetCo as pledgor and BNP Paribas Trust Corporation UK Limited as French Security Trustee.

“**Second Ranking French On-Going Business Pledge Agreement**” means a second ranking on-going business pledge agreement (*convention de nantissement de fonds de commerce*) dated the Fifth Amendment Date between the French FleetCo as pledgor and BNP Paribas Trust Corporation UK Limited as French Security Trustee.

“**Second Ranking French Receivables Pledge Agreement**” means a second ranking receivables pledge agreement dated the Fifth Amendment Date between the French FleetCo as pledgor and BNP Paribas Trust Corporation UK Limited as French Security Trustee.

“**Second Ranking French Share Pledge Agreement**” means a second ranking French share pledge agreement between the French OpCo as pledgor and BNP Paribas Trust Corporation UK Limited as French Security Trustee in relation to the shares of the FleetCo.

“**Second Ranking French Share Pledge Documents**” means the Second Ranking French Statement of Pledge and the Second Ranking French Share Pledge Agreement.

“Second Ranking French Statement of Pledge” means a second ranking statement of pledge (*declaration de nantissement*) signed by French FleetCo as pledgor in relation to the Second Ranking French Share Pledge Agreement.

“Second Ranking French Vehicle Pledge Agreement” means a second ranking vehicle pledge agreement dated the Fifth Amendment Date between the French FleetCo as pledgor and BNP Paribas Trust Corporation UK Limited as French Security Trustee.

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;
- (i) the Remainder AAA Amount with respect to German FleetCo; and
- (j) The German Net VAT Receivables.

“**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	72.5%

German Eligible Investment Grade Program Receivable Amount	72.5%
German Eligible Non-Investment Grade Program Vehicle Amount	57.25%
German Eligible Non-Investment Grade (High) Program Receivable Amount	57.25%
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:	66.25%
- German Eligible Vehicles subleased to France:	
- German Eligible Vehicles subleased to Spain:	66.25%
- German Eligible Vehicles subleased to the Netherlands:	60.5%
- German Eligible Vehicles subleased to Italy:	66.25%
	66.25%

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:	57.25%
- German Eligible Vehicles subleased to France:	
- German Eligible Vehicles subleased to Spain:	57.25%
- German Eligible Vehicles subleased to the Netherlands:	52.25%
- German Eligible Vehicles subleased to Italy:	57.25%
	57.25%
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 Klängenweg 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 Lessee**” means Hertz Autovermietung GmbH.

“**German Lessor**” means Hertz Fleet Limited.

“**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 Advisory SAS.

“**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 1,100,000,000, and/or following a Class A 2022 Liquidity Drawstop, EUR 915,000,000; 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, the Spanish Note Principal Amount and the Italian 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 Second 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).

“Second German Account Pledge Agreement” means the second account pledge agreement dated on or about the Fifth Amendment Date between German FleetCo and the German Security Trustee.

“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, 3ª 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:

- (a) the aggregate Net Book Value of all Spanish Eligible Vehicles as of such date;

- (b) the aggregate amount of all Spanish Manufacturer Receivables as of such date;
- (c) the Due and Unpaid Lease Payment Amount in respect of the Spanish Master Lease as of such date; and
- (d) 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, ratified and/or 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	79.25%

Spanish Eligible Investment Grade Program Receivable Amount	79.25%
Spanish Eligible Non-Investment Grade Program Vehicle Amount	52.25%
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 Vehicles subleased to Italy:	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:	52.25%
- Spanish Eligible Vehicles subleased to France:	
- Spanish Eligible Vehicles subleased to Germany:	52.25%
- Spanish Eligible Vehicles subleased to the Netherlands:	52.25%
- Spanish Eligible Vehicles subleased to Italy:	52.25%
	52.25%

Spanish Net VAT Receivables,	95.25%
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. 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 M-672439, Book 37748, 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 Lessee” means Hertz de España, S.L.

“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 Advisory SAS.

“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 1,100,000,000, and/or following a Class A 2022 Liquidity Drawstop, EUR 915,000,000; 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, the Spanish Note Principal Amount and the Italian 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, ratified, extended and/or 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, ratified, extended and/or 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, ratified, extended and/or 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).

1.6 ITALIAN DEFINITIONS

“**CONSOB**” means Commissione Nazionale per le Società e la Borsa.

“**Banca Finint**” means Banca Finanziaria Internazionale S.p.A., *breviter* Banca Finint S.p.A., a bank incorporated as a joint stock company (società per azioni) under the laws of the Republic of Italy, having its registered office in Via V. Alfieri, 1, 31015 Conegliano (TV), Italy, share capital of Euro 91,743,007.00 fully paid up, tax code and enrolment in the companies’ register of Treviso-Belluno no. 04040580963, VAT Group “Gruppo IVA FININT S.P.A.” – VAT no. 04977190265, registered in the banks’ register held by the Bank of Italy pursuant to article 13 of the Consolidated Banking Act under no. 5580 and in the register of the banking group held by the Bank of Italy as parent company of the Banca Finanziaria Internazionale Banking Group, member of the “Fondo Interbancario di Tutela dei Depositi” and of the “Fondo Nazionale di Garanzia”.

“**Consolidated Banking Act**” means Italian Legislative Decree No. 385 of 1 September 1993, as amended and supplemented from time to time.

“**Consolidated Financial Act**” means Italian Legislative Decree no. 58 of 24 February 1998, as amended and supplemented from time to time.

“**DPA**” means the Data Processing Agreement.

“**DU Certificate**” means the single registration and property certificate (*Documento Unico di Circolazione e di Proprietà del veicolo*).

“**Due Information**” has the meaning specified in Clause 4.4(b) (Information due and management by the Italian Fleet Servicer) of the Italian Master Servicing Agreement.

“**Errors**” has the meaning specified in Clause 6.4 (*Reliance on Prior Work Product*) of the Italian Back-Up Administration Agreement.

“**EU Insolvency Regulation**” means Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings, as amended and supplemented from time to time.

“**Euroclear**” means Euroclear Bank S.A./N.V.

“**EUWA**” means the European Union (Withdrawal) Act 2018 (as amended by the European (Withdrawal Agreement) Act 2020).

“**Fleet Report Date**” means:

(a) prior to a Lease Event of Default, each Determination Date; and

(b) following:

(i) a Lease Event of Default; and/or

(ii) the long term rating ascribed to The Hertz Corporation Inc. by S&P being B- or lower or by Moody’s being B3 or lower or by Fitch being B- or lower,

and whilst the same is continuing, the last Business Day of each calendar week, or such other date as may be agreed between the Italian Liquidation Co-ordinator and Italian OpCo.

“**Further Italian Vehicles**” means the further Italian Vehicles purchased by Italian FleetCo from the Italian Fleet Seller in accordance with the provisions of the Italian Fleet Transfer Agreement and other sales of Vehicles from the Manufacturers and, among others, the Dealers and/or Auction Sellers, from time to time.

“**General Data Protection Regulation**” means the Regulation (EU) 2016/679, as amended and supplemented from time to time.

“**Initial Italian Vehicles**” means the initial Italian Vehicles purchased by Italian FleetCo from the Italian Fleet Seller, on arm’s length terms, pursuant to terms contained in the Italian Fleet Transfer Agreement.

“**Initial Subscription Price**” has the meaning specified in Clause 2.2 (*Subscription and funding of the Italian Notes on the Fifth Amendment Date*) of the Italian Note Purchase Agreement.

“**Insurance Distribution Directive**” means Directive 2016/97/EU as amended.

“**Italian AAA Component**” means each of:

- (a) the Italian Eligible Investment Grade Program Vehicle Amount;
- (b) the Italian Eligible Investment Grade Program Receivable Amount;
- (c) the Italian Eligible Non-Investment Grade Program Vehicle Amount;
- (d) the Italian Eligible Non-Investment Grade (High) Program Receivable Amount;
- (e) the Italian Eligible Non-Investment Grade (Low) Program Receivable Amount;
- (f) the Italian Eligible Investment Grade Non-Program Vehicle Amount;
- (g) the Italian Eligible Non-Investment Grade Non-Program Vehicle Amount;
- (h) the Eligible Due and Unpaid Lease Payment Amount under the Italian Master Lease, and
- (i) the Italian Net VAT Receivables.

“**Italian AAA Select Component**” means each Italian AAA Component other than the Eligible Due and Unpaid Lease Payment Amount.

“**Italian Acceleration Notice**” has the meaning given to it in the Italian Condition 13.2(b) (*Rights of the Italian Noteholder upon Amortization Event or Certain Other Events of Default*).

“**Italian Account Bank**” means Banca Nazionale del Lavoro S.p.A. or, as the case may be, any other Acceptable Bank which would be subsequently appointed as Italian Account Bank pursuant to the terms of the Italian Cash Allocation, Management and Payments Agreement.

“**Italian Account Bank Accounts**” means the Italian Collection Account, the Italian Transaction Account and the Quota Capital Account.

“**Italian Account Bank Mandates**” means the signature authorities relating to an Italian Account Bank Account, as amended from time to time in accordance with the Italian Cash Allocation, Management and Payments Agreement.

“**Italian Account Mandates**” means collectively the Italian Account Bank Mandates and the Italian Payment Account Bank Mandates.

“**Italian Accounts**” means the Italian Account Bank Accounts and the Italian Payment Account.

“**Italian Administration Agreement**” means the Italian administration agreement entered into between, among others, Italian FleetCo, the Italian Administrator and the Italian Noteholder dated on or about the Fifth Amendment Date and as may be amended, restated or supplemented from time to time.

“**Italian Administrator**” means Hertz Fleet Italiana S.r.l., a limited liability company (*società a responsabilità limitata*) incorporated in the Republic of Italy, with registered office at Via Galileo Galilei, 2 – 39100 Bolzano, share capital fully paid up equal to Euro 10,000, VAT number, tax code and number of registration with the register of companies of Bolzano n. 09536331003.

“**Italian Administrator Default**” has the meaning specified in Sub-Clause 9.2 (*Term of Agreement; Removal of Italian Administrator*) of the Italian Administration Agreement.

“**Italian Advance Request**” has the meaning given to it in Clause 2.4(a)(iv) of the Italian Note Purchase Agreement.

“Italian Aggregate Asset Amount” means, as of any date of determination, the amount equal to the sum of each of the following with respect to Italian FleetCo:

- (a) the aggregate Net Book Value of all Italian Eligible Vehicles as of such date;
- (b) the aggregate amount of all Italian Manufacturer Receivables as of such date;
- (c) the Due and Unpaid Lease Payment Amount in respect of the Italian Master Lease as of such date; and
- (d) the Italian Net VAT Receivables as of such date.

“Italian Back-Up Administration Agreement” means the Italian back-up administration agreement entered into between, among others, Italian FleetCo, the Italian Administrator, the Italian Back-Up Administrator and the Italian Noteholder dated on or about the Fifth Amendment Date and as may be amended, restated or supplemented from time to time.

“Italian Back-Up Administrator” means TMF SFS Management B.V..

“Italian Back-Up Servicing Fee” has the meaning given to it in Sub-Clause 6.1(a) (*Compensation*) of the Italian Back-Up Administration Agreement.

“Italian Calculation Agent” means Hertz Fleet Italiana S.r.l. or any other person for the time being acting as Italian Calculation Agent pursuant to the Italian Cash Allocation, Management and Payments Agreement.

“Italian Calculation Agent Monthly Report” means the report to be prepared and delivered by the Italian Calculation Agent on each Italian Calculation Date detailing any payment due by Italian FleetCo on such Payment Date in accordance with the Italian Cash Allocation, Management and Payments Agreement.

“Italian Calculation Date” means with respect to any Payment Date the date falling 2 (two) Business Days prior to such Payment Date.

“Italian Carrying Charges” means, for any Payment Date, without duplication, the sum of:

- (a) the Italian Monthly Servicing Fee payable by Italian FleetCo to the Italian Fleet Servicer pursuant to the Italian Fleet Servicing Agreement on such Payment Date;
- (b) all reasonable out-of-pocket costs and expenses of Italian FleetCo incurred in connection with the Italian Note;
- (c) all fees, expenses and other amounts payable by Italian FleetCo under the Italian Related Documents;
- (d) any accrued Italian 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 Italian Percentage of the Carrying Charges; and
- (f) one twelfth of the Italian Percentage of the Issuer Minimum Profit Amount,

which, for the avoidance of doubt, does not include any Italian FleetCo Expenses.

“Italian Cash Allocation, Management and Payments Agreement” means the cash allocation, management and payments agreement entered into between (among others) IFM SPV S.r.l. as Italian FleetCo and International Fleet Financing No.2 B.V. as the Italian Noteholder, dated on or about the Fifth Amendment Date and as may be amended, restated or supplemented from time to time.

“Italian Civil Code” means the *Codice civile italiano*, enacted pursuant to Royal Decree of 16 March 1941, n. 262 (*Approvazione del testo del Codice civile*) (as amended).

“Italian Class A Adjusted Advance Rate” means, as of any date of determination, with respect to any Italian AAA Select Component, a percentage equal to the greater of (A) (i) the Italian Class A Baseline Advance Rate for such Italian AAA Select Component, minus (ii) the Class A Concentration Excess Advance Rate Adjustment for such Italian AAA Select Component minus (iii) the Class A MTM/DT Advance Rate Adjustment for such Italian AAA Select Component; and (B) zero.

“Italian Class A Baseline Advance Rate” means, with respect to each Italian AAA Select Component, the percentage set forth opposite such Italian AAA Select Component in the following table (provided that for the Italian 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 Italian Master Lease, the percentage shall be the lower of (i) the percentage set forth opposite such Italian 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):

Italian AAA Component	Italian Class A Baseline Advance Rate
Italian Eligible Investment Grade Program Vehicle Amount	73%
Italian Eligible Investment Grade Program Receivable Amount	73%
Italian Eligible Non-Investment Grade Program Vehicle Amount	63.25%
Italian Eligible Non-Investment Grade (High) Program Receivable Amount	63.25%
Italian Eligible Non-Investment Grade (Low) Program Receivable Amount	0%
Italian Eligible Investment Grade Non-Program Vehicle Amount, provided that where the relevant Italian Eligible Vehicles are subleased pursuant to Clause 5.2.2 (D) and 5.2.2 (E) of the Italian Master Lease, the following Italian Class A Baseline Advance Rate shall apply to such subleased Vehicles:	67%
- Italian Eligible Vehicles subleased to France:	67%
- Italian Eligible Vehicles subleased to Spain:	60.5%
- Italian Eligible Vehicles subleased to Germany:	66.25%
- Italian Eligible Vehicles subleased to Netherlands:	67%

Italian Eligible Non-Investment Grade Non-Program Vehicle Amount, provided that where the relevant Italian Eligible Vehicles are subleased pursuant to Clause 5.2.2 (D) and 5.2.2 (E) of the Italian Master Lease, the following Italian Class A Baseline Advance Rate shall apply to such subleased Vehicles:	63.25%
- Italian Eligible Vehicles subleased to France:	63.25%
- Italian Eligible Vehicles subleased to Spain:	52.25%
- Italian Eligible Vehicles subleased to Germany:	57.25%
- Italian Eligible Vehicles subleased to Netherlands:	63.25%
Italian Net VAT Receivables	94.75%
Remainder AAA Amount	0%

“Italian Class A Blended Advance Rate” means, as of any date of determination, the percentage equivalent of a fraction, the numerator of which is the Italian Class A Blended Advance Rate Weighting Numerator and the denominator of which is the Italian Class A Blended Advance Rate Weighting Denominator, in each case as of such date.

“Italian Class A Blended Advance Rate Weighting Denominator” means, as of any date of determination, an amount equal to the sum of each Italian AAA Select Component, in each case as of such date.

“Italian 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 Italian AAA Select Component equal to the product of such Italian AAA Select Component and the Italian Class A Adjusted Advance Rate with respect to such Italian AAA Select Component, in each case as of such date.

“Italian Class B Adjusted Advance Rate” means, as of any date of determination, with respect to any Italian AAA Select Component, a percentage equal to the greater of (A) (i) the Italian Class B Baseline Advance Rate for such Italian AAA Select Component, minus (ii) the Class B Concentration Excess Advance Rate Adjustment for such Italian AAA Select Component minus (iii) the Class B MTM/DT Advance Rate Adjustment for such Italian AAA Select Component; and (B) zero.

“Italian Class B Baseline Advance Rate” means, with respect to each Italian 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.

“Italian Class B Blended Advance Rate” means, as of any date of determination, the percentage equivalent of a fraction, the numerator of which is the Italian Class B Blended Advance Rate Weighting Numerator and the denominator of which is the Italian Class B Blended Advance Rate Weighting Denominator, in each case as of such date.

“Italian Class B Blended Advance Rate Weighting Denominator” means, as of any date of determination, an amount equal to the sum of each Italian AAA Select Component, in each case as of such date.

“Italian 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 Italian AAA Select Component equal to the product of such Italian AAA Select Component and the Italian Class B Adjusted Advance Rate with respect to such Italian AAA Select Component, in each case as of such date.

“Italian Collateral” means all of the Italian assets which from time to time are, or are expressed to be, segregated by virtue of the Italian Securitisation Law.

“Italian Collection Account” means the collection account in the name of Italian FleetCo into which Italian Collections shall be deposited.

“Italian Collection Account Reserve Ledger” means the ledger so named maintained in the Italian Collection Account.

“Italian Collections” means all payments on or in respect of the Italian Collateral, which include but are not limited to:

- (a) all amounts due under or in connection with the Italian Collateral, including, without limitation, amounts due from Manufacturers and their related auction dealers under their Manufacturer Programs with respect to the Italian Vehicles, other than Excluded Payments;
- (b) all amounts representing the proceeds from sales of Vehicles to third parties, other than the Manufacturers or their auction dealers;
- (c) if an Italian Leasing Company Amortization Event with respect to Italian FleetCo has occurred and is continuing, all insurance proceeds and warranty payments in respect of the Italian Vehicles, other than Excluded Payments;
- (d) all amounts payable to Italian FleetCo pursuant to the Italian Master Lease; and
- (e) all Italian Collections from any other source from time to time paid directly into the Italian Collection Account.

Notwithstanding the foregoing any Excluded Payments and, unless an Italian Leasing Company Amortization Event with respect to Italian FleetCo has occurred and is continuing, insurance proceeds and warranty payments with respect to the Italian Vehicles shall not be required to be deposited in the Italian Collection Account, and may be held by Italian FleetCo or paid to Italian OpCo. Italian FleetCo agrees that if any Italian Collections shall be received by Italian FleetCo in an account other than the Italian Collection Account or in any other manner, such monies, instruments, cash and other proceeds will not be commingled by Italian FleetCo with any of its other funds or property, if any, but will be held separate and apart therefrom and shall be held in trust by Italian FleetCo for the Issuer Security Trustee.

“Italian Commitment Termination Date” means 1 October 2048.

“Italian Condition” means a condition included in the Italian Terms and Conditions.

“Italian Crisis and Insolvency Code” means the Legislative Decree no. 14 of 12 January 2019, as amended, supplemented and implemented from time to time.

“Italian Daily Collection Report” has the meaning specified in Sub-Clause 6.2.1 (*Italian Daily Collection Report*) of the Italian Cash Allocation, Management and Payments Agreement.

“Italian Daily Interest Amount” means, for any day in an Interest Period, an amount equal to the result of:

- (a) the product of (i) the Italian Note Rate for such Interest Period and (ii) the Italian Note Principal Amount as of the close of business on such date; divided by

(b) 30.

“**Italian Data Processor**” means the Italian Master Servicer.

“**Italian Decrease**” has the meaning specified in Italian Condition 9.2(a) (*Periodical Redemption for Italian Decrease*).

“**Italian Decree 239**” means Italian Legislative Decree no. 239 of 1 April 1996, as amended from time to time.

“**Italian Deed of Sale**” has the meaning as specified in Clause 2.3.1 (*Deeds of Sale*) of the Italian Fleet Transfer Agreement.

“**Italian 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 Italian FleetCo in respect of the Italian Vehicles for which the Disposition Date has not occurred as of such date.

“**Italian Eligible Investment Grade Program Receivable Amount**” means, as of any date of determination, the sum of all Eligible Manufacturer Receivables payable to Italian FleetCo in respect of the Italian Vehicles, as of such date by all Investment Grade Manufacturers.

“**Italian 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 Italian FleetCo in respect of the Italian Vehicles for which the Disposition Date has not occurred as of such date.

“**Italian Eligible Non-Investment Grade (High) Program Receivable Amount**” means, as of any date of determination, the sum of all Eligible Manufacturer Receivables payable to Italian FleetCo in respect of the Italian Vehicles, as of such date by all Non-Investment Grade (High) Manufacturers.

“**Italian Eligible Non-Investment Grade (Low) Program Receivable Amount**” means, as of any date of determination, the sum of all Manufacturer Receivables payable to Italian FleetCo in respect of the Italian Vehicles, as of such date by all Non-Investment Grade (Low) Manufacturers.

“**Italian 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 Italian FleetCo in respect of the Italian Vehicles for which the Disposition Date has not occurred as of such date.

“**Italian 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 Italian FleetCo in respect of the Italian Vehicles and for which the Disposition Date has not occurred as of such date.

“**Italian Eligible Vehicles**” means the Eligible Vehicles owned by Italian FleetCo in respect of the Italian Vehicles.

“**Italian FleetCo**” means IFM SPV S.r.l., a limited liability company (*società a responsabilità limitata*), incorporated and existing under the laws of Italy, pursuant to the Italian Securitisation Law, whose registered office is at Via Galileo Galilei 2, 39100 Bolzano (BZ), Italy, fully paid quota capital of Euro 10,000, fiscal code and registration No. with the companies register of Bolzano number 03185110214, in the process of being enrolled in the *elenco delle società veicolo* held by the Bank of Italy pursuant to the resolution of the Bank of Italy dated 7 June 2017 and having as its corporate object the realisation of securitisation transactions pursuant to articles 7 and 7.2 of the Italian Securitisation Law.

“**Italian FleetCo Corporate Services Agreement**” means the corporate services agreement between Italian FleetCo and the Italian FleetCo Corporate Services Provider dated 7 December 2022 and as may be amended, restated or supplemented from time to time.

“**Italian FleetCo Corporate Services Provider**” means Banca Finint.

“Italian FleetCo Expenses” means any and all documented fees, costs, expenses and Taxes required to be paid by Italian FleetCo to any third-party creditors (other than the Italian Noteholder and the Other Italian FleetCo Creditors) arising in connection with the Italian Securitisation and/or required to be paid in order to preserve the existence of the Italian FleetCo, to maintain it in good standing or to comply with applicable laws.

“Italian FleetCo’s Rights” has the meaning specified in Clause 2.3 (*Exercise of Italian FleetCo’s Rights*) of the Italian Cash Allocation Management and Payments Agreement.

“Italian Fleet Seller Buy-Back Vehicles” means any Vehicles acquired by the Italian FleetCo from the Italian Fleet Seller in respect of which a manufacturer or one or more of its Affiliates have agreed to repurchase such Vehicles during the specified repurchase period.

“Italian Fleet Seller” means Hertz Fleet Italiana S.r.l., a limited liability company (*società a responsabilità limitata*) incorporated in the Republic of Italy, with registered office at Via Galileo Galilei, 2 – 39100 Bolzano, share capital fully paid up equal to Euro 10,000, VAT number, tax code and number of registration with the register of companies of Bolzano n. 09536331003.

“Italian Fleet Servicer” means Hertz Fleet Italiana S.r.l., a limited liability company (*società a responsabilità limitata*) incorporated in the Republic of Italy, with registered office at Via Galileo Galilei, 2 – 39100 Bolzano, share capital fully paid up equal to Euro 10,000, VAT number, tax code and number of registration with the register of companies of Bolzano n. 09536331003.

“Italian Fleet Servicer Report” has the meaning specified in Clause 2.13.3 (*Italian Fleet Servicer Records and Italian Fleet Servicer Reports*) of the Italian Fleet Servicing Agreement.

“Italian Fleet Servicing Agreement” means the fleet servicing agreement, dated 7 December 2022 between, among others, Italian FleetCo, the Italian Fleet Servicer and the Italian Master Servicer, as may be amended, restated or supplemented from time to time.

“Italian Fleet Transfer Agreement” means the Italian fleet transfer agreement between Italian Fleet Seller and the Italian FleetCo dated 7 December 2022 and all further Offers accepted by the Italian FleetCo pursuant to the terms included thereunder, each a fleet transfer agreement, respectively.

“Italian Information Memorandum” means the “*prospetto informativo*” prepared in respect of the issuance of the Italian Notes pursuant to article 2 of the Italian Securitisation Law.

“Italian Initial Principal Amount” means EUR 325,000,000.

“Italian Insolvency Proceedings” means bankruptcy (*fallimento*) or any other insolvency proceedings (*procedura concorsuale*) including, but not limited to, an arrangement with creditors prior to bankruptcy (*accordi di ristrutturazione dei debiti e/o concordato preventivo*), compulsory administrative liquidation (*liquidazione coatta amministrativa*) and the extraordinary administration of large companies in a state of insolvency (*amministrazione straordinaria delle grandi imprese in stato di insolvenza*).

“Italian Intercreditor Agreement” means the intercreditor agreement dated on or about the Fifth Amendment Date between, among others, Italian FleetCo, the Italian Noteholder and the Other Italian FleetCo Creditors and as may be amended, restated or supplemented from time to time.

“Italian Interest Collections” means on any date of determination, all Italian Collections which represent payments of Monthly Variable Rent under the Italian Master Lease plus any amounts earned on Permitted Investments in the Italian Collection Account that are available for distribution on such date and any indemnity amounts received by Italian FleetCo from any Related Document.

“Italian Interest Priority of Payments” means the priority of payments set out in Italian Condition 7.1 (*Italian Interest Priority of Payments*).

“Italian Joint Regulation” means the regulation issued jointly by the Bank of Italy and CONSOB on 13 August 2018 jointly issued by CONSOB and Bank of Italy (named “*Disciplina dei servizi di gestione accentrata, di liquidazione, dei sistemi di garanzia e delle relative società di gestione*”) containing rules on custody, clearing and settlement, as amended from time to time.

“Italian Labour and Social Security Laws” means any regulation governing labour-related matters and relating to employer’s obligations, also including, for the avoidance of doubt, (i) paying

contributions for social security and mandatory insurance for industrial accidents and occupational diseases and fulfilling health and safety obligations and (ii) paying salary allowances and all other amounts due to the employees, including that portion of TFR (*trattamento di fine rapporto*) that accrues while performing the Services.

“Italian Labour Claim” means any claim (save for claims brought in bad faith or on frivolous grounds) or litigation or social security or insurance deficiency assessment asserted against (*i.e.*, brought, initiated or otherwise notified to) the Italian Fleet Servicer and/or any of its sub-fleet servicers and/or any subcontractor and/or partner of any of its sub-fleet servicers in connection with the application of Labour and Social Security Laws, to the extent that any such claims may create liability for Italian FleetCo.

“Italian Labour Payments” means any and all payments due by the Italian Fleet Servicer and/or any of its sub-fleet servicers and/or any subcontractor and/or partner of any of its sub-fleet servicers in application of Labour and Social Security Laws, to the extent that failure to pay any such amounts may create liability for the Italian FleetCo.

“Italian Leasing Company Amortization Event” has the meaning given to it in the Italian Condition 13.1 (*Italian Leasing Company Amortization Event*).

“Italian Legal Final Payment Date” means the one-year anniversary of the Italian Commitment Termination Date.

“Italian Lessee” means Hertz Italiana S.r.l., a limited liability company (*società a responsabilità limitata*) incorporated in the Republic of Italy, with registered office at Via del Casale Cavallari, 204 – 00145 Rome, share capital fully paid up equal to Euro 1,635,000, VAT number, tax code and number of registration with the register of companies of Rome n. 00433120581, subject to the activity of direction and coordination (*soggetta all’attività di direzione e coordinamento*) pursuant to article 2497 of the Italian civil code of Hertz Holdings Netherlands 2 B.V..

“Italian Liquidation Co-ordination Agreement” means the liquidation co-ordination agreement entered into between (among others) Italian FleetCo, the Italian OpCo, the Italian Liquidation Co-ordinator and the Italian Noteholder dated on or about the Fifth Amendment Date and as may be amended, restated or supplemented from time to time.

“Italian Liquidation Co-ordinator” means KPMG Advisory SAS.

“Italian Manufacturer Receivables” means the Manufacturer Receivables owing to Italian FleetCo in respect of Italian Vehicles only.

“Italian Master Lease” means the Italian Master Lease Agreement, dated 7 December 2022 between, among others, Italian FleetCo, as lessor thereunder and Italian OpCo, as lessee and as may be amended, restated or supplemented from time to time.

“Italian Master Lease Extension Agreement” means, in relation to the Italian Master Lease, an agreement executed by the Lessor and the Lessee(s) thereunder which provides that the Master Lease Scheduled Expiration Date in respect of the relevant lease entered into pursuant to the Italian Master Lease Agreement will be extended for a further period of five (5) calendar months from the date of such agreement.

“Italian Master Lease Payment Default” means the occurrence of any event described in Sub-Clause 9.1.1 of the Italian Master Lease.

“Italian Master Lease Scheduled Expiration Date” means, in relation to any Lease Vehicles leased pursuant to the Italian Master Lease Agreement, 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 Italian Master Lease Extension Agreement became effective with respect to such Lease Vehicle.

“Italian Master Servicer” means Banca Finint, in its capacity as master servicer pursuant to the Italian Master Servicing Agreement, and any other replacing entity who will act as master servicer in accordance with the provisions of the Italian Master Servicing Agreement and the Italian Related Documents.

“Italian Master Servicer Termination Event” has the meaning specified in Clause 11.1 (*Italian Master Servicer Termination Events*) of the Italian Master Servicing Agreement.

“Italian Master Servicer’s Fee Letter” has the meaning specified in Clause 7.1 (*Italian Master Servicer’s Fee*) of the Italian Master Servicing Agreement.

“Italian Master Servicing Agreement” means the master servicing agreement, dated 7 December 2022 between, among others, Italian FleetCo and Banca Finit in its capacity as Italian Master Servicer as may be amended, restated or supplemented from time to time.

“Italian Maximum Principal Amount” means EUR 1,100,000,000, and/or following a Class A 2022 Liquidity Drawstop, EUR 915,000,000; provided further that such amount may be increased or reduced from time to time pursuant to written agreement between the Italian Noteholder and Italian FleetCo, provided that no such reduction shall cause the Italian Maximum Principal Amount to be less than the Italian Note Principal Amount.

“Italian Minimum Profit Amount” means, on an annual basis, an amount equal to five per cent. (5%) of Italian Servicing Fee payable under the Italian Master Lease as the local GAAP profit before tax.

“Italian Monthly Administration Fee” has the meaning specified in Clause 4 (*Compensation*) of the Italian Administration Agreement.

“Italian Monthly Collateral Certificate” has the meaning specified in Clause 10.3(d) (*Reports and Instructions*) of the Italian Intercreditor Agreement.

“Italian Monthly Interest” means, with respect to any Payment Date, an amount equal to the sum of:

- (a) the Italian 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.

“Italian Monthly Servicing Certificate” has the meaning specified in Clause 10.3(c) (*Reports and Instructions*) of the Italian Intercreditor Agreement.

“Italian Monthly Servicing Fee” has the meaning specified in Clause 2.9 (*Italian Fleet Servicer’s Monthly Fee*) of the Italian Fleet Servicing Agreement.

“Italian Net VAT Receivables” means (a) for the period commencing on the Fifth Amendment Date to 31 December 2023, the Net VAT Receivables owing to Italian FleetCo and arising in the period running from the Fifth Amendment Date to 31st December 2023; (b) on and after 1 January 2024, an amount equal to the lower of (i) zero and (ii) VAT Receivables minus VAT Payables, provided that (ii) may be a negative amount and if (ii) is a negative amount, such amount shall be subtracted from the Italian Aggregate Asset Amount.

“Italian Note Factor” means, on any Italian Calculation Date, in respect of each of the Italian Notes, a fraction, the numerator of which is equal to the Italian Note Principal Amount of such Italian Notes on such Italian Calculation Date (after taking into account any Advance or Italian Decrease made during the immediately preceding Interest Period in relation to such Italian Notes) and the denominator of which is equal to the Italian Note Nominal Amount of such Italian Notes.

“Italian Noteholder” means the Issuer.

“Italian Note Principal Amount” means, when used with respect to any date, with respect to the Italian Notes, an amount equal to the result of: (i) the Italian Initial Principal Amount, plus (ii) the principal amount of all Advances funded by the Italian Noteholder under the Italian Notes on or prior to such date, minus (iii) the amount of principal payments (whether pursuant to a Italian Decrease, a redemption or otherwise) made in respect of the Italian Notes on or prior to such date.

“Italian Note Nominal Amount” means the nominal amount of the Italian Notes (being up to Euro 1,100,000,000).

“**Italian Note Purchase Agreement**” means the note purchase agreement entered into between Italian FleetCo and the Italian Noteholder dated on or about the Fifth Amendment Date and as may be amended, restated or supplemented from time to time.

“**Italian Note Rate**” means, for any Interest Period, the rate, as determined by the Issuer in its reasonable discretion, reflecting (i) the Italian 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 Italian FleetCo (based on the Italian Class A Blended Advance Rate).

“**Italian Note Repurchase Amount**” means, as of any date of determination, the sum of the Italian Note Principal Amount plus all accrued and unpaid interest thereon and any fees in respect thereof then due and payable to the Italian Noteholder.

“**Italian Notes**” means up to €1,100,000,000 Italian notes issued by Italian FleetCo pursuant to and in accordance with the Italian Note Purchase Agreement.

“**Italian Obligations**” means all the obligations of the Italian FleetCo created by or arising under the Italian Notes and the Italian Related Documents.

“**Italian OpCo**” means Hertz Italiana S.r.l., a limited liability company (*società a responsabilità limitata*) incorporated in the Republic of Italy, with registered office at Via del Casale Cavallari, 204 – 00145 Rome, share capital fully paid up equal to Euro 1,635,000, VAT number, tax code and number of registration with the register of companies of Rome n. 00433120581, subject to the activity of direction and coordination (*soggetta all’attività di direzione e coordinamento*) pursuant to article 2497 of the Italian civil code of Hertz Holdings Netherlands 2 B.V..

“**Italian OpCo Files**” means the original and/or any copies of all relevant documents and records, in whatever form or medium, including all computer tapes, files and discs relating to the activities carried out by the Italian OpCo, as Italian Lessee, under the Italian Master Lease.

“**Italian OpCo IP Co-operation Agreement**” has the meaning given to it in Clause 9.4.2(b) (*Discussions on repossession and liquidation*) of the Italian Liquidation Co-ordination Agreement.

“**Italian Ordinary Advance**” has the meaning specified in Clause 2.4(a) of the Italian Note Purchase Agreement.

“**Italian Payment Account**” means the transaction account in the name of Italian FleetCo from which withdrawals are made in accordance with Clauses 3.4.5 (*Into the Italian Payment Account*) and 3.4.6 (*Out of the Italian Payment Account*) of the Italian Cash Allocation, Management and Payments Agreement.

“**Italian Payment Account Bank**” means BNP Paribas, Italian Branch or any other person for the time being acting as Italian Payment Account Bank pursuant to the Italian Cash Allocation, Management and Payments Agreement.

“**Italian Payment Account Bank Mandates**” means the signature authorities relating to the Italian Payment Account, as amended from time to time in accordance with the Italian Cash Allocation, Management and Payments Agreement.

“**Italian Paying Agent**” means BNP Paribas, Italian Branch or any other person for the time being acting as Italian Paying Agent pursuant to the Italian Cash Allocation, Management and Payments Agreement.

“**Italian Percentage**” means, as of any date of determination, a fraction, expressed as a percentage, the numerator of which is the Italian 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, the Spanish Note Principal Amount and the Italian Note Principal Amount, in each case as of such date.

“**Italian Potential Leasing Company Amortization Event**” means any occurrence or event that, with the giving of notice, the passage of time or both, would constitute an Italian Leasing Company Amortization Event.

“**Italian Predecessor Administrator Work Product**” has the meaning given to it in Sub-Clause 6.4 (*Reliance on Prior Work Product*) of the Italian Back-Up Administration Agreement.

“Italian Principal Collections” means:

- (a) any Italian Collections other than Italian Interest Collections;
- (b) on any Payment Date, any Italian Interest Collections remaining on the Italian Transaction Account in accordance with item (sixth) of the Italian Interest Priority of Payments, after payment in full of the items from first to fifth of the Italian Interest Priority of Payments; and
- (c) on the Italian Legal Final Payment Date, any amounts recorded in the Italian Collection Account Reserve Ledger.

“Italian Principal Priority of Payments” means the priority of payments set out under Italian Condition 7.2 (*Italian Principal Priority of Payments*).

“Italian Priority of Payments” means any of the Italian Interest Priority of Payments and the Italian Principal Priority of Payments.

“Italian Privacy Code” means Legislative Decree no. 196 of 30 June 2003 and the Privacy Regulation, as integrated and amended from time to time.

“Italian Privacy Law” means Legislative Decree no. 196 of 30 June 2003 and the Privacy Regulation, as integrated and amended from time to time.

“Italian Privacy Regulation” means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016, as integrated and supplemented from time to time.

“Italian Quotaholder Pledge Agreement” means the pledge over the registered quotas of the Italian FleetCo dated on or about the Fifth Amendment Date, entered into by Italian OpCo, HHN2 and the Italian Noteholder pursuant to which the Italian OpCo and HHN2, as pledgors, will grant an Italian law pledge over the entire quota capital of Italian FleetCo for the benefit of the Italian Noteholder and as a security for the fulfilment of Italian OpCo and HHN2’s own direct obligations under the Quotaholders Agreement and certain other Italian Related Documents.

“Italian Quotaholders” means Hertz Italiana S.r.l. and HHN2.

“Italian Quotaholders Agreement” means the quotaholders’ agreement dated on or about the Fifth Amendment Date between, the Italian FleetCo and the Italian Quotaholders as may be amended, restated or supplemented from time to time.

“Italian Regulation 285” means the Bank of Italy Regulation No. 285 of 17 September 2013, as amended, supplemented and/or superseded from time to time.

“Italian Related Document Actions” has the meaning specified in Sub-Clause 10.8(c) (*Actions under the Italian Related Documents and Manufacturer Programs*) of the Italian Intercreditor Agreement.

“Italian Related Documents” means, collectively, the Italian Note Purchase Agreement, the Italian Information Memorandum, the Italian Intercreditor Agreement, the Italian FleetCo Corporate Services Agreement, the Italian Fleet Transfer Agreement, the Italian Master Servicing Agreement, the Italian Fleet Servicing Agreement, the Italian Administration Agreement, the Italian Back-Up Administration Agreement, the Italian Liquidation Co-ordination Agreement, the Italian Cash Allocation, Management and Payments Agreement, the Italian Quotaholders’ Agreement, the Italian Master Lease, the Italian Terms and Conditions, the Italian Quotaholders Pledge Agreement, the Italian VAT Consolidation Agreement, the Tax Deed of Covenant, the THC Guarantee and Indemnity and any other agreements relating to the issuance or the purchase of the Italian Notes.

“Italian Repeating Representations” means the representations and warranties of Italian FleetCo set out in Clause 8 (*Representations and Warranties*) of the Italian Note Purchase 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*).

“Italian Required Reserve Advance” means an amount as agreed between the Italian Noteholder (acting on the instructions of Required Noteholders) and the Italian Liquidation Co-ordinator and notified to the Issuer and the Italian FleetCo.

“Italian Reserve Advance” has the meaning specified in Clause 2.4(a) of the Italian Note Purchase Agreement.

“Italian Road Code” means Legislative Decree 30 April 1992, n. 285, described as the “*Nuovo codice della strada*”, as amended and supplemented from time to time.

“Italian Securitisation Law” means Italian Law 130 of 30 April 1999, as amended and/or supplemented from time to time.

“Italian Security” means the Italian Segregated Assets in favour of the Italian Noteholder and any security interest granted to the Italian Noteholder pursuant to the Italian Security Documents.

“Italian Security Documents” means the Italian Quotaholders Pledge Agreement.

“Italian Securitisation” means the transaction made by the Italian FleetCo through the issuance of the Italian Notes and the entry into of the related arrangements of such issuance of Italian Notes pursuant to the execution of the Italian Related Documents and to articles 7 and 7.2 of the Italian Securitisation Law.

“Italian Segregated Assets” means the Italian FleetCo’s right, title and interest in and to the Italian Collateral, any collections and proceeds in respect thereof, and the other claims of the Italian FleetCo which arise in the context of the securitisation carried out by the Italian FleetCo through the issuance of the Italian Notes.

“Italian Servicing Fee” means €700,000 per annum or such other adjusted amount notified to the Lessor and the Italian Noteholder by the Italian Fleet Servicer based on the reasonable costs and expenses incurred in connection with the provision of services in accordance with the Italian Fleet Servicing Agreement.

“Italian Supervisory Regulations” means the supervisory instructions for the banks issued by the Bank of Italy, as amended and supplemented from time to time.

“Italian Supplemental Documents” means the Lease Vehicle Acquisition Schedules, the Intra-Lease Lessee Transfer Schedules and any other related documents attached to the Italian 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 Italian Collateral.

“Italian Terms and Conditions” means the terms and conditions of the Italian Notes in the form scheduled to the Italian Note Purchase Agreement as Schedule 3 (*Terms and Conditions*) and any reference to a particular numbered **“Italian Term and Condition”** shall be construed in relation to the Italian Notes accordingly.

“Italian Transaction Account” means the transaction account in the name of Italian FleetCo from which withdrawals are made in accordance with Clauses 3.4 (*Payments into and out of the Italian Accounts*) of the Italian Cash Allocation, Management and Payments Agreement.

“Italian Transfer Date” has the meaning specified in Sub-Clause 4.1 (*Transfer of Administrative Obligations*) of the Italian Back-Up Administration Agreement.

“Italian Transfer Perfection Formalities” has the meaning ascribed to it in Clause 2.3 (*Transfer perfection formalities: PRA, Official Gazette and Companies Register*) of the Italian Fleet Servicing Agreement.

“Italian VAT Consolidation Agreement” means an agreed form of the Italian VAT consolidation agreement between inter alia Italian Fleet Seller, Italian FleetCo and Italian OpCo concerning the group settlement of VAT debits and credits pursuant to the Italian VAT Settlement Regime, with Italian OpCo acting as consolidating entity and to be joined by Italian FleetCo with effect from 1 January 2024.

“**Italian VAT Settlement Regime**” means the regime provided by article 73(3) of Italian Presidential Decree 26 October 1972, no. 633 and by Italian Ministry of Finance Decree 13 December 1979, as amended from time to time.

“**Italian Vehicle Documents**” means the registration documents, keys and spare keys to the Italian Vehicles.

“**Italian Vehicles**” means all Vehicles owned by Italian FleetCo and which are leased pursuant to the Italian Master Lease.

“**Liquidation Services**” has the meaning ascribed to such term in the Italian Liquidation Co-ordination Agreement.

“**Local Agent**” means Asia S.r.l.

“**MiFID II**” means the Markets in Financial Instruments Directive (2004/39/EC).

“**Monte Titoli**” means Monte Titoli S.p.A., a joint stock company (*società per azioni*) having its registered office at Piazza degli Affari, 6, 20123 Milan, Italy, and any successor to Monte Titoli S.p.A.

“**Monte Titoli Account Holders**” means any authorised financial intermediary institution entitled to hold accounts on behalf of its customers with Monte Titoli including any depository banks approved by Euroclear and Clearstream.

“**Motorizzazione Civile**” means the Italian driver and vehicle licensing agency.

“**Offer**” has the meaning ascribed to it in Clause 2.2.1 (*Sale and Purchase of Further Italian Vehicles*) of the Italian Fleet Transfer Agreement.

“**Optional Redemption Notice**” has the meaning specified in Italian Term and Condition 9.2(a) (*Periodical Redemption for Italian Decrease*) of the Italian Terms and Conditions.

“**Other Italian FleetCo Creditors**” means the Italian Master Servicer, the Italian Fleet Servicer, the Italian Fleet Seller, the Italian Calculation Agent, the Italian FleetCo Corporate Services Provider, the Italian Paying Agent, the Italian Payment Account Bank, the Italian Account Bank, the Italian Lessee, the Italian Administrator, the Italian Back-up Administrator and the Italian Liquidation Co-ordinator.

“**Participating Member State**” means any member state of the European Union that has the euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

“**Personal Data**” has the meaning as specified in Regulation (EU) no. 679 of 27 April 2016.

“**Privacy Regulation**” means Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016, as integrated and amended from time to time.

“**PRA**” means the *Pubblico Registro Automobilistico*.

“**Privacy Law Responsible Person**” has the meaning specified in Clause 2.8.2 (*Data Protection and Privacy Law provisions*) of the Italian Fleet Servicing Agreement.

“**Product Governance Rules**” means the requirements of Article 9(8) of the MIFID Product Governance rules under EU Delegated Directive 2017/593 regarding the mutual responsibilities of manufacturers.

“**Purchase Price**” has the meaning ascribed to such term under clause 3.1. (*Purchase Price*) of the Italian Fleet Transfer Agreement.

“**Qualified Asset Manager**” has the meaning specified in Clause 3.1.1 (*Organisation; Power; Qualification*) of the Italian Fleet Servicing Agreement.

“**Quota Capital Account**” means the quota capital account in the name of Italian FleetCo opened in accordance with Clause 3.2 (*Accounts with the Italian Account Bank and the Italian Payment Account Bank*) of the Italian Cash Allocation, Management and Payments Agreement.

“**Regulation 285**” means Bank of Italy Regulation No. 285 of 17 September 2013.

“**STA**” means the Italian car drivers’ office (*Sportello Telematico dell’Automobilista*).

“**Terminated Agent**” has the meaning given to such term in Clause 16.7.2 (*Resignation by the Agent*) of the Italian Cash Allocation Management and Payments Agreement.

“**Transparency Provisions**” means the transparency provisions set forth in the CICR Resolution of 4 March 2003, as amended from time to time, and in the “*Disposizioni sulla trasparenza delle operazioni e dei servizi bancari e finanziari. Correttezza delle relazioni tra intermediari e clienti*” issued by the Bank of Italy and as amended from time to time.

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, Italian 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 *insolencia* 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 FleetCo for the purpose of obtaining payment of any amount due from the 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 – Italian FleetCo

Notwithstanding anything to the contrary herein or in any Italian Related Document to which the Italian FleetCo is a party, only the Italian Noteholder (pursuant to the terms of the Issuer Related Documents) as directed by the Issuer Security Trustee (whose instructions have been obtained in accordance with the terms of the Italian Terms and Conditions, the Italian Note Accounts Security Deed and the Issuer Security Trust Deed) may pursue the remedies available under the general law or under the Issuer Security Trust Deed to enforce this Agreement, the Italian Note Accounts Security Deed, the Italian Security or an Italian Note and no other Person shall be entitled to proceed directly against the Italian FleetCo in respect hereof (unless the Italian Noteholder, having become bound to proceed in accordance with the terms of the Italian Related Documents, fails or neglects to do so). HHN2 hereby agrees with and acknowledges to each of Italian FleetCo, the

Italian Noteholder 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 Italian FleetCo for the purpose of obtaining payment of any amount due from the Italian FleetCo (other than serving a written demand subject to the terms of the Italian law); 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 Italian FleetCo, provided that, the Italian Noteholder (acting in accordance with the terms of Italian Terms and Condition and as directed by the Issuer Security Trustee) shall have the right to take any action pursuant to and in accordance with the relevant Italian Related Documents.

3.9 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.

3.10 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.

3.11 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.

3.12 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

3.13 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.

3.14 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.

3.15 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.

3.16 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.

3.17 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.

3.18 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
487 581 498 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 ESPAÑA 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., SUCURSAL EN ESPAÑA

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 S.A.

Address: ACI: CPA05A1
Grands Moulins de Pantin
9 rue du Débarcadère
93500 Pantin

Telephone: [*]

Email: [*]

Attention: FCT Yellow CAR

FCT Registrar:

BNP PARIBAS S.A.

Address: 9 rue du débarcadère
93500 Pantin

Email: [*]

Attention: Clients FCPR OPCI

FCT Paying Agent:

BNP PARIBAS S.A.

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, LUXEMBOURG BRANCH

Address: 60, avenue J.F. Kennedy
L-1855 Luxembourg
(Postal Address: L – 2085 Luxembourg)

Telephone: [*]

Fax: [*]

Email: [*]

Attention: Corporate Trust Operations

Italian Paying Agent and Italian Payment Account Bank

BNP PARIBAS, ITALIAN BRANCH

Address: Piazza Lina Bo Bardi 3
20124 Milan, Italy

Email: [*]

PEC: [*]

Attention: Securities Services – Corporate Trust Services

Italian OpCo and Italian Lessee:

HERTZ ITALIANA S.R.L.

Address: Via del Casale Cavallari
204 – 00145 Rome (RM)

Email: [*]

Attention: Daniela Dei Agnoli

Italian FleetCo and Italian Lessor:

IFM SPV S.R.L.

Address: Via Galileo Galilei
39100 Bolzano (BZ), Italy

Email: [*]

Attention: Legal Representative

Italian Fleet Seller, Italian Administrator and Italian Fleet Servicer

HERTZ FLEET ITALIANA S.R.L.

Address: Via Galileo Galilei
2-39100 Bolzano (BZ)

Email: [*]

Attention: Albana Qoshku

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, Spanish Back-Up Administrator and Italian Back-Up Administrator:

TMF SFS MANAGEMENT B.V.

Address: Herikerbergweg 238, Luna Arena
1101 CM Amsterdam
The Netherlands

Telephone: [*]

Fax: [*]

Email: [*] (“Hertz Issuer Back-Up Administrator” in subject line)

Attention: The Managing Director

TMF SARL

TMF FRANCE MANAGEMENT SARL

Address: 3-5, rue Saint George
75009 Paris
France

Telephone: [*]

Fax: [*]

Email: [*]

Attention: Mrs. Alina Jouot Guralnik

TMF SAS

TMF FRANCE SAS

Address: 3-5, rue Saint George
75009 Paris
France

Telephone: [*]

Fax: [*]

Email: [*]

Attention: Mrs. Alina Jouot Guralnik

Dutch Liquidation Co-ordinator, French Liquidation Co-ordinator, German Liquidation Co-ordinator, Spanish Liquidation Co-ordinator and Italian Liquidation Co-ordinator:

KPMG Advisory SAS

Address: Tour Egho
2 avenue Gambetta
92066 Paris La Défense Cedex
France

Telephone: [*]

Email: [*]

Attention: Pascal Bonnet/Barema Bocoum/ Rémy Boulesteix

FCT Account Bank:

BNP PARIBAS S.A.

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: [*]

Attention: Treasurer

with copies to (that will not constitute notice):

The Hertz Corporation

Address: 8501 Williams Road
Estero, Florida 33928

Attention: General Counsel

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: 3 Arkle Road
Telephone: [*]
Email: [*]
Attention: BNPP Dublin Branch Legal Team / Caroline Carty

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

Italian Account Bank:

BANCA NAZIONALE DEL LAVORO S.P.A.
Address: Piazza Lina Bo Bardi n. 3, 20124, Milan, Italy
Telephone: [*]
Email: [*]
Attention: Luca Tomasi

Italian FleetCo Corporate Services Provider and Italian Master Servicer

BANCA FINANZIARIA INTERNAZIONALE S.P.A.
Address : Via Vittorio Alfieri 1 – 31015 Conegliano
Telephone: 0438 360926
Email: [*]
Attention: Managing Director

Italian Notes Custodian

BNP PARIBAS S.A., DUBLIN BRANCH
Address: Termini, 3 Arkle Road, Sandyford, Dublin D18 T6T7
Telephone: [*]
Email: [*]
Attention: BNPP Dublin Branch Legal Team / Caroline Carty

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

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: 1 Churchill Place
Canary Wharf
London E14 5HP

Telephone: [*]

Fax: [*]

Email: [*]

Attention: Sean White/ Sevdalina Shiderova / Kevin Vanistendael

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: [*]

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 / Lauren Wilks / Edward Leng

Class A Committed Note Purchaser and Class A Funding Agent:

BANK OF AMERICA EUROPE DESIGNATED ACTIVITY COMPANY

Address: Two Park Place
Hatch Street
Dublin 2
Ireland

Attention: [*]

Telephone: [*]

Email: [*]

Op. queries: [*]

Loan queries: [*]

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: [*]

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.

3.19 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, Spanish OpCo, Italian FleetCo and Italian 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, Spanish OpCo, Italian FleetCo and Italian 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, Spanish Noteholder and Italian 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:

HERTZ ITALIANA S.R.L.

as Italian Opco and Italian Lessee

By: _____
Name:

[MASTER DEFINITIONS AND CONSTRUCTIONS AGREEMENT – SIGNATURE PAGE]

Title:

IFM SPV S.R.L.,
as Italian FleetCo and Italian Lessor

By: _____
Name:

Title:

HERTZ FLEET ITALIANA S.R.L.,
as Italian Fleet Seller, Italian Administrator and Italian Fleet Servicer

By: _____
Name:

Title:

[MASTER DEFINITIONS AND CONSTRUCTIONS AGREEMENT – SIGNATURE PAGE]

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:

[MASTER DEFINITIONS AND CONSTRUCTIONS AGREEMENT – SIGNATURE PAGE]

SIGNED for and on behalf of **HERTZ FLEET LIMITED**
as German FleetCo and German Lessor,

by its lawfully appointed attorney: _____
(Name) (Attorney signature)

[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 S.A.
as FCT Custodian

By: _____
Name:
Title:

BNP PARIBAS S.A.
as FCT Registrar

By: _____
Name:
Title:

BNP PARIBAS S.A.
as FCT Servicer and French Lender

By: _____
Name:
Title:

BNP PARIBAS, LUXEMBOURG BRANCH
as Registrar

By: _____
Name:
Title:

HERTZ EUROPE LIMITED
as Issuer Back-Up Administrator, Dutch Back-Up Administrator, German Back-Up Administrator, Spanish Back-Up Administrator and Italian Back-Up 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, Spanish Back-Up Administrator and Italian Back-Up Administrator

By: _____
Name:

Title:

KPMG ADVISORY SAS

As Dutch Liquidation Co-ordinator, French Liquidation Co-ordinator, German Liquidation Co-ordinator, Spanish Liquidation Co-ordinator and Italian 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 S.A.
as FCT Account Bank

By: _____
Name:

Title:

THE HERTZ CORPORATION
as THC and Guarantor

By: _____
Name:

Title:

HERTZ INTERNATIONAL LIMITED
as HIL

By: _____
Name:

[MASTER DEFINITIONS AND CONSTRUCTIONS AGREEMENT – SIGNATURE PAGE]

Title:

HERTZ HOLDINGS NETHERLANDS 2 B.V.
as Subordinated Noteholder and Subordinated Note Registrar

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:

_____ *(Matchpoint Finance Public Limited Company*
in the presence of: -
by its attorney _____)

(Witness' Signature)

(Witness' Address)

(Witness' Occupation)

BNP PARIBAS S.A.
as Class A Funding Agent

By: _____
Name:
Title:

By: _____
Name:
Title:

[MASTER DEFINITIONS AND CONSTRUCTIONS AGREEMENT – SIGNATURE PAGE]

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:

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:

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:

LLOYDS BANK PLC
as Class A Funding Agent

By: _____
Name:

Title:

BANK OF AMERICA EUROPE DESIGNATED ACTIVITY COMPANY
as Class A Committed Note Purchaser and Class A Funding Agent

By: _____
Name:

Title:

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)

Signature: _____

Print name: _____

Title: _____

Signature: _____

Print name: _____

Title: _____

BNP PARIBAS S.A., DUBLIN BRANCH

as Italian Notes Custodian

Signature: _____

Print name: _____

Title: _____

Signature: _____

Print 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:

BANCA NAZIONALE DEL LAVORO S.P.A.

as Italian Account Bank

By: _____
Name:

Title:

[MASTER DEFINITIONS AND CONSTRUCTIONS AGREEMENT – SIGNATURE PAGE]

SANNE TRUSTEE SERVICES LIMITED

as trustee of the Hertz Funding France Trust and Securitisation Company Shareholder

By: _____
Name:

Title:

By: _____
Name:

Title:

[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:

BNP PARIBAS S.A.

as FCT Paying Agent

By: _____
Name:

Title:

[MASTER DEFINITIONS AND CONSTRUCTIONS AGREEMENT – SIGNATURE PAGE]

BNP PARIBAS, ITALIAN BRANCH

as Italian Paying Agent and Italian Payment Account Bank

By: _____
Name:

Title:

[MASTER DEFINITIONS AND CONSTRUCTIONS AGREEMENT – SIGNATURE PAGE]

BANCA FINANZIARIA INTERNAZIONALE S.P.A.

BANCA FINANZIARIA INTERNAZIONALE S.P.A.

as Italian FleetCo Corporate Services Provider and Italian Master Servicer

By: _____
Name:

Title:

[MASTER DEFINITIONS AND CONSTRUCTIONS AGREEMENT – SIGNATURE PAGE]

Schedule 9

Atto di nomina del responsabile del trattamento dei dati personali

Data Processing Addendum

This Addendum incorporates information and clauses required by the General Data Protection Regulation (GDPR) into the Agreement between the Parties (as each are defined below) and shall come into effect on [●].

Agreement

Name and date of agreement	[Insert name and date of the agreement]

Parties

Hertz	[Insert full legal name and address of Hertz entity - as it appears in the Agreement]
Vendor	[Insert full legal name and address of Vendor – as it appears in the Agreement]

Processing Summary (information required under Article 28(3) of GDPR)

Categories of Data Subjects	[Insert details of the categories of Data Subjects whose Personal Data is Processed]
Subject-matter of the Processing	[Insert description of the activities involving Processing of Personal Data]
Nature and purpose of the Processing	[Insert brief description of nature and purpose of Processing]
Type of Personal Data	[For each category of Data Subject please insert types of Personal Data Processed, e.g. name, email address, home address, phone number]
Special categories of Personal Data (if relevant)	[Insert details of any special categories of Personal Data Processed <u>or</u> The transfer of special categories of Personal Data is not anticipated.]
Duration of Processing	[Insert details of the duration of processing]

(a) Definitions

In this Addendum:

- The terms "**Personal Data**", "**Data Processor**", "**Data Subject**", "**Process**", and "**Data Controller**" are as defined in the Data Protection Laws;
- "**Data Protection Laws**" means (i) Regulation (EU) 2016/679 ("**GDPR**") and any other applicable law; (ii) the Privacy and Electronic Communications (EC Directive) Regulations 2003 ("**PECR**") together with any other applicable legislation and any associated regulations or instruments and any other data protection laws, regulations, regulatory requirements, instruments, guidance and codes of practice applicable to Vendor's performance of its obligations under this Agreement, all of which as amended or replaced from time to time;
- "**Losses**" means all losses, liabilities, fines, charges, damages, actions, costs and expenses, professional fees (including legal fees actually incurred) and disbursements and costs of investigation, litigation, settlement, judgment, interest and penalties;
- "**Services**" means the services requested by Hertz under the Agreement.

(b) Responsibilities

1. Hertz shall be the Data Controller and Vendor shall be the Data Processor in respect of Personal Data processed by Vendor on Hertz's behalf in performing its obligations under this Agreement.
2. Hertz shall be solely responsible for determining the purposes for which and the manner in which Personal Data are, or are to be, processed.
3. Where Vendor processes Personal Data on behalf of Hertz, Vendor shall, in respect of such Personal Data:
 4. process the Personal Data in accordance with the specified duration, purpose, type and categories of data subjects as set out in the Processing Summary;
 5. act only on written instructions and directions from Hertz and comply promptly with all such instructions and directions received from Hertz from time to time;
 6. immediately notify Hertz if, in Vendor's opinion, any instruction or direction from Hertz infringes the Data Protection Laws or other applicable European Union or Member State data protection law.
 7. not process Personal Data for any purpose other than for the provision of [Services] to Hertz and only to the extent reasonably necessary for the performance of this Agreement;
 8. not disclose Personal Data to any employee, director, agent, contractor or affiliate of the Vendor or any third party except as necessary for the performance of the Services, to comply with applicable law or with Hertz's prior written consent;
 9. implement all necessary and appropriate technical and organisational measures:
 10. to protect the security and confidentiality of Personal Data processed by Vendor in providing the Services; and
 11. to protect Personal Data against accidental or unlawful destruction or accidental loss, alteration, unauthorised disclosure, access, or processing; and
 12. to ensure a level of security appropriate to the risk, including as appropriate: (A) the pseudonymization and encryption of Personal Data; (B) the ability to ensure the ongoing confidentiality, integrity, availability, and resilience of processing systems and services; (C) the ability to restore the availability and access to the Personal Data in a timely manner; and (D) a process for regularly testing, assessing and evaluating the effectiveness of technical and organizational measures for ensuring and maintaining the security of the processing;
 13. as required under Data Protection Laws, including without limitation Article 32 of the GDPR; and including, without limitation, the safeguards set out in Schedule 1;
 14. provide training as necessary from time to time to Vendor's personnel with respect to Vendor's obligations in this Addendum and to ensure that Vendor's personnel are aware of and comply with such obligations;
 15. ensure that any Vendor personnel with access to Personal Data are bound by confidentiality obligations in respect of access, use or processing of such Personal Data;
 16. comply with Data Protection Laws in connection with performance of its obligations under this Agreement;
 17. not do or cause or permit to be done anything within its knowledge or control which may cause (or otherwise result in) Hertz to be in breach of Data Protection Laws; and
 18. on termination or expiry of the Agreement, at Hertz's request, delete or return to Hertz all Personal Data processed on behalf of Hertz, and Vendor shall delete existing copies of such Personal Data except where necessary to retain such Personal Data strictly for the purposes of compliance with applicable law.

(c) Reporting and Co-operation

If requested by Hertz, Vendor shall provide reasonable assistance to Hertz in ensuring its compliance with obligations under Articles 32 to 36 of the GDPR, taking into account the nature of processing and the information available to Vendor, including in particular:

1. Incident notification. Vendor shall, immediately and in any event within 4 hours of becoming aware, promptly notify Hertz in writing of any actual or suspected accidental, unlawful or unauthorised destruction, loss, alteration, access to, disclosure of, or processing of Personal Data ("Incident"), and such notice shall include reasonable details of the Incident including without limitation: (i) a description of the Incident; (ii) likely consequences of the Incident; (iii) the number of data subjects affected, number of records affected and the types of records affected; and (iv) the measures taken or proposed to be taken to address the Incident, including measures to mitigate possible adverse effects of the Incident. Vendor shall co-operate fully with any investigation regarding the Incident and take all necessary measures to limit further unauthorised disclosure of or unauthorised processing of Personal Data in connection with the Incident.
2. Data protection impact assessments. Vendor shall cooperate and provide Hertz with such assistance as Hertz requires in relation to the preparation of data protection impact assessments to the extent required under the Data Protection Laws.
3. Data Subject requests. Vendor shall notify Hertz immediately of any request made by a Data Subject under Data Protection Laws in relation to or in connection with Personal Data processed by Vendor on behalf of Hertz and, if required by Hertz, permit Hertz to handle such request and at all times cooperate with and assist Hertz to ensure its compliance with its obligations under the Data Protection Laws in relation to such Data Subject requests. If Hertz elects not to handle any Data Subject request received by Vendor, Vendor shall comply with such request. In all cases, Vendor shall provide a copy to Hertz of all Personal Data which it does so disclose at the same time as making the disclosure.
4. Regulator contacts. Vendor shall cooperate with Hertz and provide such reasonable assistance as Hertz requires in relation to any complaints made by Data Subjects or investigations or enquiries made by any regulator relating to Hertz's or the Vendor's obligations under the Data Protection Laws.

(d) Transfers outside the EU

No Personal Data processed by Vendor pursuant to this Agreement shall be exported, processed or otherwise accessed outside the European Economic Area and/or the UK without the prior written permission of Hertz. Where that permission is given it will be conditional on any export, processing or access being done on the terms of a binding agreement incorporating the EU standard clauses on the transfer of Personal Data from Data Controller to Data Processor entered into between Hertz, or the relevant member of the Hertz group which is the Data Controller and Vendor (or any other valid transfer mechanism under Data Protection Laws with Hertz's prior written consent). Vendor agrees to accept any modifications to such standard clauses which are necessary to comply with laws applicable to such data transfer. Such binding agreement shall be without prejudice to the rights of Hertz under the Agreement including this Addendum.

(e) Sub-contractors

In no event may Vendor subcontract the processing of any Personal Data which Vendor processes on Hertz's behalf, without the prior written consent of Hertz. Where that consent is given it will be conditional upon Vendor having executed a written contract with the third party which contains terms for the protection of Personal Data which are no less protective than the terms set out in this Addendum. Vendor shall remain responsible and liable for any acts or omissions of its subcontractors.

Signed for and behalf of Hertz Signed for and behalf of Vendor

Name: Name:

Date: Date:

Schedule 1

Vendor shall implement administrative, technical and physical safeguards to ensure the confidentiality, integrity and availability of Personal Data, protect against any reasonably anticipated threats or hazards to the confidentiality, integrity and availability of Personal Data, and protect against unauthorized access, use, disclosure, alteration or destruction of Personal Data. In particular, Vendor shall have in place the following safeguards without limitation where appropriate or necessary to ensure the protection of Personal Data:

1. Access Controls – policies, procedures and physical and technical controls: (i) to limit physical access to its information systems and the facility or facilities in which they are housed to properly authorised persons; (ii) to ensure that all members of its workforce who require access to Personal Data have appropriately controlled access, and to prevent those workforce members and others who should not have access from obtaining access; (iii) to authenticate and permit access only to authorized individuals and to prevent members of its workforce from providing Personal Data or information relating thereto to unauthorized individuals; and (iv) to encrypt and decrypt Personal Data where appropriate.
2. Security Awareness and Training – a security awareness and training program for all members of Vendor's workforce (including management), which includes training on how to implement and comply with the safeguards in this Schedule 1.
3. Security Breach Procedures – policies and procedures to detect, respond to and otherwise address security breaches, including procedures to monitor systems and to detect actual and attempted attacks on or intrusions into Personal Data or information systems relating thereto, and procedures to identify and respond to suspected or known security incidents, mitigate harmful effects of security incidents, and document security incidents and their outcomes.
4. Contingency Planning – policies and procedures for responding to an emergency or other occurrence (for example, fire, vandalism, system failure and natural disaster) that damages Personal Data or systems that contain Personal Data, including a data backup plan and a disaster recovery plan.
5. Device and Media Controls – policies and procedures that govern the receipt and removal of hardware and electronic media that contain Personal Data into and out of a Vendor facility, and the movement of these items within a Vendor facility, including policies and procedures to address the final disposition of Personal Data and/or the hardware or electronic media on which it is stored, and procedures for removal of Personal Data from electronic media before the media are made available for re-use.
6. Audit Controls – hardware, software and/or procedural mechanisms that record and examine activity in information systems that contain or use electronic information, including appropriate logs and reports concerning these security requirements and compliance therewith.
7. Data Integrity – policies and procedures to ensure the confidentiality, integrity and availability of Personal Data and protect it from disclosure, improper alteration or destruction.
8. Storage and Transmission Security – technical security measures to guard against unauthorized access to Personal Data that is being transmitted over an electronic communications network, including a mechanism to encrypt electronic information whenever appropriate, such as while in transit or in storage on networks or systems to which unauthorized individuals may have access.
9. Secure Disposal – policies and procedures regarding the disposal of Personal Data, and tangible property containing Personal Data, taking into account available technology so that Personal Data cannot be practicably read or reconstructed.
10. Testing – Vendor shall regularly and no less than one time per year test the key controls, systems and procedures in relation to information security to ensure that they are properly implemented and effective in addressing the threats and risks identified. Tests should be conducted or reviewed by independent third parties or staff independent of those that develop or maintain the security programs.
11. Monitoring and Correction – Vendor shall monitor, evaluate and adjust, as appropriate, the measures adopted to comply with the requirements of this Schedule 1 in light of any relevant changes in technology or industry security standards, the sensitivity of Personal Data, internal or external threats to Vendor or Personal Data, requirements of applicable work orders, and Vendor's own changing business arrangements, such as mergers and acquisitions, alliances and joint ventures, outsourcing arrangements and changes to information systems.

OPTIONAL CONTROLLER TO CONTROLLER CLAUSES

12. [[Vendor] warrants and represents that, prior to any disclosure of Personal Data to Hertz, it has obtained all necessary consents and/or authorisations to enable Hertz to process Personal Data received from [Vendor] lawfully and in accordance with Data Protection Laws for the purposes contemplated under this Agreement.]
13. [[Vendor] warrants and represents that, prior to any disclosure of Personal Data to Hertz, it is has provided all relevant Data Subjects with necessary fair processing information and/or notices (as prior approved by Hertz in writing) in accordance with Data Protection Laws. Hertz shall be entitled to review and provide amendments to the relevant information and/or notices provided to Data Subjects by [Vendor], where such amendments are in Hertz's reasonable opinion required for compliance with Data Protection Laws. [Vendor] agrees to make any such amendments reasonably requested by Hertz to such information and/or notices without undue delay, and at its own cost.]

14. [[Vendor] shall ensure it is not subject to any restrictions or prohibitions which would prevent or restrict it from:
- i. processing the Personal Data in connection with performance of its obligations under this Agreement; or
 - ii. disclosing or transferring the Personal Data to Hertz in connection with performance of its obligations under this Agreement.]

C TO P ALTERNATIVES

Challenged instructions [2.3(b)]:

[If [Vendor] is of the opinion that an instruction received from Hertz infringes the Data Protection Laws or other applicable European Union or Member State data protection law and has notified Hertz of the same, [Vendor] is not obliged to follow the Challenged Instruction unless: (a) Hertz confirms the Challenged Instruction after receipt of the notification from [Vendor] regarding the Challenged Instruction; and (b) Hertz acknowledges its liability for the Challenged Instruction;]

Subcontracting

[Hertz authorises the use of subcontractors engaged by [Vendor] in relation to the processing of Personal Data on Hertz's behalf for the provision of the Services under this Agreement. The subcontractors approved by Hertz are set out in Schedule [z]. The [Vendor] shall choose such subcontractors diligently. The [Vendor] remains responsible and liable for any acts or omissions of its subcontractors. The [Vendor] shall execute a written contract with the third party which contains terms for the protection of Personal Data which are no less protective than the terms set out in this Clause [x]. The [Vendor] may remove, replace or appoint suitable and reliable further subcontractors provided that: (i) [Vendor] notifies Hertz in advance of any changes.

Audit

[permit Hertz (or an independent third party acting on Hertz's behalf)[, on one occasion in any twelve (12) month period only,] to perform an audit [of]/[strictly limited to] [Vendor]'s arrangements for complying with this Addendum, [provided that such audit is carried out during the normal business hours and that Hertz (or the relevant third party conducting such an audit) gives Vendor a reasonable period of notice before carrying out the audit.]]

[Schedule 2]
[Approved Subcontractors]

Name	Address	Purpose of Use

Schedule 10
Form of Notice to Landlords

[On letterhead paper of Hertz Italiana S.r.l.]

By registered mail with acknowledgement of receipt

To: [name and address of the landlord of the Car Park]

With copy to:

IFM SPV S.R.L.

Via Galileo Galilei 2
39100 Bolzano
Italy

HERTZ FLEET ITALIANA S.R.L.

Via Galileo Galilei 2
39100 Bolzano
Italy

Rome, [•]

Dear Madam, dear Sir,

Information Notice

We refer to the Italian master lease agreement entered into on [•] 2022 between yourself and our company [details of the lease agreements to be provided by Hertz Italiana S.r.l.: 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 Italiana S.r.l.: 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 Italiana S.r.l. and will not be registered in our name. These vehicles may belong to, and be registered in the name of [•].

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 ITALIANA S.R.L.

Signature:

Name:

Title:

** ** *

If you agree with the terms of this letter, please copy the content of the same on Your letter and send it to us duly signed for acceptance by a duly authorised representative.

Yours faithfully,

[*SIGNED*]

IFM SPV S.R.L."

** ** *

By way of full and unconditional acceptance.

Yours faithfully,

HERTZ FLEET ITALIANA S.R.L.

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, 21 December 2021 and 21 June 2022
and further amended and restated on 20 December 2022
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

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THIS AGREEMENT is originally made on 25 September 2018 and as amended and restated on 29 April 2021, 21 December 2021 and 21 June 2022 and further amended and restated on ____ December 2022 between the following parties:

- (1) **STUURGROEP FLEET (NETHERLANDS) B.V.**, a private company with limited liability incorporated under the laws of the Netherlands (*besloten vennootschap met beperkte aansprakelijkheid* 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**");
- (2) **STUURGROEP FLEET (NETHERLANDS) B.V., SUCURSAL EN ESPAÑA**, Spanish branch of Dutch FleetCo incorporated and existing under the laws of Spain, 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 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 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-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 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 franchisees 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 subleased 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, sub-clause 5.2.2 (E) of the German Master Lease Agreement and sub-clause 5.2.2(E) of the Italian 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 and sub-clause 5.2.2 (D) of the Italian 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) During the period from (and including) the Fourth Amendment Date until the Non-RCC Expiry Date, in circumstances where Non-Program Vehicles are to be acquired from a Dealer or an Auction Seller where it is not reasonably practicable to enter into a Vehicle Purchasing Agreement with such Dealer or an Auction Seller that complies with the Required Contractual Criteria, 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 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) the purchase price of the Vehicle(s) shall be paid to the relevant Dealer or Auction Seller in full by the date falling no later than five (5) Business Days from the date of (A) in respect of a purchase from a Dealer, delivery of the relevant Vehicle(s) and (B) in respect of a purchase from an Auction Seller, the applicable Vehicle Purchasing Agreement and in each case, to the extent that the purchase price has not been paid in full by the date falling no later than five (5) Business Days in accordance with paragraphs (A) and (B) above, such Vehicle(s) will not constitute Non-RCC Compliant Eligible Vehicles for the purposes of this Agreement;
 - (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;

- (iv) at any time of determination, the aggregate Net Book Value of such Vehicles where the Vehicles have been delivered to or to the order of the Spanish FleetCo by an Auction Seller or Dealer pursuant to a Vehicle Purchasing Agreement but for which the full purchase price payable by or on behalf of the Spanish FleetCo has not yet been paid by or on behalf of Spanish FleetCo, shall, in aggregate with the Net Book Value of such Vehicles acquired by the relevant FleetCo pursuant to the equivalent clause in each of the other Master Leases, be no more than EUR 10,000,000. For the avoidance of doubt, any Vehicles acquired pursuant to a Vehicle Purchasing Agreement which is not compliant with the Required Contractual Criteria but for which the purchase price has been paid in full shall be disregarded for the purposes of the limit set out in this paragraph (b)(iv) and further, to the extent that on such date of determination, the Net Book Value of such Vehicles acquired by the FleetCos pursuant to this Clause 6.3(b)(iv) and the equivalent clause in each of the other Master Leases is more than EUR 10,000,000, then such excess shall be treated as Non-RCC Compliant Unpaid Vehicle Concentration Excess Amount; and
- (v) at any time of determination, the aggregate Net Book Value of all Non-RCC Compliant Eligible Vehicles shall be equal to or less than thirty (30) per cent. of the aggregate Net Book Value of all Eligible Vehicles as at that date of determination and to the extent that on such date of determination, the Net Book Value of such Non-RCC Compliant Eligible Vehicles is more than thirty (30) per cent of the aggregate Net Book Value of all Eligible Vehicles, such excess shall be treated as Non-RCC Compliant Eligible Vehicle Concentration Excess Amount and the Spanish FleetCo shall not purchase any further Vehicles pursuant to any Vehicle Purchasing Agreement which does not comply with the Required Contractual Criteria until such time that the Net Book Value of such Non-RCC Compliant Eligible Vehicles is equal to or less than thirty (30) per cent. of the aggregate Net Book Value of all Eligible Vehicles (and the Non-RCC Compliant Eligible Vehicle Concentration Excess Amount is brought down to nil). For the avoidance of doubt, a breach by the Spanish FleetCo of the obligation to ensure the aggregate Net Book Value of Non-RCC Compliant Eligible Vehicles shall be equal to or less than thirty (30) per cent. of the aggregate Net Book Value of all Eligible Vehicles set out in this Sub-Clause (v) shall not on its own constitute a Lease Event of Default or a Leasing Company Amortization Event.
- (c) On any date after the Non-RCC Expiry Date, the Servicer shall not negotiate any Vehicle Purchasing Agreements on behalf of Spanish FleetCo which do not comply with the Required Contractual Criteria. For the avoidance of doubt, this restriction shall not apply to any Vehicles which the Spanish FleetCo may have purchased pursuant to Sub-Clause (b) above.
- (d) 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.
- (e) 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 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 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 fulfilment 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 fulfilment 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, safety, 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: _____

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, Spanish branch of Dutch FleetCo incorporated and existing under the laws of Spain, 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 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:

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-vitiation 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 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.

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 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"**).

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 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.

1.2 Procedure for transfer

- (a) Subject to conditions set out in paragraph 1.1 (*Conditions of transfer*) a Transfer shall be effected in accordance with sub-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 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.

1.3 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:

SCHEULE 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) [*],
- (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) [*] e inscrito en el Registro Mercantil de Madrid al Tomo: 8.524, Libro: 0, Folio: 1, Sección: 8 y Hoja: M-137331, inscripción primera,

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) [*],

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 [*], 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 la 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;

- 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;
- 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
- 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.

- 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;
- 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
- 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.

2. Administrar, cobrar y autorizar el cobro de cualesquiera importes adeudados a la Poderdante en relación con el Contrato.

2. Administer, collect and authorize collection of any amounts receivable by the Grantor in the context of the Agreement.

3. Rendir, ajustar, compensar y conformar saldos y cuentas, aprobándolas o impugnándolas. Convenir, fijar y finiquitar saldos.

3. Yield, adjust, setoff and certify balances and accounts, approving or challenging them. Agree, fix and settle balances.

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. 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. 6. Delegar todas o parte de las facultades antes mencionadas en cualquier persona que se considere apropiada. (i) Conceder las autorizaciones que se consideren necesarias para conferir todas o parte de las facultades enumeradas en este documento.	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. 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. 6. Delegate the whole or part of the above powers to all persons deemed appropriate. (i) Grant the authorizations deemed appropriate to confer all or part of the powers enumerated in this document.

(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 all cualquier coste, reclamación, gasto y responsabilidad en que el costs, claims, expenses and liabilities incurred by the Attorney, or any Apoderado, o cualquiera de sus representantes, incurran en relación of their representatives, in connection with anything lawfully done by con cualquier actuación conforme a ley realizada por cualquiera de any of them pursuant to this Power of Attorney, except in case of ellos en virtud del presente Poder, excepto en caso de negligencia gross negligence or wilful misconduct. 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 of momento) en relación con el presente Poder. 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 tendrán the Spain Courts shall have exclusive jurisdiction to settle any exclusiva jurisdicción para dirimir cuantas cuestiones pudieran dispute which may arise from or in connection with it. 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 y In witness whereof, this special power of attorney is duly granted on fecha indicados en el encabezamiento. the date and place set out at the beginning of this document.

Firma /Signature

Firma /Signature

Dña. Maria 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. Maria 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**, Spanish branch of Dutch FleetCo incorporated and existing under the laws of Spain, 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 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 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:

Schedule
Description of Vehicles Sold

SCHEDULE VII

Form of Initial Lease Vehicle Acquisition Schedule

Vehicles to be leased pursuant to the Spanish Master Lease as of the Closing Date, whose Vehicle Lease Commencement Date shall be the Closing Date:

[illegible]



April 4, 2022

Colleen Batcheler

Dear Colleen:

I am very pleased to confirm our offer of employment with The Hertz Corporation (the "Company" or "Hertz") for the position of Executive Vice President and General Counsel & Secretary. This position will report directly to Stephen Scherr, Chief Executive Officer, and will be based out of Estero, FL starting on May 16, 2022. Your base salary, paid on a bi-weekly basis, will be \$23,076.93 which equates to an annualized salary of \$600,000. This offer is contingent upon verification of your education, previous employment, satisfactory references, passing the drug test and criminal background check, presentation of legally required documentation establishing your right to work in the United States, including compliance with Federal immigration employment law requirements, and agreement to enter into and signing an Employee Confidentiality & Non-Competition Agreement.

You are eligible to participate in the Hertz Executive Incentive Plan which provides for a target payment of 100% of your eligible earnings. Your 2022 target award will be prorated for actual time worked. Actual payout is contingent upon the Company's performance and your individual performance. Details of this plan will be provided to you upon commencement of your employment. Hertz retains the right and sole discretion to amend, modify or rescind such plan at any time and for any reason.

In consideration of the bonus payments and 2022 equity awards you are forfeiting with your former employer, you will be awarded a one-time cash sign on award in the gross amount of \$1,075,000 less applicable taxes payable within 60 days of employment. Should you voluntarily end your employment or be terminated for cause within twenty-four months of your start date, you will be required to pay back a pro-rata amount of this award. In consideration of the forfeiture of your future equity vesting, we will grant a one-time award in the form of Restricted Stock Units (RSUs) in the amount of \$3,500,000 at the beginning of the quarter following the commencement of your employment with Hertz. The number of shares you receive will depend on the Hertz stock price on the day of the grant. 70% of this award will vest on the one-year anniversary following the grant date, 30% of this award will vest on the two-year anniversary of this grant.

You will also be eligible for annual equity awards. Your annual equity target is \$1,800,000, and your 2022 annual equity grant will be pro-rata based on your start date with Hertz. Your 2022 award will be issued at the start of the quarter following the commencement of your employment with Hertz. Equity grants are subject to approval by the Compensation Committee of the Hertz Board of Directors and are subject to its sole and exclusive discretion for all key executives and key employees. Grants are made in accordance with the Company's Equity Grant Policy. Materials and details regarding this plan will be sent to you under separate cover.

You will be eligible for a company provided vehicle for your personal and professional use. The service vehicle policy and vehicle choice guidance will be provided to you upon commencement of your employment. Under the current policy, you will be eligible for a replacement vehicle, every three years or 36,000 miles, whichever comes first. Hertz retains the right and sole discretion to amend, modify or rescind such plan at any time and for any reason.

You will be eligible for four weeks' vacation per the terms and conditions of The Hertz Corporation vacation policy.

You are eligible for relocation assistance in the net value of \$100,000 plus movement of your household goods. The relocation assistance payment will be made as soon as possible once your permanent relocation to the Estero, FL area begins. You will be provided with a corporate apartment in Estero, FL for up to 6 months prior to your relocation plus associated regular travel expenses through our Corporate T&E policy. The intent of providing relocation assistance and a corporate apartment is to enable you to spend most of the workweek in Estero, FL. Please note that if you voluntarily leave the employment of Hertz following the commencement of your position, you will be required to reimburse the Company for 100% of the amount of the expenditures regarding your relocation if you leave in the first year and 50% if you leave in the second year after receiving the relocation benefits. The terms and conditions of the relocation agreement, including but not limited to any repayment obligations, will be provided for in a separate relocation agreement upon acceptance and initiation of the relocation. Execution of this agreement will be required prior to receiving any relocation reimbursement.

Hertz provides you with the opportunity to participate in our Custom Benefits Program. This benefits program offers you numerous coverage options for:

Medical	Accidental Death and Dismemberment
Dental	Disability
Vision	Dependent Care Flexible Spending Account
Life Insurance	Health Care Flexible Spending Account
Dependent Life Insurance	

You choose when you want coverage to begin:

Standard benefits coverage begins the first day of the month following sixty (60) consecutive days of employment.

Day One Coverage begins on day one – your date of hire. If you choose to elect Day One Coverage, you can enroll in medical, dental, and vision coverage and you'll pay 100% of the premiums until the Hertz premium subsidy starts on the first day of the month following 60 days of employment.

Go to [HertzBenefits.com](https://www.hertzbenefits.com) to *Get Connected* and learn more. You can find videos, FAQs, an enrollment calculator, and more.

Additionally, you're eligible to contribute to the Hertz Income Savings Plan (401k) on the first day of the month following 60 days of employment. In accordance with the Plan document, Hertz matches your contributions (both before-tax and Roth after-tax contributions) dollar for dollar on the first 3% of your Eligible Compensation you contribute and 50 cents on the dollar for the next 2% of your Eligible Compensation you contribute. The Company match starts when you're eligible to contribute to the 401(k), and you're always 100% vested in the contributions you or the Company make to the Plan, and any related investment earnings.

It is also a fundamental term and condition of your employment that:

- (i) You represent and warrant that you have not and will not disclose any confidential information or trade secrets that you may have from any third party, including but not limited to any current or former employer.
- (ii) You represent and warrant to the Company and agree that the negotiation, entering into or performance of your employment with the Company has not resulted in and must not result in any breach by you of any agreement, duty or other obligation (including but not limited to a Confidentiality, Non-Competition and/or Non Solicitation duty, agreement, or obligation), to any third party, including but not limited to any current or prior employer.
- (iii) You confirm and agree that you must not bring and will not transfer to the Company or use in the performance of your duties and functions with the Company any confidential material, documents of information or property, whether electronic or otherwise, of any third party, including but not limited to any current or former employer. You agree that you will not remove or possess any documents of information, whether electronic or otherwise, from such third party and you will not transfer any such documents or information to the Company at any time or otherwise use such documents or information in the scope of your employment with the Company.
- (iv) During your employment with the Company you will not engage in any activity that competes with or adversely affects the Company, nor will you begin to organize or develop any competing entity (or assist anyone else in doing).
- (v) You will not disclose at any time (except for business purposes on behalf of the Company) any confidential or proprietary material of the Company. That material shall include, but is not limited to, the names and addresses of customers, customer contacts, contracts, bidding information, business strategies, pricing information and the Company's policies and procedures.
- (vi) You agree that all documents (paper or electronic) and other information related in any way to the Company shall be the property of the Company and will be returned to the Company upon the end of your employment with the Company.
- (vii) You agree that should a court issue injunctive relief to enforce any term of this Agreement, or if a court (or jury) determine that you breached any provision of this Agreement, you will reimburse the Company for all attorney's fees and costs incurred in enforcing the terms of the Agreement, and you will also be liable for any other damages or relief permitted by law.
- (viii) You agree that any disputes over the above terms shall be governed by Florida law, shall be resolved in a Florida State Court or in a federal Court located in Florida, and that the terms of this agreement may be enforced by the Company or its successors or assigns.

The foregoing terms and conditions and representation and warranty will survive and will continue in full force and effect following the commencement of your employment with the Company. Should you at any time be in breach of the foregoing terms and conditions or should the foregoing representation and warranty be inaccurate or false, it will result in your immediate termination from the Company. In addition, you agree that you will indemnify and save harmless to the Company and its directors, officers, employees and agents from any and all claims and demands incurred by any of them directly or indirectly arising from any breach of the foregoing terms or conditions or any inaccuracy or misrepresentation of the foregoing representation and warranty.

In the event your position with Hertz is eliminated or your employment is terminated for any reason other than for cause and other than your voluntary resignation, after six months of employment, then you may be eligible to receive a severance payment from Hertz based on our severance policy.

Per Hertz's standard policy, this letter is not intended nor should it be considered as an employment contract for a definite or indefinite period. Employment with Hertz is at will, and either you or the Company may terminate employment at any time, with or without cause. In addition, by signing this letter, you acknowledge that this letter sets forth the entire agreement between you and the Company regarding your employment with the Company, and fully supersedes any prior agreements or understandings, whether written or oral. Your Human Resources contact is Jennifer McClain.

Sincerely,

By: /s/ ERIC LEEF April 4, 2022
Name: Eric Leef
Title: Chief Human Resources Officer

ACCEPTANCE

I, Colleen Batcheler, have read, understand, and having had the opportunity to obtain independent legal advice hereby voluntarily accept and agree to the terms and conditions for employment as outlined in this letter and I agree to do all things and to execute all documents necessary to give effect to the terms and conditions of employment as outlined in this letter, including but not limited to my execution of the Employee Confidentiality & Non-Competition Agreement.

By: /s/ COLLEEN BATCHELER April 4, 2022
Name: Colleen Batcheler



September 2, 2020

Eric Leef

Dear Eric:

I am very pleased to confirm our offer of employment with The Hertz Corporation (the "Company" or "Hertz") in the position of Senior Vice President, Human Resources and Chief Human Resources Officer. This position will report directly to Paul Stone, Chief Executive Officer, and will be based out of the Estero, FL headquarters.

Your base salary will be \$16,346 paid on a bi-weekly basis, which equates to an annualized salary of \$425,000. This offer is contingent upon verification of your education, previous employment, satisfactory references, passing the drug test and criminal background check, presentation of legally required documentation establishing your right to work in the United States, including compliance with Federal immigration employment law requirements, and agreement to enter into and signing an Employee Confidentiality & Non-Competition Agreement.

You will be eligible to participate in the incentive programs which are approved by the Compensation Committee and further approval by the Bankruptcy Court as long as the Company remains within the Bankruptcy setting. Your annual incentive participation provides for a target award in 2020 of 60% of your base salary. Your participation in of this plan will be provided to you upon approval of future plans, and determination of actual payout is subject to the terms of the plan. Hertz retains the right and sole discretion to amend, modify or rescind such plan at any time and for any reason.

You will receive a one-time, cash sign-on bonus in the gross amount of \$100,000 less applicable taxes payable within 30 days of employment. Should you voluntarily end your employment or be terminated for cause within twelve months of your start date you will be required to pay back 100% of this award. Should you voluntarily end your employment or be terminated for cause between twelve and twenty-four months of your start date you will be required to pay back 50% of this award.

Your eligibility to participate in future equity awards will be determined by the Compensation Committee of the Board after the Company emerges from Bankruptcy.

You will be eligible for a company-provided vehicle for your personal and professional use. The service vehicle policy will be reviewed with you and guidelines for choosing your vehicle will be provided upon commencement of your employment. Under the current policy, you will be eligible for a replacement vehicle every three years or 36,000 miles, whichever comes first. Hertz retains the right and sole discretion to amend, modify or rescind such policy at any time and for any reason.

You will be eligible for four weeks' vacation per the terms and conditions of The Hertz Corporation vacation policy.

You are eligible for relocation assistance in the net value of \$100,000 to be paid as a lump sum as soon as possible following your employment date. Please note that if you voluntarily leave the employment of Hertz following the commencement of your position, you will be required to reimburse the Company for 100% of the amount of the expenditures regarding your relocation if you leave in the first year and 50% if you leave in the second year. The terms and conditions of the relocation agreement, including but not limited to any repayment obligations, will be provided for in a separate relocation agreement upon acceptance and initiation of the relocation. Execution of this agreement will be required prior to receiving any relocation reimbursement. In order to be eligible for relocation benefits you must use a real estate agent that is affiliated with our relocation vendor.

Hertz provides you the opportunity to participate in a comprehensive employee benefits program. This benefits program currently offers you numerous coverage options for:

Medical	Accidental Death and Dismemberment
Dental	Long Term Disability
Vision	Dependent Care Flexible Spending Account
Life Insurance	Health Care Flexible Spending Account
Dependent Life Insurance	

You choose when you want coverage to begin:

Standard benefits coverage begins the first day of the month following sixty (60) consecutive days of employment.

Day One Coverage begins on day one – your date of hire. If you choose to elect Day One Coverage, you can enroll in medical, dental, and vision coverage and you'll pay 100% of the premiums until the Hertz premium subsidy starts on the first day of the month following 60 days of employment.

You may review additional information regarding your benefits by going to <http://hertzbenefits.com>.

Additionally, you're eligible to contribute to the Hertz Income Savings Plan (401k Plan) on the first day of the month following 60 days of employment. You're always 100% vested in the contributions you make to the 401k Plan, and any related investment earnings. Contributions and benefits under the 401k Plan are determined in accordance with the terms of the 401k Plan, and Hertz retains the right and sole discretion to amend, modify or rescind the 401k Plan at any time and for any reason.

It is a fundamental term and condition of your employment that you must execute and deliver to the undersigned the enclosed Employee Confidentiality & Non-Solicitation Agreement. Please review this document carefully and obtain independent legal advice if you wish.

It is also a fundamental term and condition of your employment that:

(i) You represent and warrant that you have not and will not disclose any confidential information or trade secrets that you may have from any third party, including but not limited to any current or former employer.

(ii) You represent and warrant to the Company and agree that the negotiation, entering into or performance of your employment with the Company has not resulted in and must not result in any breach by you of any agreement, duty or other obligation (including but not limited to a Confidentiality, Non-Competition and/or Non-Solicitation duty, agreement, or obligation), to any third party, including but not limited to any current or prior employer.

(iii) You confirm and agree that you must not bring and will not transfer to the Company or use in the performance of your duties and functions with the Company any confidential material, documents of information or property, whether electronic or otherwise, of any third party, including but not limited to any current or former employer. You agree that you will not remove or possess any documents of information, whether electronic or otherwise, from such third party and you will not transfer any such documents or information to the Company at any time or otherwise use such documents or information in the scope of your employment with the Company.

(iv) During your employment with the Company you will not engage in any activity that competes with or adversely affects the Company, nor will you begin to organize or develop any competing entity (or assist anyone else in doing).

(v) You will not disclose at any time (except for business purposes on behalf of the Company) any confidential or proprietary material of the Company. That material shall include, but is not limited to, the names and addresses of customers, customer contacts, contracts, bidding information, business strategies, pricing information and the Company's policies and procedures.

(vi) You agree that all documents (paper or electronic) and other information related in any way to the Company shall be the property of the Company, and will be returned to the Company upon the end of your employment with the Company.

(vii) You agree that should a court issue injunctive relief to enforce any term of this Agreement, or if a court (or jury) determines that you breached any provision of this Agreement, you will reimburse the Company for all attorney's fees and costs incurred in enforcing the terms of the Agreement, and you will also be liable for any other damages or relief permitted by law.

(viii) You agree that any disputes over the above terms shall be governed by Florida law, shall be resolved in a Florida Court or in a federal Court located in Florida, and that the terms of this Agreement may be enforced by the Company or its successors or assigns.

The foregoing terms and conditions and representations and warranties will survive and will continue in full force and effect following the commencement of your employment with the

Company. Should you at any time be in breach of the foregoing terms and conditions or should the foregoing representations and warranties be inaccurate or false, it will result in your immediate termination from the Company. In addition, you agree that you will indemnify and hold harmless the Company and its directors, officers, employees and agents from any and all claims and demands incurred by any of them directly or indirectly arising from any breach of the foregoing terms or conditions or any inaccuracy or misrepresentation of the foregoing representations and warranties.

In the event your position with Hertz is eliminated or your employment is terminated for any reason other than for cause and other than your voluntary resignation, you will be paid severance in accordance with the severance policy applicable to your level.

Payment of any such severance shall be contingent upon the execution of a General Release, including non-competition and non-disclosure provisions, in a form prescribed by Hertz.

All payments and benefits described in this letter shall be subject to applicable tax withholdings and other standard payroll deductions.

Per Hertz's standard policy, this letter is not intended nor should it be considered as an employment contract for a definite or indefinite period of time. Employment with Hertz is at will, and either you or the Company may terminate employment at any time, with or without cause. In addition, by signing this letter, you acknowledge that this letter sets forth the entire agreement between you and the Company regarding your employment with the Company, and fully supersedes any prior agreements or understandings, whether written or oral.

We are pleased you are considering joining Hertz and look forward to the opportunity to work with you.

Very truly yours,

Mark Guthrie
Senior Vice President and Interim Chief Human Resources Officer

ACCEPTANCE

I, Eric Leef, as of the date first written above, have read and understand, and, having had the opportunity to obtain independent legal advice, hereby voluntarily accept and agree to, the terms and conditions of employment as outlined in this letter and I agree to do all things and to execute all documents necessary to give effect to the terms and conditions of employment as outlined in this letter, including but not limited to my execution of the Employee Confidentiality & Non-Competition Agreement.

By: /s/ ERIC LEEF

Name: Eric Leef

September 2, 2020

cc: Paul Stone

EMPLOYEE CONFIDENTIALITY AND NON-COMPETITION AGREEMENT

This Employee Confidentiality and Non-Competition Agreement (the "Agreement") made as of September 2, 2020 by and between Hertz Global Holdings, Inc., The Hertz Corporation, a Delaware corporation, with offices at 8501 Williams Road, Estero, Florida (hereinafter "Hertz" or "the Company"), duly acting under authority of its officers and directors on the one hand, and Eric Leef, (the "Employee"), on the other hand.

RECITALS

The Company desires to enter into or continue an employer-employee relationship with the Employee, as applicable, and the Employee desires to enter into or continue an employer-employee Relationship with the Company, as applicable, on and to be bound by the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the compensation and other benefits of the Employee's employment and continued employment with the Company, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and as a condition of employment or continued employment by the Company, the parties hereto, intending to be legally bound, hereby agree as follows:

1. RELATIONSHIP: AT WILL EMPLOYMENT

The Company hereby agrees to employ or continue to employee, as applicable, the Employee as Senior Vice President Total Rewards. The Employee specifically acknowledges that his employment with the Company is and will be "at will" and that, consequently, either the Employee or the Company may terminate the employer-employee relationship at any time, for any reason or for no reason at all, subject to the continuing obligations of the Employee as set forth in Section 3 of this Agreement.

2. DUTIES

The Employee shall serve as Senior Vice President Human Resources , and will, honestly and to the best of his ability perform the duties of Senior Vice President Human Resources. The Employee's duties and authority shall consist of and include all duties and authority customarily performed and held by persons holding equivalent positions within the Company.

3. CONFIDENTIALITY UNFAIR COMPETITION

(a) The Employee recognizes and acknowledges that the business of the Company is highly competitive and that during the course of his relationship with the Company she will have access to significant proprietary and confidential information belonging to the Company. The Employee therefore covenants and agrees, for the duration of this Agreement and at all times following its termination, she will not use or disclose (other than in furtherance of Company's business interests during the term of this Agreement and as authorized by the Company) any confidential proprietary information of the Company, including, but not limited to, customer and supplier lists, customer or prospect information, pricing information, business plans, business development plans or other strategic plans or information, sales and marketing information, patents, patent rights, inventions, trademark or trade name rights, copyrights and other intellectual property rights, techniques, know-how and trade secret information, plans or information regarding the Company's future products and services and other business and financial information of or relating to the Company or its customers. The Employee shall retain all such information in trust for the sole benefit of the Company. The Employee agrees that the Company has expended considerable time, effort and expense in assembling and maintaining such information and that such information constitutes both (i) trade secret and/or confidential and proprietary information of the Company and (ii) part of the Company's goodwill.

(b) During the term of this Agreement and Employee's employment by the Company, and for a period of one year after the termination of Employee's employment with the Company, whether said termination was voluntary or involuntary, except as provided in section 3(h), the Employee shall not,

without the prior written consent of the Company, directly or indirectly, whether as a principal, agent, officer, director, partner, employee, consultant, independent contractor or in any other capacity whatsoever, alone or in association with any other person, carry on, or be engaged, concerned or take part in, or render services or assistance to, or own, share in the earnings of, or invest in the stocks, bonds or other securities of any business, firm, corporation or institution that is directly or indirectly in competition with the Company. An individual or entity will be presumed to be in competition with the Company if the individual or entity markets, sells, produces, renders or distributes the same or similar types or kinds of products and/or services as those marketed, sold, produced, rendered or distributed or which were in research and development by the Company at any point during the term of this Agreement. The foregoing restriction will not preclude the Employee from owning up to 1% of the stock of a publicly traded company or from engaging in competitive business activities which do not otherwise violate the terms and conditions of subsection (a) or subsection (c) of this Agreement.

For purposes of this Agreement the phrase "competition with the Company" and "competitor" shall be defined as: (1) the Avis Budget Group, Enterprise, Vanguard, Advantage, Payless, ZipCar, Sixt, Courier Car Rentals, Edge Care Rentals, Midway Fleet Leasing, (2) any company or entity engaged in the business of car sharing or car rental; (3) any company or entity that markets, sells, produces, renders or distributes the same or similar types or kinds of products and/or services as Company, including but not limited to car rental, leasing and/or sharing and (4) any successors of the aforementioned.

(c) During the term of this Agreement, and for a period of one year following the termination of the Employee's employment with the Company, whether said termination was voluntary or involuntary, the Employee shall not, as a principal, proprietor, director, officer, partner, shareholder, employee, member, manager, consultant, agent, independent contractor or otherwise, for himself or on behalf of any other person or entity other than the Company, directly or indirectly:

(i) Solicit or attempt to solicit any competitive business as described above from any customer or prospective customer of the Company whom the Employee came to know, came to service, or came to learn the identity of during course of the Employee's relationship with the Company;

(ii) Solicit or induce or attempt to solicit or induce any person who is employed by the Company to leave the Company; or

(iii) Aid assist or counsel any other person, firm, corporation, entity or the like to do any of the above.

(d) All written materials, records and documents made by the Employee or coming into the Employee's possession during the term of this Agreement concerning the business or affairs of the Company, together with all intellectual and industrial property rights attached thereto, shall be the sole property of the Company; and, upon termination of the Employee's employment and/or this Agreement or at the request of the Company at any time, the Employee shall promptly deliver all such materials and information in his possession or control to the Company.

(e) In view of the services which the Employee will perform for the Company, which services are special, unique and extraordinary in character and which will place the Employee in a position of confidence and trust with customers of the Company and will provide the Employee with access to confidential and proprietary financial information, trade secrets, "know-how" and other confidential and proprietary information of the Company, the Employee expressly acknowledges that the restrictive covenants set forth in this Section 3 are reasonable and necessary to protect and maintain the proprietary and other legitimate business interests of the Company and that the enforcement of such restrictive covenants will not prevent the Employee from earning a livelihood or impose any undue burden on the Employee or his family. The Employee further acknowledges that the remedy at law for any breach or threatened breach of this Section 3 by him, if such breach or threatened breach is held by the Court to

exist, will be inadequate and, accordingly, that the Company shall, in addition to all other available remedies, be entitled to injunctive relief without being required to post bond or other security and without having to prove the inadequacy of the remedies available at law. In addition, in the event a Court determines that there has been a breach or threatened breach or repudiation of Section 3 of this Agreement by the Employee, the Employee agrees that, in addition to injunctive relief and monetary damages, the Company shall be entitled to recover from the Employee its reasonable attorneys' fees and costs in obtaining any restraining order, preliminary or permanent injunction or any monetary judgment against the Employee.

(f) If any portion of the provisions of this Section 3 is held to be unenforceable for any reason, including but not limited to the duration of such provision, the territory being covered thereby or the type of conduct restricted therein, the parties agree that the Court is authorized and directed to modify the duration, geographic area and/or other terms of such provisions to the maximum benefit of the Company as permitted by law, and, as so modified, said provision shall then be enforceable.

(g) The period of time during which the provisions of this Section 3 shall apply shall be extended by the length of time during which the Employee is deemed to be in breach of any of the terms of this Section 3.

(h) Notwithstanding the foregoing, in the event Employee is involuntarily laid off from the position such that eligibility for severance per Hertz Procedure 2-30 or any other applicable severance plan is triggered, the competitive restrictions of this agreement shall not apply.

4. WAIVER OF JURY TRIAL. The Employee EXPRESSLY waives a trial by jury and agrees not to plead or defend on grounds of adequate remedy at law or any element thereof in an action by the Company against the Employee for injunctive relief or for specific performance of any obligation set forth in this Agreement.

5. MISCELLANEOUS.

(a) Governing Law. Forum Selection and Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without giving effect to conflict of laws principals thereof. The Employee and the Company hereby agree that any action initiated by or on behalf of either party seeking to interpret or enforce the terms of this Agreement shall only be brought in either the Circuit Court of the Twentieth Judicial Circuit, Lee County, Florida or the United States District Court for the Middle District of Florida. The parties consent to the exclusive jurisdiction and venue of said Courts and waive any challenge to personal jurisdiction.

(b) Severability. If any provision of this Agreement is held invalid or unenforceable, the remainder shall nevertheless remain in full force and effect. If any provision is held invalid or unenforceable with respect to particular circumstances, it shall nevertheless remain in full force and effect in all other circumstances.

(c) Entire Agreement. This Agreement represents the entire understanding of the parties with respect to the subject matter hereof and supersedes and replaces in its entirety all prior agreements and understandings oral or written between the parties hereto with respect to the subject matter hereof. No other representations, promises, agreements or understandings regarding the subject matter hereof shall be of any force or effect unless in writing, executed by the party to be bound, and dated subsequent to the date hereof.

(d) Amendment. This Agreement may not be cancelled, changed, modified or amended orally, and no cancellation, change, modification or amendment hereof shall be effective or binding unless in written instrument signed by the Company and the Employee. A provision of this Agreement may be waived only by written instrument signed by the party against whom or which enforcement of such waiver is sought.

(e) Headings. The headings contained in this Agreement are for reference purposes only, and shall not affect the meaning or interpretation of this Agreement.

(f) Notice. All notices, requests, demands or other communications to the Company and/or the Employee under or relating to this Agreement shall be in writing to the address listed on the first page of this Agreement or the Employee's address of record with the Employer, respectively. Notice shall be duly given if in writing and delivered by hand or mailed by first class, registered mail, return-receipt requested, with postage and registry fees pre-paid.

(g) No Prior Non-Compete or Employment Agreement. The Employee represents and warrants that she is not presently subject to any non-compete, restrictive covenant or like agreement that will preclude him from employment with the Company or in any way limit him in performing any obligations under this Agreement. The Employee agrees and acknowledges that if she is subject to any such non-compete, restrictive covenant or other agreement, the Company will have no obligation to perform its duties under this Agreement or to continue employment.

(h) Interpretation and Construction. The parties agree that this Agreement shall be construed in favor of providing all reasonable protection to the legitimate business interests of the Company. The parties further agree that, in interpreting and enforcing this Agreement, the court shall not employ any rule of contract construction that requires the court to construe narrowly against the drafter of the Agreement and shall consider the Agreement as if each party participated equally in its preparation.

(i) Survival. The Employee's obligations as set forth in Section 3 represent independent covenants by which the Employee is and shall remain bound notwithstanding any breach or claim of breach by the Company, and shall survive the termination or expiration of this Agreement.

(j) The Employee acknowledges that she has read this Agreement, that she was given sufficient time and opportunity to review it and to consult an attorney regarding its terms and conditions, and that the Company has recommended to the Employee that she consult an attorney prior to execution of this Agreement. The Employee further acknowledges that, pursuant to Section 1, this Agreement does not

alter the Employee's status as an employee-at-will or in any way limit the Company's right to terminate the employment relationship at any time. The Employee further acknowledges and agrees that the restrictions on competition set forth in this Agreement are reasonable and necessary for the protection of the Company and that agreement to and fulfillment of same are a material condition of employment or, as applicable, continued employment, with the Company.

IN WITNESS HEREOF, the parties have executed this Agreement as of the date first written above.

THE EMPLOYEE

By: /s/ ERIC LEEF
Name: Eric Leef
Dated: September 2, 2020

THE HERTZ CORPORATION

By: _____

Title: _____

Dated: ____

**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	
HA Fleet Pty Ltd.	Australia	
Hertz Australia Pty. Limited	Australia	
Hertz Investment (Holdings) Pty. Limited	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 Dollar Rent A Car 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
Czech Republic	
Hertz Autopujcovna s.r.o.	Czech Republic
France	
EILEO 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

Fleet Management France (FMF)
Hertz Automobielen Nederland B.V.
Hertz Claim Management B.V.
Fleet Management Holdings B.V.
Hertz Holdings Netherlands 2 B.V.
International Fleet Financing No. 2 B.V.
Stuurgroep Fleet (Netherlands) B.V.
Stuurgroep Holland B.V.

Netherlands
Netherlands
Netherlands
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Netherlands
Netherlands

Slovakia

Hertz Autopozicovna s.r.o.

Slovakia

Spain

Hertz de Espana, S.L.

Spain

United Kingdom

Daimler Hire Limited
Hertz (U.K.) Limited
Hertz Accident Support Ltd.
Hertz Claim Management Limited
Hertz Europe Limited
Hertz Holdings III UK Limited
Hertz UK Receivables Limited
Hertz Vehicle Financing U.K. Limited

United Kingdom
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United Kingdom

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statement (Form S-8 No. 333-260913) pertaining to the Hertz Global Holdings, Inc. 2021 Omnibus Incentive Plan of our reports dated February 7, 2023, with respect to the consolidated financial statements of Hertz Global Holdings, Inc. and subsidiaries and the effectiveness of internal control over financial reporting of Hertz Global Holdings, Inc. and subsidiaries included in this Annual Report (Form 10-K) for the year ended December 31, 2022.

/s/ Ernst & Young LLP

Tampa, Florida
February 7, 2023

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a)/15d-14(a)**

I, Stephen M. Scherr, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2022 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 7, 2023

By: /s/ STEPHEN M. SCHERR
Stephen M. Scherr
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, 2022 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 7, 2023

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, Stephen M. Scherr, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2022 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 7, 2023

By: /s/ STEPHEN M. SCHERR
Stephen M. Scherr
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, 2022 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 7, 2023

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, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephen M. Scherr, 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 7, 2023

By: /s/ STEPHEN M. SCHERR
Stephen M. Scherr
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, 2022 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 7, 2023

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, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephen M. Scherr, 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 7, 2023

By: /s/ STEPHEN M. SCHERR
Stephen M. Scherr
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, 2022 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 7, 2023

By: /s/ KENNY CHEUNG

Kenny Cheung
Executive Vice President and Chief Financial Officer