

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

FORM 10-Q

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

For the quarterly period ended September 30, 2023
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, Zip Code 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	Par value \$0.01 per share	HTZ	The Nasdaq Stock Market LLC
Hertz Global Holdings, Inc.	Warrants to purchase common stock	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	The Nasdaq Stock Market LLC
The Hertz Corporation	None		None	None

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 Corporation¹ Yes No

¹As 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	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>	Non-accelerated filer	<input type="checkbox"/>
	Smaller reporting company	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>		
	If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.					
The Hertz Corporation	Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>	Non-accelerated filer	<input checked="" type="checkbox"/>
	Smaller reporting company	<input type="checkbox"/>	Emerging growth company	<input type="checkbox"/>		
	If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.					

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

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 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 registrant's classes of common stock, as of the latest practicable date.

		Class	Shares Outstanding as of October 19, 2023
Hertz Global Holdings, Inc.	Common Stock,	par value \$0.01 per share	307,812,765
The Hertz Corporation ⁽¹⁾	Common Stock,	par value \$0.01 per share	100
			⁽¹⁾ (100% owned by Rental Car Intermediate Holdings, LLC)

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

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

PART I. FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

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

	September 30, 2023	December 31, 2022
ASSETS		
Cash and cash equivalents	\$ 594	\$ 943
Restricted cash and cash equivalents:		
Vehicle	168	180
Non-vehicle	294	295
Total restricted cash and cash equivalents	462	475
Total cash and cash equivalents and restricted cash and cash equivalents	1,056	1,418
Receivables:		
Vehicle	267	111
Non-vehicle, net of allowance of \$47 and \$45, respectively	1,140	863
Total receivables, net	1,407	974
Prepaid expenses and other assets	835	1,155
Revenue earning vehicles:		
Vehicles	17,576	14,281
Less: accumulated depreciation	(2,117)	(1,786)
Total revenue earning vehicles, net	15,459	12,495
Property and equipment, net	672	637
Operating lease right-of-use assets	2,200	1,887
Intangible assets, net	2,881	2,887
Goodwill	1,044	1,044
Total assets ⁽¹⁾	\$ 25,554	\$ 22,497
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable:		
Vehicle	\$ 216	\$ 79
Non-vehicle	574	578
Total accounts payable	790	657
Accrued liabilities	896	911
Accrued taxes, net	215	170
Debt:		
Vehicle	12,894	10,886
Non-vehicle	3,119	2,977
Total debt	16,013	13,863
Public Warrants	506	617
Operating lease liabilities	2,094	1,802
Self-insured liabilities	472	472
Deferred income taxes, net	1,178	1,360
Total liabilities ⁽¹⁾	22,164	19,852
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.01 par value, no shares issued and outstanding	—	—
Common stock, \$0.01 par value, 479,253,617 and 478,914,062 shares issued, respectively, and 308,798,093 and 323,483,178 shares outstanding, respectively	5	5
Treasury stock, at cost, 170,455,524 and 155,430,884 common shares, respectively	(3,389)	(3,136)
Additional paid-in capital	6,389	6,326
Retained earnings (Accumulated deficit)	708	(256)
Accumulated other comprehensive income (loss)	(323)	(294)
Total stockholders' equity	3,390	2,645
Total liabilities and stockholders' equity	\$ 25,554	\$ 22,497

(1) Hertz Global Holdings, Inc.'s consolidated total assets as of September 30, 2023 and December 31, 2022 include total assets of variable interest entities ("VIEs") of \$1.9 billion and \$1.3 billion, respectively, which can only be used to settle obligations of the VIEs. Hertz Global Holdings, Inc.'s consolidated total liabilities as of September 30, 2023 and December 31, 2022 include total liabilities of VIEs of \$1.9 billion and \$1.3 billion, respectively, for which the creditors of the VIEs have no recourse to Hertz Global Holdings, Inc. See "Pledges Related to Vehicle Financing" in Note 5, "Debt," for further information.

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

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenues	\$ 2,703	\$ 2,496	\$ 7,187	\$ 6,650
Expenses:				
Direct vehicle and operating	1,499	1,282	4,067	3,534
Depreciation of revenue earning vehicles and lease charges, net	501	294	1,211	341
Non-vehicle depreciation and amortization	33	36	100	105
Selling, general and administrative	209	246	715	738
Interest expense, net:				
Vehicle	162	27	405	77
Non-vehicle	63	43	170	123
Interest expense, net	225	70	575	200
Other (income) expense, net	5	(6)	12	(6)
(Gain) on sale of non-vehicle capital assets	—	—	(162)	—
Change in fair value of Public Warrants	(328)	(73)	(110)	(584)
Total expenses	2,144	1,849	6,408	4,328
Income (loss) before income taxes	559	647	779	2,322
Income tax (provision) benefit	70	(70)	185	(379)
Net income (loss)	\$ 629	\$ 577	\$ 964	\$ 1,943
Weighted-average common shares outstanding:				
Basic	311	355	315	395
Diluted	327	379	332	421
Earnings (loss) per common share:				
Basic	\$ 2.02	\$ 1.62	\$ 3.06	\$ 4.92
Diluted	\$ 0.92	\$ 1.33	\$ 2.57	\$ 3.22

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

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net income (loss)	\$ 629	\$ 577	\$ 964	\$ 1,943
Other comprehensive income (loss):				
Foreign currency translation adjustments	(47)	(79)	(29)	(145)
Total other comprehensive income (loss)	(47)	(79)	(29)	(145)
Total comprehensive income (loss)	<u>\$ 582</u>	<u>\$ 498</u>	<u>\$ 935</u>	<u>\$ 1,798</u>

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

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

	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	Total Stockholders' Equity
Balance as of:										
December 31, 2021	—	\$ —	450	\$ 5	\$ 6,209	\$ (2,315)	\$ (214)	27	\$ (708)	\$ 2,977
Net income (loss)	—	—	—	—	—	426	—	—	—	426
Other comprehensive income (loss)	—	—	—	—	—	—	(7)	—	—	(7)
Net settlement on vesting of restricted stock	—	—	—	—	(4)	—	—	—	—	(4)
Stock-based compensation charges	—	—	—	—	28	—	—	—	—	28
Public Warrant exercises	—	—	—	—	4	—	—	—	—	4
Share repurchases	—	—	(35)	—	—	—	—	35	(722)	(722)
March 31, 2022	—	—	415	5	6,237	(1,889)	(221)	62	(1,430)	2,702
Net income (loss)	—	—	—	—	—	940	—	—	—	940
Other comprehensive income (loss)	—	—	—	—	—	—	(59)	—	—	(59)
Stock-based compensation charges	—	—	—	—	36	—	—	—	—	36
Public Warrant exercises	—	—	—	—	1	—	—	—	—	1
Share repurchases	—	—	(47)	—	—	—	—	47	(891)	(891)
June 30, 2022	—	—	368	5	6,274	(949)	(280)	109	(2,321)	2,729
Net income (loss)	—	—	—	—	—	577	—	—	—	577
Other comprehensive income (loss)	—	—	—	—	—	—	(79)	—	—	(79)
Stock-based compensation charges	—	—	—	—	33	—	—	—	—	33
Public Warrant exercises	—	—	—	—	1	—	—	—	—	1
Share repurchases	—	—	(27)	—	—	—	—	28	(500)	(500)
September 30, 2022	—	\$ —	341	\$ 5	\$ 6,308	\$ (372)	\$ (359)	137	\$ (2,821)	\$ 2,761

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

	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	Total Stockholders' Equity
Balance as of:										
December 31, 2022	—	\$ —	323	\$ 5	\$ 6,326	\$ (256)	\$ (294)	155	\$ (3,136)	\$ 2,645
Net income (loss)	—	—	—	—	—	196	—	—	—	196
Other comprehensive income (loss)	—	—	—	—	—	—	14	—	—	14
Net settlement on vesting of restricted stock	—	—	—	—	(1)	—	—	—	—	(1)
Stock-based compensation charges	—	—	—	—	21	—	—	—	—	21
Share repurchases ⁽¹⁾⁽²⁾	—	—	(5)	—	—	—	—	6	(101)	(101)
March 31, 2023	—	—	318	5	6,346	(60)	(280)	161	(3,237)	2,774
Net income (loss)	—	—	—	—	—	139	—	—	—	139
Other comprehensive income (loss)	—	—	—	—	—	—	4	—	—	4
Stock-based compensation charges	—	—	—	—	22	—	—	—	—	22
Public Warrant exercises ⁽²⁾	—	—	—	—	1	—	—	—	—	1
Share repurchases ⁽²⁾	—	—	(6)	—	—	—	—	6	(101)	(101)
June 30, 2023	—	—	312	5	6,369	79	(276)	167	(3,338)	2,839
Net income (loss)	—	—	—	—	—	629	—	—	—	629
Other comprehensive income (loss)	—	—	—	—	—	—	(47)	—	—	(47)
Net settlement on vesting of restricted stock	—	—	—	—	(2)	—	—	—	—	(2)
Stock-based compensation charges	—	—	—	—	22	—	—	—	—	22
Share repurchases ⁽²⁾	—	—	(3)	—	—	—	—	3	(51)	(51)
September 30, 2023	—	\$ —	309	\$ 5	\$ 6,389	\$ 708	\$ (323)	170	\$ (3,389)	\$ 3,390

(1) The amounts presented herein may be rounded to agree to amounts in the unaudited condensed consolidated balance sheet.

(2) Also see Note 8, "Public Warrants, Equity and Earnings (Loss) Per Common Share – Hertz Global."

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

Unaudited
(In millions)

	Nine Months Ended September 30,	
	2023	2022
Cash flows from operating activities:		
Net income (loss)	\$ 964	\$ 1,943
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and reserves for revenue earning vehicles, net	1,490	511
Depreciation and amortization, non-vehicle	100	105
Amortization of deferred financing costs and debt discount (premium)	44	38
Stock-based compensation charges	65	96
Provision for receivables allowance	67	42
Deferred income taxes, net	(236)	301
(Gain) loss on sale of non-vehicle capital assets	(165)	(5)
Change in fair value of Public Warrants	(110)	(584)
Changes in financial instruments	107	(120)
Other	9	3
Changes in assets and liabilities:		
Non-vehicle receivables	(383)	(234)
Prepaid expenses and other assets	(95)	(80)
Operating lease right-of-use assets	253	202
Non-vehicle accounts payable	27	(7)
Accrued liabilities	3	183
Accrued taxes, net	45	52
Operating lease liabilities	(275)	(223)
Self-insured liabilities	—	38
Net cash provided by (used in) operating activities	1,910	2,261
Cash flows from investing activities:		
Revenue earning vehicles expenditures	(8,312)	(7,853)
Proceeds from disposal of revenue earning vehicles	4,178	4,470
Non-vehicle capital asset expenditures	(151)	(104)
Proceeds from disposal of non-vehicle capital assets	178	10
Collateral returned in exchange for letters of credit	—	19
Return of (investment in) equity investments	(1)	(15)
Net cash provided by (used in) investing activities	(4,108)	(3,473)
Cash flows from financing activities:		
Proceeds from issuance of vehicle debt	5,741	8,282
Repayments of vehicle debt	(3,739)	(5,954)
Proceeds from issuance of non-vehicle debt	1,650	—
Repayments of non-vehicle debt	(1,513)	(14)
Payment of financing costs	(31)	(42)
Proceeds from exercises of Public Warrants	—	3

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

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

	Nine Months Ended September 30,	
	2023	2022
Share repurchases	(272)	(2,152)
Other	(3)	(4)
Net cash provided by (used in) financing activities	1,833	119
Effect of foreign currency exchange rate changes on cash and cash equivalents and restricted cash and cash equivalents	3	(50)
Net increase (decrease) in cash and cash equivalents and restricted cash and cash equivalents during the period	(362)	(1,143)
Cash and cash equivalents and restricted cash and cash equivalents at beginning of period	1,418	2,651
Cash and cash equivalents and restricted cash and cash equivalents at end of period	<u>\$ 1,056</u>	<u>\$ 1,508</u>

Supplemental disclosures of cash flow information:

Cash paid during the period for:

Interest, net of amounts capitalized:

Vehicle	\$ 341	\$ 151
Non-vehicle	170	97
Income taxes, net of refunds	27	60

Supplemental disclosures of non-cash information:

Purchases of revenue earning vehicles included in accounts payable, net of incentives	\$ 199	\$ 88
Sales of revenue earning vehicles included in vehicle receivables	250	198
Purchases of non-vehicle capital assets included in accounts payable	20	26
Revenue earning vehicles and non-vehicle capital assets acquired through finance lease	43	7
Public Warrant exercises	—	3
Accrual for purchases of treasury shares	2	16

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

THE HERTZ CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
Unaudited
(In millions, except par value and share data)

	September 30, 2023	December 31, 2022
ASSETS		
Cash and cash equivalents	\$ 594	\$ 943
Restricted cash and cash equivalents:		
Vehicle	168	180
Non-vehicle	294	295
Total restricted cash and cash equivalents	462	475
Total cash and cash equivalents and restricted cash and cash equivalents	1,056	1,418
Receivables:		
Vehicle	267	111
Non-vehicle, net of allowance of \$47 and \$45, respectively	1,140	863
Total receivables, net	1,407	974
Prepaid expenses and other assets	834	1,154
Revenue earning vehicles:		
Vehicles	17,576	14,281
Less: accumulated depreciation	(2,117)	(1,786)
Total revenue earning vehicles, net	15,459	12,495
Property and equipment, net	672	637
Operating lease right-of-use assets	2,200	1,887
Intangible assets, net	2,881	2,887
Goodwill	1,044	1,044
Total assets ⁽¹⁾	<u>\$ 25,553</u>	<u>\$ 22,496</u>
LIABILITIES AND STOCKHOLDER'S EQUITY		
Accounts payable:		
Vehicle	\$ 216	\$ 79
Non-vehicle	574	578
Total accounts payable	790	657
Accrued liabilities	894	890
Accrued taxes, net	213	170
Debt:		
Vehicle	12,894	10,886
Non-vehicle	3,119	2,977
Total debt	16,013	13,863
Operating lease liabilities	2,094	1,802
Self-insured liabilities	472	472
Deferred income taxes, net	1,181	1,363
Total liabilities ⁽¹⁾	21,657	19,217
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	4,637	4,844
Retained earnings (Accumulated deficit)	(418)	(1,271)
Accumulated other comprehensive income (loss)	(323)	(294)
Total stockholder's equity	3,896	3,279
Total liabilities and stockholder's equity	<u>\$ 25,553</u>	<u>\$ 22,496</u>

(1) The Hertz Corporation's consolidated total assets as of September 30, 2023 and December 31, 2022 include total assets of VIEs of \$1.9 billion and \$1.3 billion, respectively, which can only be used to settle obligations of the VIEs. The Hertz Corporation's consolidated total liabilities as of September 30, 2023 and December 31, 2022 include total liabilities of VIEs of \$1.9 billion and \$1.3 billion, respectively, for which the creditors of the VIEs have no recourse to The Hertz Corporation. See "Pledges Related to Vehicle Financing" in Note 5, "Debt," for further information.

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

THE HERTZ CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
Unaudited
(In millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenues	\$ 2,703	\$ 2,496	\$ 7,187	\$ 6,650
Expenses:				
Direct vehicle and operating	1,499	1,282	4,067	3,534
Depreciation of revenue earning vehicles and lease charges, net	501	294	1,211	341
Non-vehicle depreciation and amortization	33	36	100	105
Selling, general and administrative	209	246	715	738
Interest expense, net:				
Vehicle	162	27	405	77
Non-vehicle	63	43	170	123
Interest expense, net	225	70	575	200
Other (income) expense, net	5	(6)	12	(6)
(Gain) on sale of non-vehicle capital assets	—	—	(162)	—
Total expenses	2,472	1,922	6,518	4,912
Income (loss) before income taxes	231	574	669	1,738
Income tax (provision) benefit	68	(71)	184	(379)
Net income (loss)	\$ 299	\$ 503	\$ 853	\$ 1,359

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

THE HERTZ CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
Unaudited
(In millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net income (loss)	\$ 299	\$ 503	\$ 853	\$ 1,359
Other comprehensive income (loss):				
Foreign currency translation adjustments	(47)	(79)	(29)	(145)
Total other comprehensive income (loss)	(47)	(79)	(29)	(145)
Total comprehensive income (loss)	\$ 252	\$ 424	\$ 824	\$ 1,214

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

THE HERTZ CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY (DEFICIT)
Unaudited
(In millions, except share data)

Balance as of:	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholder's Equity (Deficit)
December 31, 2021	100	\$ —	\$ 7,190	\$ (2,626)	\$ (214)	\$ 4,350
Net income (loss)	—	—	—	376	—	376
Other comprehensive income (loss)	—	—	—	—	(7)	(7)
Stock-based compensation charges	—	—	28	—	—	28
Dividends paid to Hertz Holdings	—	—	(767)	—	—	(767)
March 31, 2022	100	—	6,451	(2,250)	(221)	3,980
Net income (loss)	—	—	—	480	—	480
Other comprehensive income (loss)	—	—	—	—	(59)	(59)
Stock-based compensation charges	—	—	36	—	—	36
Dividends paid to Hertz Holdings	—	—	(881)	—	—	(881)
June 30, 2022	100	—	5,606	(1,770)	(280)	3,556
Net income (loss)	—	—	—	503	—	503
Other comprehensive income (loss)	—	—	—	—	(79)	(79)
Stock-based compensation charges	—	—	33	—	—	33
Dividends paid to Hertz Holdings	—	—	(504)	—	—	(504)
September 30, 2022	100	\$ —	\$ 5,135	\$ (1,267)	\$ (359)	\$ 3,509

THE HERTZ CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY (DEFICIT)
Unaudited
(In millions, except share data)

Balance as of:	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholder's Equity (Deficit)
December 31, 2022	100	\$ —	\$ 4,844	\$ (1,271)	\$ (294)	\$ 3,279
Net income (loss)	—	—	—	314	—	314
Other comprehensive income (loss)	—	—	—	—	14	14
Stock-based compensation charges	—	—	21	—	—	21
Dividends paid to Hertz Holdings ⁽¹⁾	—	—	(118)	—	—	(118)
March 31, 2023	100	—	4,747	(957)	(280)	3,510
Net income (loss)	—	—	—	240	—	240
Other comprehensive income (loss)	—	—	—	—	4	4
Stock-based compensation charges	—	—	22	—	—	22
Dividends paid to Hertz Holdings ⁽¹⁾	—	—	(102)	—	—	(102)
June 30, 2023	100	—	4,667	(717)	(276)	3,674
Net income (loss)	—	—	—	299	—	299
Other comprehensive income (loss)	—	—	—	—	(47)	(47)
Stock-based compensation charges	—	—	22	—	—	22
Dividends paid to Hertz Holdings ⁽¹⁾	—	—	(52)	—	—	(52)
September 30, 2023	100	\$ —	\$ 4,637	\$ (418)	\$ (323)	\$ 3,896

(1) See "Share Repurchase Programs for Common Stock" in Note 8, "Public Warrants, Equity and Earnings (Loss) Per Common Share – Hertz Global," for additional information.

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

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

	Nine Months Ended September 30,	
	2023	2022
Cash flows from operating activities:		
Net income (loss)	\$ 853	\$ 1,359
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and reserves for revenue earning vehicles, net	1,490	511
Depreciation and amortization, non-vehicle	100	105
Amortization of deferred financing costs and debt discount (premium)	44	38
Stock-based compensation charges	65	96
Provision for receivables allowance	67	42
Deferred income taxes, net	(236)	301
(Gain) loss on sale of non-vehicle capital assets	(165)	(5)
Changes in financial instruments	107	(120)
Other	10	3
Changes in assets and liabilities:		
Non-vehicle receivables	(383)	(234)
Prepaid expenses and other assets	(95)	(80)
Operating lease right-of-use assets	253	202
Non-vehicle accounts payable	27	(7)
Accrued liabilities	3	183
Accrued taxes, net	42	52
Operating lease liabilities	(275)	(223)
Self-insured liabilities	—	38
Net cash provided by (used in) operating activities	1,907	2,261
Cash flows from investing activities:		
Revenue earning vehicles expenditures	(8,312)	(7,853)
Proceeds from disposal of revenue earning vehicles	4,178	4,470
Non-vehicle capital asset expenditures	(151)	(104)
Proceeds from disposal of non-vehicle capital assets	178	10
Collateral returned in exchange for letters of credit	—	19
Return of (investment in) equity investments	(1)	(15)
Net cash provided by (used in) investing activities	(4,108)	(3,473)
Cash flows from financing activities:		
Proceeds from issuance of vehicle debt	5,741	8,282
Repayments of vehicle debt	(3,739)	(5,954)
Proceeds from issuance of non-vehicle debt	1,650	—
Repayments of non-vehicle debt	(1,513)	(14)
Payment of financing costs	(31)	(42)
Dividends paid to Hertz Holdings	(272)	(2,152)

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

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

	Nine Months Ended September 30,	
	2023	2022
Other	—	—
Net cash provided by (used in) financing activities	1,836	120
Effect of foreign currency exchange rate changes on cash and cash equivalents and restricted cash and cash equivalents	3	(50)
Net increase (decrease) in cash and cash equivalents and restricted cash and cash equivalents during the period	(362)	(1,142)
Cash and cash equivalents and restricted cash and cash equivalents at beginning of period	1,418	2,650
Cash and cash equivalents and restricted cash and cash equivalents at end of period	\$ 1,056	\$ 1,508
Supplemental disclosures of cash flow information:		
Cash paid during the period for:		
Interest, net of amounts capitalized:		
Vehicle	\$ 341	\$ 151
Non-vehicle	170	97
Income taxes, net of refunds	27	60
Supplemental disclosures of non-cash information:		
Purchases of revenue earning vehicles included in accounts payable, net of incentives	\$ 199	\$ 88
Sales of revenue earning vehicles included in vehicle receivables	250	198
Purchases of non-vehicle capital assets included in accounts payable	20	26
Revenue earning vehicles and non-vehicle capital assets acquired through finance lease	43	7

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

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
Unaudited

Note 1—Background

Hertz Global Holdings, Inc. ("Hertz Global" when including its subsidiaries and VIEs and "Hertz Holdings" when excluding its subsidiaries and VIEs) 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" and interchangeably with Hertz Global, the "Company"), 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 and franchisee locations in the United States ("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.

Note 2—Basis of Presentation***Basis of Presentation***

This Quarterly Report on Form 10-Q combines the quarterly reports on Form 10-Q for the quarterly period ended September 30, 2023 of Hertz Global and Hertz. Hertz Global consolidates Hertz for financial statement purposes and, therefore, disclosures that relate to activities of Hertz also apply to Hertz Global. In the sections that combine disclosure of Hertz Global and Hertz, this report refers to actions as being actions of the Company, or Hertz Global, which is appropriate because the business is one enterprise and Hertz Global operates the business through Hertz. When appropriate, Hertz Global and Hertz are named specifically for their individual disclosures and any significant differences between the operations and results of Hertz Global and Hertz are separately disclosed and explained.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the U.S. ("U.S. GAAP"). In the opinion of management, the unaudited condensed consolidated financial statements reflect all adjustments of a normal recurring nature that are necessary for a fair presentation of the results for the interim periods presented. Interim results are not necessarily indicative of results for a full year. The Company's vehicle rental operations are typically a seasonal business, with decreased levels of business in the winter months and heightened activity during the spring and summer months for the majority of countries where the Company generates revenues.

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 financial statements and footnotes. Actual results could differ materially from those estimates.

The December 31, 2022 unaudited condensed consolidated balance sheet data is derived from the audited financial statements at that date but does not include all disclosures required by U.S. GAAP. The information included in this Quarterly Report on Form 10-Q should be read in conjunction with information included in the Company's Form 10-K for the year ended December 31, 2022 (the "2022 Form 10-K"), as filed with the Securities and Exchange Commission ("SEC") on February 7, 2023.

Principles of Consolidation

The unaudited condensed 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 unaudited condensed 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 of the VIE. 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 of the joint venture. All significant intercompany transactions have been eliminated in consolidation.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Unaudited

Note 3—Divestitures**Sales of Non-vehicle Capital Assets**

In 2019, the Company substantially completed the sale of certain non-vehicle capital assets constituting real property, in an eminent domain proceeding, in its Americas RAC segment. In February 2023, the Company received additional cash from the sale upon final resolution of the eminent domain proceeding and recognized an additional \$29 million pre-tax gain on the sale, which is included in (gain) on sale of non-vehicle capital assets in the accompanying unaudited condensed consolidated statement of operations for the nine months ended September 30, 2023.

In March 2023, the Company sold and leased back its Los Angeles, California airport location in its Americas RAC segment. The transaction qualified for sale-leaseback accounting. The Company recognized a pre-tax gain of \$133 million based on the difference in the sale amount of \$143 million less \$9 million net book value of assets sold and \$1 million in selling costs, which is included in (gain) on sale of non-vehicle capital assets in the accompanying unaudited condensed consolidated statement of operations for the nine months ended September 30, 2023. The leaseback is classified as an operating lease with a term of 36 months.

Note 4—Revenue Earning Vehicles

The components of revenue earning vehicles, net are as follows:

(In millions)	September 30, 2023	December 31, 2022
Revenue earning vehicles	\$ 16,615	\$ 13,654
Less accumulated depreciation	(1,946)	(1,649)
	<u>14,669</u>	<u>12,005</u>
Revenue earning vehicles held for sale, net ⁽¹⁾	790	490
Revenue earning vehicles, net	<u>\$ 15,459</u>	<u>\$ 12,495</u>

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

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

(In millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Depreciation of revenue earning vehicles	\$ 483	\$ 528	\$ 1,337	\$ 1,282
(Gain) loss on disposal of revenue earning vehicles	10	(238)	(146)	(956)
Rents paid for vehicles leased	8	4	20	15
Depreciation of revenue earning vehicles and lease charges, net	<u>\$ 501</u>	<u>\$ 294</u>	<u>\$ 1,211</u>	<u>\$ 341</u>

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Unaudited

Note 5—Debt

The Company's debt, including its available credit facilities, consists of the following (\$ in millions) as of September 30, 2023 and December 31, 2022:

Facility	Weighted-Average Interest Rate as of September 30, 2023	Fixed or Floating Interest Rate	Maturity	September 30, 2023	December 31, 2022
Non-Vehicle Debt					
Term B Loan	8.70%	Floating	6/2028	\$ 1,271	\$ 1,281
Term C Loan	8.70%	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	8.43%	Floating	6/2026	150	—
Other Non-Vehicle Debt ⁽¹⁾	6.02%	Fixed	Various	4	9
Unamortized Debt Issuance Costs and Net (Discount) Premium				(51)	(58)
Total Non-Vehicle Debt				3,119	2,977
Vehicle Debt					
<i>HVF III U.S. ABS Program</i>					
HVF III U.S. Vehicle Variable Funding Notes					
HVF III Series 2021-A Class A ⁽²⁾	6.95%	Floating	6/2025	1,883	2,363
HVF III Series 2021-A Class B ⁽²⁾	9.44%	Fixed	8/2025	188	188
				2,071	2,551
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	750
HVF III Series 2022-2 ⁽²⁾	2.78%	Fixed	6/2027	750	652
HVF III Series 2022-3 ⁽²⁾	3.89%	Fixed	3/2024	383	383
HVF III Series 2022-4 ⁽²⁾	4.22%	Fixed	9/2025	667	667
HVF III Series 2022-5 ⁽²⁾	4.39%	Fixed	9/2027	364	317
HVF III Series 2023-1 ⁽²⁾	6.17%	Fixed	6/2026	500	—
HVF III Series 2023-2 ⁽²⁾	6.30%	Fixed	9/2028	300	—
HVF III Series 2023-3 ⁽²⁾	6.46%	Fixed	2/2027	500	—
HVF III Series 2023-4 ⁽²⁾	6.66%	Fixed	3/2029	500	—
				8,714	6,769
Vehicle Debt - Other					
Repurchase Facility	N/A	Fixed	N/A	—	86
European ABS ⁽²⁾	5.69%	Floating	3/2026	1,260	811
Hertz Canadian Securitization ⁽²⁾	6.92%	Floating	6/2025	393	283
Australian Securitization ⁽²⁾	5.71%	Floating	6/2025	182	168
New Zealand RCF	8.44%	Floating	6/2025	51	54
U.K. Financing Facility	7.85%	Floating	10/2023-7/2027	188	101
U.K. Toyota Financing Facility	7.50%	Floating	10/2023-5/2024	31	49

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Unaudited

Facility	Weighted-Average Interest Rate as of September 30, 2023	Fixed or Floating Interest Rate	Maturity	September 30, 2023	December 31, 2022
Other Vehicle Debt	4.32%	Floating	10/2023-7/2027	83	76
				2,188	1,628
Unamortized Debt Issuance Costs and Net (Discount) Premium				(79)	(62)
Total Vehicle Debt				12,894	10,886
Total Debt				<u>\$ 16,013</u>	<u>\$ 13,863</u>

- (1) Other non-vehicle debt is primarily comprised of \$1 million and \$6 million in finance lease obligations as of September 30, 2023 and December 31, 2022, 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 DebtFirst Lien Credit Agreement

In March 2023, Hertz increased the aggregate committed amount of the First Lien RCF from \$1.9 billion to \$2.0 billion.

In May 2023, Hertz amended the First Lien Credit Agreement to change the benchmark interest rate on the Term B Loan and the Term C Loan from USD LIBOR to the Secured Overnight Financing Rate ("SOFR") in connection with the cessation of USD LIBOR.

Vehicle DebtHVF III U.S. ABS Program

HVF III Series 2021-A Notes: In June 2023, Hertz Vehicle Financing III LLC ("HVF III"), a wholly-owned, special-purpose and bankruptcy-remote subsidiary of Hertz, increased the commitments for the Series 2021-A Notes, increasing the maximum principal amount that may be outstanding from \$3.9 billion to \$4.1 billion. Additionally, the maturity dates of the Series 2021-A Class A Notes and Class B Notes were extended to June 2025 and August 2025, respectively.

HVF III Series 2023-1 Notes: In March 2023, HVF III issued the Series 2023-1 Notes in four classes (Class A, Class B, Class C and Class D) in an aggregate principal amount of \$500 million. At the time of issuance, Hertz, an affiliate of HVF III, purchased the Class D Notes in an aggregate principal amount of \$40 million.

HVF III Series 2023-2 Notes: In March 2023, HVF III issued the Series 2023-2 Notes in four classes (Class A, Class B, Class C and Class D) in an aggregate principal amount of \$300 million.

HVF III Series 2023-3 Notes: In August 2023, HVF III issued the Series 2023-3 Notes in four classes (Class A, Class B, Class C and Class D) in an aggregate principal amount of \$500 million.

HVF III Series 2023-4 Notes: In August 2023, HVF III issued the Series 2023-4 Notes in four classes (Class A, Class B, Class C and Class D) in an aggregate principal amount of \$500 million.

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

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
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HVF III Series 2022-2, Series 2022-5 and Series 2023-1 Class D Notes (the "Class D Notes"): At the time of initial issuance of the Class D Notes, Hertz, an affiliate of HVF III, purchased the Class D Notes. In September 2023, Hertz sold the Class D Notes to third parties.

<u>(In millions)</u>	Aggregate Principal Amount
HVF III Series 2022-2 Class D Notes	\$ 98
HVF III Series 2022-5 Class D Notes	47
HVF III Series 2023-1 Class D Notes	40
Total	<u>\$ 185</u>

Vehicle Debt-Other

Repurchase Facilities

Beginning in 2022, Hertz entered into and in the future may enter into repurchase agreements related to retained HVF III Series Notes (the "Repurchase Facilities"), whereby Hertz can sell and repurchase at a pre-determined price any of the retained HVF III Series Notes. Transactions occurring under the Repurchase Facilities are based on mutually agreeable terms and prevailing rates. As of September 30, 2023, there were no repurchase transactions outstanding under the Repurchase Facilities.

European ABS

In September 2023, International Fleet Financing No. 2 BV ("IFF No. 2"), an indirect, special purpose subsidiary of Hertz, amended the European ABS to (i) increase the aggregate maximum borrowings to €1.2 billion, (ii) extend the maturity date to March 2026 and (iii) amend certain other provisions to provide for further operating flexibility.

Hertz Canadian Securitization

In June 2023, TCL Funding Limited Partnership, a bankruptcy remote, indirect, wholly-owned, special purpose subsidiary of Hertz, amended the Hertz Canadian Securitization to provide for aggregate maximum borrowings of CAD\$475 million and to extend the maturity date to June 2025. Additionally, the Hertz Canadian Securitization was amended to provide for aggregate maximum borrowings of CAD\$575 million for a seasonal commitment period through November 2023. Following the expiration of the seasonal commitment period, aggregate maximum borrowings will revert to CAD\$475 million.

Australian Securitization

In June 2023, HA Fleet Pty Limited, an indirect wholly-owned subsidiary of Hertz, amended the Australian Securitization to provide for aggregate maximum borrowings of AUD\$340 million and to extend the maturity date to June 2025.

New Zealand RCF

In March 2023, Hertz New Zealand Holding Limited, an indirect, wholly-owned subsidiary of Hertz, amended its credit agreement to extend its seasonal commitment period and provide for aggregate maximum borrowings of NZD\$80 million with step downs in committed capacity through May 2023. Following the expiration of the seasonal commitment period, aggregate maximum borrowings reverted to NZD\$60 million.

In August 2023, the New Zealand RCF was amended to provide for aggregate maximum borrowings of NZD\$120 million and to extend the maturity date to June 2025.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Unaudited

U.K. Financing Facility

In June 2023, Hertz U.K. Limited amended the U.K. Financing Facility to provide for aggregate maximum borrowings of £135 million and to extend the maturity date to November 2024. Additionally, the U.K. Financing Facility was amended to provide for aggregate maximum borrowings of £155 million for a seasonal commitment period through October 2023. Following the expiration of the seasonal commitment period, aggregate maximum borrowings will revert to £135 million.

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 September 30, 2023 and are presented net of any outstanding letters of credit:

<i>(In millions)</i>	Remaining Capacity	Availability Under Borrowing Base Limitation
<i>Non-Vehicle Debt</i>		
First Lien RCF	\$ 1,103	\$ 1,103
Total Non-Vehicle Debt	<u>1,103</u>	<u>1,103</u>
<i>Vehicle Debt</i>		
HVF III Series 2021-A	1,993	—
European ABS	—	—
Hertz Canadian Securitization	33	—
Australian Securitization	34	—
New Zealand RCF	20	—
U.K. Financing Facility	—	—
U.K. Toyota Financing Facility	20	—
Total Vehicle Debt	<u>2,100</u>	<u>—</u>
Total	<u>\$ 3,203</u>	<u>\$ 1,103</u>

Letters of Credit

As of September 30, 2023, there were outstanding standby letters of credit totaling \$1.0 billion comprised primarily of \$747 million issued under the First Lien RCF and \$245 million issued under the term loan "C" facility (the "Term C

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
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Loan"). As of September 30, 2023, no capacity remains to issue letters of credit under the Term C Loan. Such letters of credit have been issued primarily to provide credit enhancement for the Company's asset-backed securitization facilities and to support the Company's insurance programs, as well as to support the Company's vehicle rental concessions and leaseholds. As of September 30, 2023, none of the issued letters of credit were drawn.

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 unaudited condensed consolidated financial statements. As of September 30, 2023 and December 31, 2022, IFF No. 2 had total assets of \$1.9 billion and \$1.3 billion, respectively, comprised primarily of intercompany receivables, and total liabilities of \$1.9 billion and \$1.3 billion, respectively, comprised primarily of debt.

Covenant Compliance

The First Lien RCF credit agreement (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. As of September 30, 2023, 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 interests 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 September 30, 2023, the Company was in compliance with all covenants in the First Lien Credit Agreement.

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Note 6—Leases

The Company enters into certain agreements as a lessor under which it rents vehicles and leases fleets to customers. The following table summarizes the amount of operating lease income and other income included in total revenues in the accompanying unaudited condensed consolidated statements of operations:

(In millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Operating lease income from vehicle rentals	\$ 2,476	\$ 2,368	\$ 6,549	\$ 6,315
Variable operating lease income	155	58	452	159
Revenue accounted for under Topic 842	2,631	2,426	7,001	6,474
Revenue accounted for under Topic 606	72	70	186	176
Total revenues	\$ 2,703	\$ 2,496	\$ 7,187	\$ 6,650

Note 7—Income Tax (Provision) Benefit***Hertz Global***

For the three months ended September 30, 2023, Hertz Global recorded a tax benefit of \$70 million, which resulted in an effective tax rate of (13%). For the three months ended September 30, 2022, Hertz Global recorded a tax provision of \$70 million, which resulted in an effective tax rate of 11%.

The change in tax in the three months ended September 30, 2023 compared to 2022 is driven by benefits from electric vehicle credits generated in 2023 and the non-taxable change in the fair value of warrants, offset by lower valuation allowance releases.

For the nine months ended September 30, 2023, Hertz Global recorded a tax benefit of \$185 million, which resulted in an effective tax rate of (24%). For the nine months ended September 30, 2022, Hertz Global recorded a tax provision of \$379 million, which resulted in an effective tax rate of 16%.

The change in tax in the nine months of 2023 compared to 2022 is driven by lower pre-tax income, benefits from electric vehicle credits generated in 2023, and the recognition of uncertain tax benefits related to our tax restructuring of European operations, offset by the non-taxable change in the fair value of warrants.

As previously disclosed, Hertz Global filed a request for a pre-filing agreement with the Internal Revenue Service ("IRS") in December 2021 to determine whether the loss related to our tax restructuring of European operations qualified as an ordinary loss. On February 9, 2023, Hertz Global and the IRS agreed to the character and amount of the loss. This resulted in an additional \$163 million of ordinary loss recognized in the nine months ended September 30, 2023.

On August 16, 2022, the Inflation Reduction Act of 2022 ("IRA") was enacted into U.S. law. The IRA includes a 15% corporate alternative minimum tax and a 1% excise tax on corporate stock buybacks, both of which became effective after December 31, 2022. Hertz Global does not currently anticipate a material impact to its results of operations, cash flows or financial position related to these provisions. The IRA also included income tax incentives associated with electric vehicles placed in service after December 31, 2022. An estimate of these credits has been included in the tax calculation for the three and nine months ended September 30, 2023.

Hertz

For the three months ended September 30, 2023, Hertz recorded a tax benefit of \$68 million, which resulted in an effective tax rate of (30%). For the three months ended September 30, 2022, Hertz recorded a tax provision of \$71 million, which resulted in an effective tax rate of 12%.

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The change in tax in the three months ended September 30, 2023 compared to 2022 is driven by benefits from electric vehicle credits generated in 2023 and lower pre-tax income, offset by lower valuation allowance releases.

For the nine months ended September 30, 2023, Hertz recorded a tax benefit of \$184 million, which resulted in an effective tax rate of (27%). For the nine months ended September 30, 2022, Hertz recorded a tax provision of \$379 million, which resulted in an effective tax rate of 22%.

The change in tax in the nine months of 2023 compared to 2022 is driven by lower pre-tax income, benefits from electric vehicle credits generated in 2023, and the recognition of uncertain tax benefits related to our tax restructuring of European operations.

As previously disclosed, Hertz filed a request for a pre-filing agreement with the IRS in December 2021 to determine whether the loss related to our tax restructuring of European operations qualified as an ordinary loss. On February 9, 2023, Hertz and the IRS agreed to the character and amount of the loss. This resulted in an additional \$163 million of ordinary loss in the nine months ended September 30, 2023.

On August 16, 2022, the IRA was enacted into U.S. law. The IRA includes a 15% corporate alternative minimum tax and a 1% excise tax on corporate stock buybacks, both of which became effective after December 31, 2022. Hertz does not currently anticipate a material impact to its results of operations, cash flows or financial position related to these provisions. The IRA also included income tax incentives associated with electric vehicles placed in service after December 31, 2022. An estimate of these credits has been included in the tax calculation for the three and nine months ended September 30, 2023.

Note 8—Public Warrants, Equity and Earnings (Loss) Per Common Share – Hertz Global

Public Warrants

During the three and nine months ended September 30, 2023, 11,756 and 45,860 Public Warrants were exercised, of which 6,587 and 30,879 were cashless exercises and 5,169 and 14,981 were exercised for \$13.80 per share, respectively. As of September 30, 2023, a cumulative 6,332,099 Public Warrants have been exercised since their original issuance in June 2021. The Public Warrants are recorded at fair value in the accompanying unaudited condensed consolidated balance sheets as of September 30, 2023 and December 31, 2022. See Note 11, "Fair Value Measurements."

Share Repurchase Programs for Common Stock

In November 2021, Hertz Global's independent Audit Committee recommended, and its Board of Directors approved, a share repurchase program (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. During the second quarter of 2022, the Company completed the 2021 Share Repurchase Program. A total of 97,783,047 shares of Hertz Global common stock were repurchased since the inception of the 2021 Share Repurchase Program for an aggregate purchase price of \$2.0 billion.

In June 2022, Hertz Global's independent Audit Committee recommended, and its 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. During the three and nine months ended September 30, 2023, a total of 3,022,385 and 15,024,640 shares of Hertz Global's common stock were repurchased under the 2022 Share Repurchase Program at an average share price of \$16.57 and \$16.65 for an aggregate purchase price of \$50 million and \$250 million, excluding applicable excise tax, respectively. As of September 30, 2023, a total of 62,327,649 shares of Hertz Global's common stock have been repurchased since the inception of the 2022 Share Repurchase Program for an aggregate purchase price of \$1.1 billion, excluding applicable excise tax.

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Common shares repurchased are included in treasury stock in the accompanying Hertz Global unaudited condensed consolidated balance sheet as of September 30, 2023 and December 31, 2022.

Between October 1, 2023 and October 19, 2023, a total of 992,371 shares of Hertz Global's common stock were repurchased at an average share price of \$11.14 for an aggregate purchase price of \$11 million, excluding applicable excise tax.

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.

Computation of Earnings (Loss) Per Common Share

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. 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.

The following table sets forth the computation of basic and diluted earnings (loss) per common share:

(In millions, except per share data) ⁽¹⁾	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Numerator:				
Net income (loss) available to Hertz Global common stockholders, basic	\$ 629	\$ 577	\$ 964	\$ 1,943
Change in fair value of Public Warrants	(328)	(73)	(110)	(584)
Net income (loss) available to Hertz Global common stockholders, diluted	\$ 300	\$ 503	\$ 853	\$ 1,359
Denominator:				
Basic weighted-average common shares outstanding	311	355	315	395
Dilutive effect of stock options, RSUs and PSUs	2	2	1	1
Dilutive effect of Public Warrants	14	22	15	25
Diluted weighted-average shares outstanding	327	379	332	421
Antidilutive stock options, RSUs and PSUs	5	8	6	6
Total antidilutive	5	8	6	6
Earnings (loss) per common share:				
Basic	\$ 2.02	\$ 1.62	\$ 3.06	\$ 4.92
Diluted	\$ 0.92	\$ 1.33	\$ 2.57	\$ 3.22

(1) The table above is denoted in millions, excluding earnings (loss) per common share. Amounts are calculated from the underlying numbers in thousands, and as a result, may not agree to the amounts shown in the table when calculated in millions.

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Note 9—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 at Hertz. In 2021, Hertz Global's Board of Directors approved the Hertz Global Holdings, Inc. 2021 Omnibus Incentive Plan (the "2021 Omnibus Plan"). As of September 30, 2023, 53,045,064 shares of the Company's common stock are authorized and remain available for future grants under the 2021 Omnibus Plan, which reflects an automatic annual share increase as prescribed by the 2021 Omnibus Plan. Vesting of the outstanding equity awards is also subject to accelerated vesting as set forth in the 2021 Omnibus Plan.

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

(In millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Employee compensation expense	\$ 21	\$ 32	\$ 64	\$ 95
Income tax benefit	1	(2)	(7)	(6)
Employee compensation expense, net	\$ 22	\$ 30	\$ 57	\$ 89

As of September 30, 2023, there was \$184 million of total unrecognized employee compensation cost expected to be recognized over the remaining 2.1 years, on a weighted average basis, of the requisite service period that began on the grant dates.

Stock Options and Stock Appreciation Rights

A summary of stock option activity for the nine months ended September 30, 2023 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, 2023	3,144,983	\$ 26.17	8.2	\$ —
Granted	—	—	—	—
Exercised	—	—	—	—
Forfeited or Expired	(685,400)	26.17	—	—
Outstanding as of September 30, 2023	2,459,583	26.17	8.0	—
Exercisable as of September 30, 2023	(1,033,379)	26.17	8.0	—
Non-vested as of September 30, 2023	1,426,204			

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Performance Stock Awards ("PSAs"), Performance Stock Units ("PSUs") and Performance Units ("PUs")

A summary of the PSU activity for the nine months ended September 30, 2023 is presented below:

	Shares	Weighted-Average Fair Value	Aggregate Intrinsic Value (In millions)
Outstanding as of January 1, 2023	9,292,749	\$ 17.62	\$ 143
Granted ⁽¹⁾	529,966	17.33	—
Vested	—	—	—
Forfeited or Expired	(94,773)	18.47	—
Outstanding as of September 30, 2023	<u>9,727,942</u>	17.59	119

(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 2023, vesting eligibility is based on market, performance and service conditions of two to three 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.

As of September 30, 2023, there were no issued or outstanding grants of PSAs or PUs under the 2021 Omnibus Plan.

Restricted Stock and Restricted Stock Units ("RSUs")

A summary of RSU activity for the nine months ended September 30, 2023 is presented below:

	Shares	Weighted-Average Fair Value	Aggregate Intrinsic Value (In millions)
Outstanding as of January 1, 2023	3,412,763	\$ 20.82	\$ 53
Granted	2,584,880	17.57	—
Vested	(460,694)	19.02	—
Forfeited or Expired	(347,012)	20.56	—
Outstanding as of September 30, 2023	<u>5,189,937</u>	19.38	64

Additional information pertaining to RSU activity is as follows:

	Nine Months Ended September 30,	
	2023	2022
Total fair value of awards that vested (in millions)	\$ 9	\$ 15
Weighted-average grant-date fair value of awards granted	\$ 17.57	\$ 20.01

RSU grants issued in 2023 vest ratably over a period of primarily three to four years.

Deferred Stock Units

As of September 30, 2023, there were approximately 99,000 outstanding shares of deferred stock units under the 2021 Omnibus Plan.

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Note 10—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 September 30, 2023 and December 31, 2022. The Company classifies cash flows from the financial instruments according to the classification of the cash flows of the economic hedged item(s).

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:

(In millions)	Fair Value of Financial Instruments			
	Asset Derivatives ⁽¹⁾		Liability Derivatives ⁽¹⁾	
	September 30, 2023	December 31, 2022	September 30, 2023	December 31, 2022
Interest rate instruments ⁽²⁾	\$ 24	\$ 140	\$ —	\$ —
Foreign currency forward contracts	4	1	3	2
Total	\$ 28	\$ 141	\$ 3	\$ 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 unaudited condensed consolidated balance sheets.

(2) The activity in 2023 is primarily due to net cash received on monthly settlements, including the sale of interest rate caps disclosed below.

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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			
		Three Months Ended September 30,		Nine Months Ended September 30,	
		2023	2022	2023	2022
Interest rate instruments	Vehicle interest expense, net	\$ (7)	\$ 54	\$ 4	\$ 119
Foreign currency forward contracts	Selling, general and administrative expense ⁽¹⁾	8	8	(2)	6
Total		\$ 1	\$ 62	\$ 2	\$ 125

(1) For the three and nine months ended September 30, 2022, all gains (losses) on foreign currency forward contracts were recorded in other (income) expense, net.

In the first quarter of 2023, the Company sold certain of its interest rate caps resulting in a net gain of \$10 million based on the recognition of a \$98 million realized gain on the unwind, of which \$88 million was previously unrealized.

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 unaudited condensed consolidated balance sheets, and the potential effect of the Company's use of the master netting arrangements is not material.

Note 11—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)	September 30, 2023		December 31, 2022	
	Nominal Unpaid Principal Balance	Aggregate Fair Value	Nominal Unpaid Principal Balance	Aggregate Fair Value
Non-Vehicle Debt	\$ 3,170	\$ 2,898	\$ 3,035	\$ 2,685
Vehicle Debt	12,973	12,388	10,948	10,304
Total	\$ 16,143	\$ 15,286	\$ 13,983	\$ 12,989

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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)	September 30, 2023				December 31, 2022			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Cash equivalents and restricted cash equivalents	\$ 376	\$ —	\$ —	\$ 376	\$ 443	\$ —	\$ —	\$ 443
Liabilities:								
Public Warrants	\$ 506	\$ —	\$ —	\$ 506	\$ 617	\$ —	\$ —	\$ 617

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 unaudited condensed consolidated balance sheets as of September 30, 2023 and December 31, 2022 in accordance with the provisions of ASC 480, *Distinguishing Liabilities from Equity*. See Note 8, "Public Warrants, Equity and Earnings (Loss) Per Common Share – Hertz Global," for additional information. 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 three and nine months ended September 30, 2023, the fair value adjustments were gains of \$328 million and \$110 million, respectively. For the three and nine months ended September 30, 2022, the fair value adjustments were gains of \$73 million and \$584 million, respectively. These amounts are recorded in change in fair value of Public Warrants in the accompanying unaudited condensed consolidated statement of operations for Hertz Global for the three and nine months ended September 30, 2023 and 2022.

Financial Instruments

The fair value of the Company's financial instruments as of September 30, 2023 and December 31, 2022 are disclosed in Note 10, "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.

Note 12—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 unaudited condensed 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

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costs. As of September 30, 2023 and December 31, 2022, the Company's liability recorded for self-insured liabilities was \$472 million. 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 which the Company was a party during the three and nine months ended September 30, 2023 or the period after September 30, 2023, but before the filing of this Quarterly 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 "Unsecured 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 totals 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. Oral argument is scheduled for October 25, 2023. The Defendants intend to continue to vigorously defend against these claims. 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 were previously 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 government inquiries on the matter. 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

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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)*. On June 30, 2023, Hertz entered into a confidential settlement with ACE American Insurance Company. The case is ongoing against the remaining insurers.

Share Repurchase Program Litigation - On May 11, 2023, Angelo Cascia, a purported stockholder of Hertz Global, filed a putative class and derivative lawsuit in the Delaware Court of Chancery against certain current and former directors of Hertz Global, Knighthood Capital Management, LLC, Certares Opportunities LLC, and CK Amarillo LP. The claims in the complaint relate to the Company's share repurchase programs approved in November 2021 and June 2022. Among other allegations, the plaintiff claims Board members breached their fiduciary duties in approving these share repurchase programs, and that Knighthood, Certares, and CK Amarillo were unjustly enriched because they gained a majority stake in Hertz Global as a result of share repurchases. Defendants' motion to dismiss the complaint was filed on July 24, 2023. On August 16, 2023, purported stockholder Harlan Strauss filed a motion to intervene and stay the case. A hearing on the motion to intervene is scheduled for November 6, 2023.

The Company has established reserves for matters where the Company believes that losses are probable and can be reasonably estimated. Other than the aggregate reserve established for claims for self-insured liabilities, none of those reserves are material. For matters where the Company has not established a reserve, the ultimate outcome or resolution cannot be predicted at this time, or the amount of ultimate loss, if any, cannot be reasonably estimated. These matters are subject to many uncertainties and the outcome of the individual litigated matters is not predictable with assurance. It is possible that certain of the actions, claims, inquiries or proceedings could be decided unfavorably to the Company or any of its subsidiaries involved. Accordingly, it is possible that an adverse outcome from such a proceeding could exceed the amount accrued in an amount that could be material to the Company's consolidated financial condition, results of operations or cash flows in any particular reporting period.

Other Proceedings

Litigation Against Former Executives - The Company filed litigation in the U.S. District Court for the District of New Jersey against 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. 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. Competing dispositive motions were fully briefed as of October 26, 2022 and on June 26, 2023, the U.S. District Court for the District of New Jersey issued an opinion granting Frissora's motion for summary judgment, and dismissing Hertz's complaint. On August 1, 2023, the parties entered into a confidential settlement agreement. 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

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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 13—Segment Information

The Company's chief operating decision maker ("CODM") 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 (cars, crossovers, vans and light trucks), as well as sales of value-added services, in the U.S., Canada, Latin America and the Caribbean; and
- International RAC – Rental of vehicles (cars, crossovers, vans and light trucks), as well as sales of value-added services, in locations other than the U.S., Canada, Latin America and the Caribbean.

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.

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)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenues				
Americas RAC	\$ 2,172	\$ 2,042	\$ 5,917	\$ 5,573
International RAC	531	454	1,270	1,077
Total Hertz Global and Hertz	\$ 2,703	\$ 2,496	\$ 7,187	\$ 6,650
Depreciation of revenue earning vehicles and lease charges, net				
Americas RAC	\$ 414	\$ 252	\$ 1,035	\$ 220
International RAC	87	42	176	121
Total Hertz Global and Hertz	\$ 501	\$ 294	\$ 1,211	\$ 341

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(In millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Adjusted EBITDA				
Americas RAC	\$ 302	\$ 564	\$ 894	\$ 1,975
International RAC	109	150	258	269
Total reportable segments	411	714	1,152	2,244
Corporate	(52)	(96)	(209)	(248)
Total Hertz Global and Hertz	\$ 359	\$ 618	\$ 943	\$ 1,996

(In millions)	As of	
	September 30, 2023	December 31, 2022
Revenue earning vehicles, net		
Americas RAC	\$ 13,049	\$ 10,813
International RAC	2,410	1,682
Total Hertz Global and Hertz	\$ 15,459	\$ 12,495
Total assets		
Americas RAC	\$ 19,964	\$ 17,645
International RAC	4,445	3,638
Total reportable segments	24,409	21,283
Corporate	1,145	1,214
Total Hertz Global ⁽¹⁾	25,554	22,497
Corporate - Hertz	(1)	(1)
Total Hertz ⁽¹⁾	\$ 25,553	\$ 22,496

(1) The consolidated total assets of Hertz Global and Hertz as of September 30, 2023 and December 31, 2022 include total assets of VIEs of \$1.9 billion and \$1.3 billion, respectively, which can only be used to settle obligations of the VIEs. See "Pledges Related to Vehicle Financing" in Note 5, "Debt," for further information.

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

Hertz Global

(In millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Adjusted EBITDA:				
Americas RAC	\$ 302	\$ 564	\$ 894	\$ 1,975
International RAC	109	150	258	269
Total reportable segments	411	714	1,152	2,244
Corporate ⁽¹⁾	(52)	(96)	(209)	(248)
Total Hertz Global	359	618	943	1,996
Adjustments:				
Non-vehicle depreciation and amortization	(33)	(36)	(100)	(105)
Non-vehicle debt interest, net	(63)	(43)	(170)	(123)
Vehicle debt-related charges ⁽²⁾	(11)	(9)	(31)	(25)
Restructuring and restructuring related charges ⁽³⁾	(2)	(8)	(10)	(29)
Change in fair value of Public Warrants ⁽⁴⁾	328	73	110	584
Unrealized gains (losses) on financial instruments ⁽⁵⁾	(1)	55	(107)	120
Gain on sale of non-vehicle capital assets ⁽⁶⁾	—	—	162	—
Other items ⁽⁷⁾	(18)	(3)	(18)	(96)
Income (loss) before income taxes	\$ 559	\$ 647	\$ 779	\$ 2,322

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Hertz

(In millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Adjusted EBITDA:				
Americas RAC	\$ 302	\$ 564	\$ 894	\$ 1,975
International RAC	109	150	258	269
Total reportable segments	411	714	1,152	2,244
Corporate ⁽¹⁾	(52)	(96)	(209)	(248)
Total Hertz	359	618	943	1,996
Adjustments:				
Non-vehicle depreciation and amortization	(33)	(36)	(100)	(105)
Non-vehicle debt interest, net	(63)	(43)	(170)	(123)
Vehicle debt-related charges ⁽²⁾	(11)	(9)	(31)	(25)
Restructuring and restructuring related charges ⁽³⁾	(2)	(8)	(10)	(29)
Unrealized gains (losses) on financial instruments ⁽⁵⁾	(1)	55	(107)	120
Gain on sale of non-vehicle capital assets ⁽⁶⁾	—	—	162	—
Other items ⁽⁷⁾	(18)	(3)	(18)	(96)
Income (loss) before income taxes	\$ 231	\$ 574	\$ 669	\$ 1,738

- (1) Represents other reconciling items primarily consisting of general corporate expenses, non-vehicle interest expense, as well as other business activities.
- (2) Represents vehicle debt-related charges relating to the amortization of deferred financing costs and debt discounts and premiums.
- (3) Represents charges incurred under restructuring actions as defined in U.S. GAAP. Also includes restructuring related charges such as incremental costs incurred directly supporting business transformation initiatives.
- (4) Represents the change in fair value during the reporting period for the Company's outstanding Public Warrants.
- (5) Represents unrealized gains (losses) on derivative financial instruments. In 2023, also includes the realization of \$88 million of previously unrealized gains resulting from the unwind of certain interest rate caps in the first quarter of 2023. See Note 10, "Financial Instruments."
- (6) Represents gain on sale of certain non-vehicle capital assets sold in March 2023. See Note 3, "Divestitures."
- (7) Represents miscellaneous items. For the three and nine months ended September 30, 2023, primarily includes certain IT-related costs, charges for certain storm-related vehicle damages and certain professional fees and charges related to the settlement of bankruptcy claims, partially offset by a loss recovery settlement. For the three and nine months ended September 30, 2022, primarily includes bankruptcy claims, certain professional fees and charges related to the settlement of bankruptcy claims and certain non-cash stock-based compensation charges recorded in the first half of the year.

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ITEM 2. 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. 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.

This MD&A should be read in conjunction with the MD&A presented in our 2022 Form 10-K together with the sections entitled "Cautionary Note Regarding Forward-Looking Statements," Part II, Item 1A, "Risk Factors," and our unaudited condensed consolidated financial statements and accompanying notes included in Part I, Item 1 of this Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2023 (this "Quarterly Report"), which include additional information about our accounting policies, practices and the transactions underlying our financial results. The preparation of our unaudited condensed consolidated financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts in our unaudited condensed consolidated financial statements and the accompanying notes including revenue earning vehicle depreciation and various claims and contingencies related to lawsuits, taxes and other matters arising during the normal course of business. We apply our best judgment, our knowledge of existing facts and circumstances and our knowledge of actions that we may undertake in the future in determining the estimates that will affect our unaudited condensed consolidated financial statements. We evaluate our estimates on an ongoing basis using our historical experience, as well as other factors we believe to be appropriate under the circumstances, such as current economic conditions, and adjust or revise our estimates as circumstances change. As future events and their effects cannot be determined with precision, actual results may differ from these estimates.

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 – important key metric to management and investors as it is the measurement of the proportion of our vehicles that are being used to generate revenues relative to rentable fleet capacity. Higher Vehicle Utilization means more vehicles are being utilized to generate revenues.*
- 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.*

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- *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.*
- *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"). Average Rentable Vehicles excludes vehicles for sale on our retail lots or actively in the process of being sold through other disposition channels.*
- *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.

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 operate our vehicle rental business globally from company-owned and franchisee locations in North America, Europe, Latin America, Africa, Asia, Australia, the Caribbean, the Middle East and New Zealand. We also sell vehicles through Hertz Car Sales.

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.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(CONTINUED)

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).

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 collision, 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 business transformation programs; and
- Interest expense, net.

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

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 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.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(CONTINUED)

Three Months Ended September 30, 2023 Operating Overview

The following charts provide the period-over-period change for several key factors influencing our results for the three and nine months ended September 30, 2023 and 2022.



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

(2) Results shown are in constant currency as of December 31, 2022.

(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.

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CONSOLIDATED RESULTS OF OPERATIONS – HERTZ

(\$ In millions)	Three Months Ended September 30,		Percent Increase/(Decrease)	Nine Months Ended September 30,		Percent Increase/(Decrease)
	2023	2022		2023	2022	
Total revenues	\$ 2,703	\$ 2,496	8%	\$ 7,187	\$ 6,650	8%
Direct vehicle and operating expenses	1,499	1,282	17	4,067	3,534	15
Depreciation of revenue earning vehicles and lease charges, net	501	294	70	1,211	341	NM
Non-vehicle depreciation and amortization	33	36	(10)	100	105	(5)
Selling, general and administrative expenses	209	246	(15)	715	738	(3)
Interest expense, net:						
Vehicle	162	27	NM	405	77	NM
Non-vehicle	63	43	44	170	123	38
Interest expense, net	225	70	NM	575	200	NM
Other (income) expense, net	5	(6)	NM	12	(6)	NM
(Gain) from the sale of non-vehicle capital assets	—	—	NM	(162)	—	NM
Income (loss) before income taxes	231	574	(60)	669	1,738	(62)
Income tax (provision) benefit	68	(71)	NM	184	(379)	NM
Net income (loss)	\$ 299	\$ 503	(41)	\$ 853	\$ 1,359	(37)
Adjusted Corporate EBITDA ^(a)	\$ 359	\$ 618	(42)	\$ 943	\$ 1,996	(53)

The footnote in the table above is shown in the "Footnotes to the Results of Operations and Selected Operating Data by Segment Tables" section of this MD&A.

NM - Not meaningful

Three Months Ended September 30, 2023 Compared with Three Months Ended September 30, 2022

Total revenues increased \$207 million in the third quarter of 2023 compared to 2022 driven primarily by higher volume. Americas RAC increased \$130 million and International RAC increased \$76 million. International RAC revenues were also impacted by a favorable \$26 million fx impact in the third quarter of 2023.

DOE increased \$217 million in the third quarter of 2023 compared to 2022, with increases of \$164 million and \$53 million in our Americas RAC and International RAC segments, respectively. DOE in our Americas RAC segment increased due primarily to increased volume. Additionally, DOE in Americas RAC benefited from cost saving initiatives in the third quarter of 2023 which were offset by higher collision and damage costs. We expect collision and damage costs to remain elevated into the fourth quarter of 2023 in our Americas RAC segment. DOE in our International RAC segment increased due primarily to increased volume.

Depreciation of revenue earning vehicles and lease charges, net increased \$207 million in the third quarter of 2023 compared to 2022 of which \$162 million is attributed to our Americas RAC segment due primarily to lower per unit gains recognized on vehicle dispositions and an increase in Average Vehicles, partially offset by longer vehicle holding periods resulting in lower depreciation rates. Depreciation of revenue earning vehicles and lease charges, net for our International RAC segment increased \$45 million due primarily to an increase in Average Vehicles, lower per unit gains recognized on vehicle dispositions and increased vehicle acquisition costs.

SG&A decreased \$37 million in the third quarter of 2023 compared to 2022. Factors impacting SG&A in the quarter were due primarily to lower personnel costs largely resulting from decreased incentive compensation, non-cash stock-based compensation costs in our corporate operations and a reduction in litigation reserves in our

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International RAC segment, partially offset by increased IT costs and advertising spend in our Americas RAC segment.

Vehicle interest expense, net increased \$136 million in the third quarter of 2023 compared to 2022 due primarily to reduced unrealized gains on interest rate caps, higher benchmark rates on the HVF III 2021-A Notes, higher average interest rates and higher debt levels, primarily in our Americas RAC segment, resulting primarily from the issuance of the HVF III Series 2023 Notes.

Non-vehicle interest expense, net increased \$19 million in the third quarter of 2023 compared to 2022 due primarily to higher benchmark rates, partially offset by interest income due to higher market rates.

For the three months ended September 30, 2023, we recorded a tax benefit of \$68 million, which resulted in an effective tax rate of (30%). For the three months ended September 30, 2022, we recorded a tax provision of \$71 million, which resulted in an effective tax rate of 12%. The change in tax in the three months ended September 30, 2023 compared to 2022 is driven primarily by benefits from electric vehicle credits generated in 2023 and lower pre-tax income, offset by lower valuation allowance releases.

Nine Months Ended September 30, 2023 Compared with Nine Months Ended September 30, 2022

Total revenues increased \$538 million in the nine months ended September 30, 2023 compared to 2022 due to an increase of \$345 million and \$193 million in our Americas RAC and International RAC segments, respectively, due to higher volume. International RAC revenues were impacted by a favorable \$8 million fx impact in the nine months ended September 30, 2023.

DOE increased \$533 million in the nine months ended September 30, 2023 compared to 2022 with increases of \$437 million and \$96 million in our Americas RAC and International RAC segments, respectively. The increase in Americas RAC DOE was due primarily to increased volume. Additionally, DOE in Americas RAC benefited from cost saving initiatives in 2023 which were offset by higher collision and damage costs. We expect collision and damage costs to remain elevated into the fourth quarter of 2023 in our Americas RAC segment. DOE for International RAC increased due primarily to increased volume.

Depreciation of revenue earning vehicles and lease charges, net increased \$870 million in the nine months ended September 30, 2023 compared to 2022, primarily driven by our Americas RAC segment. The increase of \$816 million in our Americas RAC segment was due primarily to lower per unit gains recognized on vehicle dispositions, an increase in Average Vehicles and lower volume of vehicle dispositions in 2023, partially offset by longer vehicle holding periods resulting in lower depreciation rates. Depreciation of revenue earning vehicles and lease charges, net for our International RAC segment increased \$55 million due primarily to an increase in Average Vehicles, lower gains on vehicle dispositions and higher vehicle acquisition costs, partially offset by a higher volume of vehicle dispositions in 2023.

SG&A decreased \$23 million in the nine months ended September 30, 2023 compared to 2022 due primarily to lower personnel costs largely resulting from decreased incentive compensation, decreased non-cash stock-based compensation costs in our corporate operations and a reduction in litigation reserves in our International RAC segment, partially offset by increased IT and personnel costs and advertising spend in our Americas RAC segment.

Vehicle interest expense, net increased \$328 million in the nine months ended September 30, 2023 compared to 2022 due primarily to reduced unrealized gain on interest rate caps, the realization of \$88 million of previously unrealized gains resulting from the unwind of certain interest rate caps in the first quarter of 2023, higher benchmark rates on the HVF III 2021-A Notes, and higher debt levels and higher average interest rates, primarily in our Americas RAC segment, resulting primarily from the issuance of the HVF III Series 2023 Notes. This was partially offset by a \$98 million realized gain on the unwind of certain interest rate caps in the first quarter of 2023.

Non-vehicle interest expense, net increased \$47 million in the nine months ended September 30, 2023 compared to 2022 due primarily to higher benchmark rates, partially offset by interest income due to higher market rates.

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In the nine months ended September 30, 2023, we recognized a gain of \$162 million on the sale of certain non-vehicle capital assets in our Americas RAC segment, as disclosed in Note 3, "Divestitures," in Part I, Item 1 of this Quarterly Report.

For the nine months ended September 30, 2023, we recorded a tax benefit of \$184 million, which resulted in an effective tax rate of (27%). For the nine months ended September 30, 2022, we recorded a tax provision of \$379 million, which resulted in an effective tax rate of 22%. The change in tax in the nine months ended September 30, 2023 compared to 2022 is driven by lower pre-tax income, benefits from electric vehicle credits generated in 2023, and the recognition of uncertain tax benefits related to our tax restructuring of European operations.

CONSOLIDATED RESULTS OF OPERATIONS – HERTZ GLOBAL

The above discussion for Hertz also applies to Hertz Global.

Hertz Global had income of \$328 million and \$110 million from the change in fair value of Public Warrants that was incremental to Hertz for the third quarter and nine months ended September 30, 2023, respectively, included in Hertz Global's unaudited condensed consolidated statements of operations in Part I, Item 1 of this Quarterly Report.

Hertz Global had income of \$73 million and \$584 million from the change in fair value of Public Warrants that was incremental to Hertz for the third quarter and nine months ended September 30, 2022, respectively, included in Hertz Global's unaudited condensed consolidated statements of operations in Part I, Item 1 of this Quarterly Report.

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(CONTINUED)

RESULTS OF OPERATIONS AND SELECTED OPERATING DATA BY SEGMENT

Americas RAC

(\$ In millions, except as noted)	Three Months Ended September 30,		Percent Increase/(Decrease)	Nine Months Ended September 30,		Percent Increase/(Decrease)
	2023	2022		2023	2022	
Total revenues	\$ 2,172	\$ 2,042	6%	\$ 5,917	\$ 5,573	6%
Depreciation of revenue earning vehicles and lease charges, net	\$ 414	\$ 252	64	\$ 1,035	\$ 220	NM
Direct vehicle and operating expenses	\$ 1,241	\$ 1,077	15	\$ 3,419	\$ 2,982	15
Direct vehicle and operating expenses as a percentage of total revenues	57 %	53 %		58 %	54 %	
Non-vehicle depreciation and amortization	\$ 27	\$ 29	(8)	\$ 82	\$ 85	(4)
Selling, general and administrative expenses	\$ 114	\$ 85	34	\$ 367	\$ 270	36
Selling, general and administrative expenses as a percentage of total revenues	5 %	4 %		6 %	5 %	
Vehicle interest expense	\$ 132	\$ 31	NM	\$ 338	\$ 68	NM
Adjusted EBITDA	\$ 302	\$ 564	(46)	\$ 894	\$ 1,975	(55)
Transaction Days (in thousands) ^(b)	34,278	29,653	16	94,626	84,392	12
Average Vehicles (in whole units) ^(f)	467,916	425,596	10	446,101	415,110	7
Average Rentable Vehicles (in whole units) ^(c)	442,353	397,488	11	422,595	390,071	8
Vehicle Utilization ^(c)	84 %	81 %		82 %	79 %	
Total RPD (in dollars) ^(d)	\$ 63.33	\$ 68.67	(8)	\$ 62.50	\$ 65.89	(5)
Total RPU Per Month (in whole dollars)	\$ 1,636	\$ 1,708	(4)	\$ 1,555	\$ 1,584	(2)
Depreciation Per Unit Per Month (in whole dollars) ^(f)	\$ 295	\$ 198	49%	\$ 258	\$ 59	NM
Percentage of program vehicles as of period end	1 %	— %		1 %	— %	

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

NM - Not meaningful

Three Months Ended September 30, 2023 Compared with Three Months Ended September 30, 2022

Total Americas RAC revenues increased \$130 million in the third quarter of 2023 compared to 2022 due to higher volume. The 16% increase in Transaction Days was driven by volume increases across most leisure categories and ride sharing. The decrease in Total RPD was driven by elevated rates in the third quarter of 2022 resulting from a significant surge in travel demand combined with tight fleetings. Airport revenues comprised 69% of total revenues for the segment in both the third quarter of 2023 and 2022.

Depreciation of revenue earning vehicles and lease charges, net for Americas RAC increased \$162 million in the third quarter of 2023 compared to 2022 due primarily to lower per unit gains recognized on vehicle dispositions and an increase in Average Vehicles, partially offset by longer vehicle holding periods resulting in lower depreciation rates. Average Vehicles increased in the third quarter of 2023 compared to 2022 due to sustained travel demand.

DOE for Americas RAC increased \$164 million in the third quarter of 2023 compared to 2022 due primarily to increased volume. Additionally, DOE benefited from cost saving initiatives in the third quarter of 2023 which were

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offset by higher collision and damage costs. We expect collision and damage costs to remain elevated into the fourth quarter of 2023.

SG&A for Americas RAC increased \$29 million in the third quarter of 2023 compared to 2022 due primarily to increased IT costs and advertising spend.

Vehicle interest expense for Americas RAC increased \$101 million in the third quarter of 2023 compared to 2022 due primarily to reduced unrealized gains on interest rate caps, higher benchmark rates on the HVF III 2021-A Notes, higher average interest rates and higher debt levels resulting primarily from the issuance of the HVF III Series 2023 Notes.

Nine Months Ended September 30, 2023 Compared with Nine Months Ended September 30, 2022

Total Americas RAC revenues increased \$345 million in the nine months ended September 30, 2023 compared to 2022 due to higher volume. The 12% increase in Transaction Days was driven primarily by volume increases across most leisure categories and ride sharing due to increased travel demand. The decrease in Total RPD was driven by elevated rates in 2022 resulting from a significant surge in travel demand combined with tight fleetings. Airport revenues comprised 69% of total revenues for the segment in the nine months ended September 30, 2023 as compared to 71% in the nine months ended September 30, 2022. Americas RAC revenues were also impacted by an unfavorable \$11 million fx impact in the nine months ended September 30, 2023.

Depreciation of revenue earning vehicles and lease charges, net for Americas RAC increased \$816 million in the nine months ended September 30, 2023 compared to 2022 due primarily to lower per unit gains recognized on vehicle dispositions, an increase in Average Vehicles and lower volume of vehicle dispositions in 2023, partially offset by longer vehicle holding periods resulting in lower depreciation rates. Average Vehicles increased in the nine months ended September 30, 2023 compared to 2022 due to sustained travel demand.

DOE for Americas RAC increased \$437 million in the nine months ended September 30, 2023 compared to 2022 due primarily to increased volume. Additionally, DOE benefited from cost saving initiatives in 2023 which were offset by higher collision and damage costs. We expect collision and damage costs to remain elevated into the fourth quarter of 2023. Americas RAC DOE was also impacted by an unfavorable \$7 million fx impact in the nine months ended September 30, 2023.

SG&A for Americas RAC increased \$97 million in the nine months ended September 30, 2023 compared to the nine months ended September 30, 2022 due primarily to increased IT and personnel costs and advertising spend.

Vehicle interest expense for Americas RAC increased \$269 million in the nine months ended September 30, 2023 compared to 2022 due primarily to the realization of \$88 million of previously unrealized gains resulting from the unwind of certain interest rate caps in the first quarter of 2023, higher benchmark rates on the HVF III 2021-A Notes, higher debt levels and higher average interest rates resulting primarily from the issuance of the HVF III Series 2023 Notes. This was partially offset by a \$98 million realized gain on the unwind of interest rate caps in the first quarter of 2023.

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International RAC

(\$ in millions, except as noted)	Three Months Ended September 30,			Percent Increase/(Decrease)	Nine Months Ended September 30,		
	2023	2022			2023	2022	Percent Increase/(Decrease)
Total revenues	\$ 531	\$ 454		17%	\$ 1,270	\$ 1,077	18%
Depreciation of revenue earning vehicles and lease charges, net	\$ 87	\$ 42		NM	\$ 176	\$ 121	46
Direct vehicle and operating expenses	\$ 258	\$ 206		26	\$ 651	\$ 554	17
Direct vehicle and operating expenses as a percentage of total revenues	49 %	45 %			51 %	51 %	
Non-vehicle depreciation and amortization	\$ 3	\$ 3		(7)	\$ 8	\$ 10	(17)
Selling, general and administrative expenses	\$ 40	\$ 53		(24)	\$ 122	\$ 142	(14)
Selling, general and administrative expenses as a percentage of total revenues	8 %	12 %			10 %	13 %	
Vehicle interest expense	\$ 30	\$ (4)		NM	\$ 67	\$ 9	NM
Adjusted EBITDA	\$ 109	\$ 150		(28)	\$ 258	\$ 269	(4)
Transaction Days (in thousands) ^(b)	8,817	7,470		18	21,962	18,796	17
Average Vehicles (in whole units) ^(f)	122,572	107,144		14	105,997	93,976	13
Average Rentable Vehicles (in whole units) ^(c)	119,914	106,020		13	103,861	93,012	12
Vehicle Utilization ^(c)	80 %	77 %			77 %	74 %	
Total RPD (in dollars) ^(d)	\$ 59.09	\$ 62.73		(6)	\$ 56.86	\$ 56.85	—
Total RPU Per Month (in whole dollars) ^(e)	\$ 1,448	\$ 1,473		(2)	\$ 1,336	\$ 1,277	5
Depreciation Per Unit Per Month (in whole dollars) ^(f)	\$ 229	\$ 135		69	\$ 180	\$ 141	28
Percentage of program vehicles as of period end	33 %	30 %			33 %	30 %	

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

NM - Not meaningful

Three Months Ended September 30, 2023 Compared with Three Months Ended September 30, 2022

Total revenues for International RAC increased \$76 million in the third quarter of 2023 compared to 2022 due to higher volume. Transaction Days increased 18% driven by higher volume in most leisure and business categories, primarily in Europe, due to increased travel demand. The decrease in Total RPD was driven by elevated rates in the third quarter of 2022 resulting from a significant surge in travel demand combined with tight fleetings. International RAC revenues were also impacted by a favorable \$26 million fx impact in the third quarter of 2023.

Depreciation of revenue earning vehicles and lease charges, net for International RAC in the third quarter of 2023 increased \$45 million compared to 2022 due primarily to an increase in Average Vehicles, lower per unit gains recognized on vehicle dispositions and increased vehicle acquisition costs. Depreciation of revenue earning vehicles and lease charges, net were also impacted by a favorable \$6 million fx impact in the third quarter of 2023. Average Vehicles for International RAC increased in the third quarter of 2023 due to sustained travel demand.

DOE for International RAC increased \$53 million in the third quarter of 2023 compared to 2022 due primarily to increased volume. International RAC DOE was also impacted by a favorable \$13 million fx impact in the third quarter of 2023.

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SG&A for International RAC in the third quarter of 2023 decreased \$13 million compared to 2022 due primarily to a reduction in litigation reserves and decreased incentive compensation.

Vehicle interest expense for International RAC increased \$34 million in the third quarter of 2023 compared to 2022 due primarily to higher market interest rates and higher debt levels resulting from the incorporation of the Italian fleet within the European ABS financing structure.

Nine Months Ended September 30, 2023 Compared with Nine Months Ended September 30, 2022

Total revenues for International RAC increased \$193 million in the nine months ended September 30, 2023 compared to 2022 due to higher volume. Transaction Days increased 17% driven primarily by higher volume in most leisure and business categories due to increased travel demand. Total RPD was flat compared to 2022. International RAC revenues were also impacted by a favorable \$8 million fx impact in the nine months ended September 30, 2023.

Depreciation of revenue earning vehicles and lease charges, net for International RAC increased \$55 million in the nine months ended September 30, 2023 compared to 2022 due primarily to an increase in Average Vehicles, lower per unit gains on vehicle dispositions and higher vehicle acquisition costs, partially offset by a higher volume of vehicle dispositions in 2023. Depreciation of revenue earning vehicles and lease charges, net were also impacted by a favorable \$5 million fx impact in the nine months ended September 30, 2023. Average Vehicles for International RAC increased in 2023 due to increased travel demand.

DOE for International RAC increased \$96 million in the nine months ended September 30, 2023 compared to 2022 due primarily to increased volume.

SG&A for International RAC decreased \$20 million in the nine months ended September 30, 2023 compared to 2022 due primarily to decreased incentive compensation and a reduction in litigation reserves.

Vehicle interest expense for International RAC increased \$58 million in the nine months ended September 30, 2023 compared to 2022 due primarily to higher market interest rates and higher debt levels resulting from the incorporation of the Italian fleet within the European ABS financing structure.

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

(a) Adjusted Corporate EBITDA is calculated as net income (loss), adjusted for income taxes; non-vehicle depreciation and amortization; non-vehicle debt interest, net; vehicle debt-related charges; restructuring and restructuring related charges; unrealized (gains) losses from financial instruments; gain on sale of non-vehicle capital assets; change in fair value of Public Warrants 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)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net income (loss)	\$ 299	\$ 503	\$ 853	\$ 1,359
Adjustments:				
Income tax provision (benefit)	(68)	71	(184)	379
Non-vehicle depreciation and amortization	33	36	100	105
Non-vehicle debt interest, net	63	43	170	123
Vehicle debt-related charges ⁽¹⁾	11	9	31	25
Restructuring and restructuring related charges ⁽²⁾	2	8	10	29
Unrealized (gains) losses on financial instruments ⁽³⁾	1	(55)	107	(120)
Gain on sale of non-vehicle capital assets ⁽⁴⁾	—	—	(162)	—
Other items ⁽⁵⁾	18	3	18	96
Adjusted Corporate EBITDA	<u>\$ 359</u>	<u>\$ 618</u>	<u>\$ 943</u>	<u>\$ 1,996</u>

Hertz Global

(In millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Net income (loss)	\$ 629	\$ 577	\$ 964	\$ 1,943
Adjustments:				
Income tax provision (benefit)	(70)	70	(185)	379
Non-vehicle depreciation and amortization	33	36	100	105
Non-vehicle debt interest, net	63	43	170	123
Vehicle debt-related charges ⁽¹⁾	11	9	31	25
Restructuring and restructuring related charges ⁽²⁾	2	8	10	29
Unrealized (gains) losses on financial instruments ⁽³⁾	1	(55)	107	(120)
Gain on sale of non-vehicle capital assets ⁽⁴⁾	—	—	(162)	—
Change in fair value of Public Warrants ⁽⁶⁾	(328)	(73)	(110)	(584)
Other items ⁽⁵⁾	18	3	18	96
Adjusted Corporate EBITDA	<u>\$ 359</u>	<u>\$ 618</u>	<u>\$ 943</u>	<u>\$ 1,996</u>

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

(2) Represents charges incurred under restructuring actions as defined in U.S. GAAP. Also includes restructuring related charges such as incremental costs incurred directly supporting business transformation initiatives.

(3) Represents unrealized (gains) losses on derivative financial instruments. In 2023, also includes the realization of \$88 million of previously unrealized gains resulting from the unwind of certain interest rate caps in the first quarter of 2023. See Note 10, "Financial Instruments," in Part I, Item 1 of this Quarterly Report.

(4) Represents gain on sale of certain non-vehicle capital assets sold in March 2023. See Note 3, "Divestitures," in Part I, Item 1 of this Quarterly Report.

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- (5) Represents miscellaneous items. For the three and nine months ended September 30, 2023, primarily includes certain IT-related costs, charges for certain storm-related vehicle damages and certain professional fees and charges related to the settlement of bankruptcy claims, partially offset by a loss recovery settlement. For the three and nine months ended September 30, 2022, primarily includes bankruptcy claims, certain professional fees and charges related to the settlement of bankruptcy claims and certain non-cash stock-based compensation charges recorded in the first half of the year.
- (6) Represents the change in fair value during the reporting period for Hertz Global's outstanding Public Warrants.
- (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) 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 and is determined using a simple average of such vehicles at the beginning and end of a given period.

	Americas RAC		International RAC	
	Three Months Ended September 30,			
	2023	2022	2023	2022
Transaction Days (in thousands)	34,278	29,653	8,817	7,470
Average Rentable Vehicles (in whole units)	442,353	397,488	119,914	106,020
Number of days in period (in whole units)	92	92	92	92
Available Car Days (in thousands)	40,709	36,585	11,035	9,754
Vehicle Utilization	84 %	81 %	80 %	77 %

	Americas RAC		International RAC	
	Nine Months Ended September 30,			
	2023	2022	2023	2022
Transaction Days (in thousands)	94,626	84,392	21,962	18,796
Average Rentable Vehicles (in whole units)	422,595	390,071	103,861	93,012
Number of days in period (in whole units)	273	273	273	273
Available Car Days (in thousands)	115,433	106,538	28,389	25,417
Vehicle Utilization	82 %	79 %	77 %	74 %

- (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	
	Three Months Ended September 30,			
	2023	2022	2023	2022
(\$ in millions, except as noted)				
Revenues	\$ 2,172	\$ 2,042	\$ 531	\$ 454
Foreign currency adjustment ⁽¹⁾	(1)	(6)	(10)	15
Total Revenues - adjusted for foreign currency	\$ 2,171	\$ 2,036	\$ 521	\$ 469
Transaction Days (in thousands)	34,278	29,653	8,817	7,470
Total RPD (in dollars)	\$ 63.33	\$ 68.67	\$ 59.09	\$ 62.73

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(\$ in millions, except as noted)	Americas RAC		International RAC	
	Nine Months Ended September 30,			
	2023	2022	2023	2022
Revenues	\$ 5,917	\$ 5,573	\$ 1,270	\$ 1,077
Foreign currency adjustment ⁽¹⁾	(3)	(12)	(21)	(8)
Total Revenues - adjusted for foreign currency	\$ 5,914	\$ 5,561	\$ 1,249	\$ 1,069
Transaction Days (in thousands)	94,626	84,392	21,962	18,796
Total RPD (in dollars)	\$ 62.50	\$ 65.89	\$ 56.86	\$ 56.85

(1) Based on December 31, 2022 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.

(\$ in millions, except as noted)	Americas RAC		International RAC	
	Three Months Ended September 30,			
	2023	2022	2023	2022
Total Revenues - adjusted for foreign currency	\$ 2,171	\$ 2,036	\$ 521	\$ 469
Average Rentable Vehicles (in whole units)	442,353	397,488	119,914	106,020
Total revenue per unit (in whole dollars)	\$ 4,908	\$ 5,123	\$ 4,345	\$ 4,420
Number of months in period (in whole units)	3	3	3	3
Total RPU Per Month (in whole dollars)	\$ 1,636	\$ 1,708	\$ 1,448	\$ 1,473

(\$ in millions, except as noted)	Americas RAC		International RAC	
	Nine Months Ended September 30,			
	2023	2022	2023	2022
Total Rental Revenues	\$ 5,914	\$ 5,561	\$ 1,249	\$ 1,069
Average Rentable Vehicles (in whole units)	422,595	390,071	103,861	93,012
Total revenue per unit (in whole dollars)	\$ 13,995	\$ 14,256	\$ 12,024	\$ 11,489
Number of months in period (in whole units)	9	9	9	9
Total RPU Per Month (in whole dollars)	\$ 1,555	\$ 1,584	\$ 1,336	\$ 1,277

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- (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:

(\$ in millions, except as noted)	Americas RAC		International RAC	
	Three Months Ended September 30,			
	2023	2022	2023	2022
Depreciation of revenue earning vehicles and lease charges, net	\$ 414	\$ 252	\$ 87	\$ 42
Foreign currency adjustment ⁽¹⁾	1	1	(3)	2
Adjusted depreciation of revenue earning vehicles and lease charges	\$ 415	\$ 253	\$ 84	\$ 44
Average Vehicles (in whole units)	467,916	425,596	122,572	107,144
Adjusted depreciation of revenue earning vehicles and lease charges divided by Average Vehicles (in whole dollars)	\$ 886	\$ 593	\$ 688	\$ 406
Number of months in period (in whole units)	3	3	3	3
Depreciation Per Unit Per Month (in whole dollars)	\$ 295	\$ 198	\$ 229	\$ 135

(\$ in millions, except as noted)	Americas RAC		International RAC	
	Nine Months Ended September 30,			
	2023	2022	2023	2022
Depreciation of revenue earning vehicles and lease charges, net	\$ 1,035	\$ 220	\$ 176	\$ 121
Foreign currency adjustment ⁽¹⁾	1	1	(4)	(2)
Adjusted depreciation of revenue earning vehicles and lease charges	\$ 1,036	\$ 221	\$ 172	\$ 119
Average Vehicles (in whole units)	446,101	415,110	105,997	93,976
Adjusted depreciation of revenue earning vehicles and lease charges divided by Average Vehicles (in whole dollars)	\$ 2,323	\$ 532	\$ 1,621	\$ 1,271
Number of months in period (in whole units)	9	9	9	9
Depreciation Per Unit Per Month (in whole dollars)	\$ 258	\$ 59	\$ 180	\$ 141

(1) Based on December 31, 2022 foreign currency exchange rates for all periods presented.

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 September 30, 2023, we had \$594 million of cash and cash equivalents and \$462 million of restricted cash and cash equivalents. As of September 30, 2022, \$290 million of cash and cash equivalents and \$58 million of restricted cash and cash equivalents were held by our subsidiaries outside of the U.S. We continue to assert non-permanent reinvestment of foreign earnings that give rise to excess cash, provided such cash can be remitted in a tax efficient manner.

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 for at least the next twelve months.

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Cash Flows - Hertz

As of September 30, 2023 and December 31, 2022, Hertz had cash and cash equivalents of \$594 million and \$943 million, respectively, and restricted cash and cash equivalents of \$462 million and \$475 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)	Nine Months Ended		\$ Change
	September 30,		
	2023	2022	
Cash provided by (used in):			
Operating activities	\$ 1,907	\$ 2,261	\$ (354)
Investing activities	(4,108)	(3,473)	(635)
Financing activities	1,836	120	1,716
Effect of exchange rate changes	3	(50)	53
Net change in cash and cash equivalents and restricted cash and cash equivalents	\$ (362)	\$ (1,142)	\$ 780

During the nine months ended September 30, 2023, cash flows from operating activities decreased \$354 million period over period due primarily to a \$359 million change in working capital accounts, partially offset by a \$5 million change in net income, as adjusted for non-cash and non-operating items. Cash flows from working capital accounts decreased due primarily to a reduction in accrued liabilities due in part to incentive payments in 2023 and bankruptcy claims in 2022. Additionally, cash flows from working capital accounts decreased due to higher value added tax receivables in 2023 associated with vehicle acquisitions.

Our primary investing activities relate to the acquisition and disposal of revenue earning vehicles. During the nine months ended September 30, 2023, there was a \$635 million increase in the cash used in investing activities period over period due primarily to a \$751 million increase in revenue earning vehicle expenditures, net, partially offset by \$168 million of net proceeds received in 2023 from the sale of certain non-vehicle capital assets as disclosed in Note 3, "Divestitures," in Part I, Item 1 of this Quarterly Report. The increase in revenue earning vehicle expenditures, net primarily resulted from lower per unit gains recognized on vehicle dispositions in the 2023 period in our Americas RAC and International RAC segments and increased vehicle acquisition costs in our International RAC segment

Net financing cash inflows were \$1.8 billion in the nine months ended September 30, 2023 compared to \$120 million in the 2022 period. The \$1.7 billion increase in cash inflows is due primarily to a \$1.9 billion reduction in dividends paid to Hertz Holdings in 2023, which were primarily used for share repurchases in 2022. Net financing cash inflows in the nine months ended September 30, 2023 also increased as a result of a \$151 million increase in net proceeds from non-vehicle debt resulting primarily from outstanding draws on the First Lien RCF in the second and third quarters of 2023, partially offset by a decrease of \$326 million in net proceeds from vehicle debt as a result of less issuances in 2023 versus 2022.

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Cash Flows - Hertz Global

As of September 30, 2023 and December 31, 2022, Hertz Global had cash and cash equivalents of \$594 million and \$943 million, respectively, and restricted cash and cash equivalents of \$462 million and \$475 million, respectively. The following table summarizes the net change in cash and cash equivalents and restricted cash and cash equivalents for Hertz Global the periods shown:

(In millions)	Nine Months Ended September 30,		\$ Change
	2023	2022	
Cash provided by (used in):			
Operating activities	\$ 1,910	\$ 2,261	\$ (351)
Investing activities	(4,108)	(3,473)	(635)
Financing activities	1,833	119	1,714
Effect of exchange rate changes	3	(50)	53
Net change in cash and cash equivalents and restricted cash and cash equivalents	\$ (362)	\$ (1,143)	\$ 781

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 cash inflows or outflows related to the repurchase of our common stock and the exercise of Public Warrants as disclosed in Note 8, "Public Warrants, Equity and Earnings (Loss) Per Common Share – Hertz Global," in Part I, Item 1 of this Quarterly Report.

Share Repurchase Programs for Common Stock

In November 2021, Hertz Global's independent Audit Committee recommended, and its Board of Directors 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. During the second quarter of 2022, the 2021 Share Repurchase Program was completed. A total of 97,783,047 shares of Hertz Global common stock were repurchased since the inception of the 2021 Share Repurchase Program for an aggregate purchase price of \$2.0 billion.

In June 2022, Hertz Global's independent Audit Committee recommended, and its 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. During the three and nine months ended September 30, 2023, a total of 3,022,385 and 15,024,640 shares of Hertz Global's common stock were repurchased under the 2022 Share Repurchase Program at an average share price of \$16.57 and \$16.65 for an aggregate purchase price of \$50 million and \$250 million, excluding applicable excise tax, respectively. As of September 30, 2023, a total of 62,327,649 shares of Hertz Global's common stock have been repurchased since the inception of the 2022 Share Repurchase Program for an aggregate purchase price of \$1.1 billion, excluding applicable excise tax.

Common shares repurchased are included in treasury stock in the accompanying Hertz Global unaudited condensed consolidated balance sheet as of September 30, 2023 and December 31, 2022 in Part I, Item I of this Quarterly Report.

Between October 1, 2023 and October 19, 2023, a total of 992,371 shares of Hertz Global's common stock were repurchased at an average share price of \$11.14 for an aggregate purchase price of \$11 million, excluding applicable excise tax.

Hertz Global funded the share repurchases with available cash and dividend distributions from Hertz.

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Debt Financing

Refer to Note 5, "Debt," in Part I, Item 1 of this Quarterly Report for information on our outstanding debt obligations and our borrowing capacity and availability under our revolving credit facilities as of September 30, 2023.

Cash paid for interest on vehicle debt during the nine months ended September 30, 2023 and 2022 was \$341 million and \$151 million, respectively. The \$190 million increase in cash paid for vehicle debt interest is due primarily to higher interest rates and higher debt levels. Cash paid for interest on non-vehicle debt during the nine months ended September 30, 2023 and 2022 was \$170 million and \$97 million, respectively. The \$73 million increase in cash paid for non-vehicle debt interest is due primarily to higher interest rates and outstanding borrowings on the First Lien RCF during 2023.

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

<u>(In millions)</u>	<u>September 30, 2023</u>	<u>December 31, 2022</u>
Cash and cash equivalents	\$ 594	\$ 943
Availability under the First Lien RCF	1,103	1,514
Corporate liquidity	<u>\$ 1,697</u>	<u>\$ 2,457</u>

Non-vehicle Debt

In March 2023, Hertz increased the aggregate committed amount of the First Lien RCF from \$1.9 billion to \$2.0 billion.

In May 2023, Hertz amended the First Lien Credit Agreement to change the benchmark interest rate on the Term B Loan and the Term C Loan from USD LIBOR to SOFR in connection with the cessation of USD LIBOR.

Letters of Credit

As of September 30, 2023, there were outstanding standby letters of credit totaling \$1.0 billion comprised primarily of \$747 million issued under the First Lien RCF and \$245 million issued under the Term C Loan. As of September 30, 2023, no capacity remains to issue letters of credit under the Term C Loan. Such letters of credit have been issued primarily to provide credit enhancement for our asset-backed securitization facilities and to support our insurance programs, as well as to support our vehicle rental concessions and leaseholds. As of September 30, 2023, none of the issued letters of credit were drawn.

Vehicle Debt

Americas RAC

HVF III U.S. Vehicle Variable Funding Notes

The HVF III Series 2021-A Notes were amended in June 2023 to increase the maximum principal amount that may be outstanding from \$3.9 billion to \$4.1 billion. Additionally, the maturity dates of the Series 2021-A Class A Notes and Class B Notes were extended to June 2025 and August 2025, respectively.

HVF III U.S. Vehicle Medium Term Notes

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(CONTINUED)

The following HVF III Series 2023 Fixed Rate Rental Car Asset Backed Notes (the "HVF III Series 2023 Notes") were issued during the nine months ended September 30, 2023:

- HVF III Series 2023-1 Notes, issued in March 2023, in an aggregate principal amount of \$500 million. At the time of issuance, Hertz, an affiliate of HVF III, purchased the Class D Notes in an aggregate principal amount of \$40 million.
- HVF III Series 2023-2 Notes, issued in March 2023, in an aggregate principal amount of \$300 million.
- HVF III Series 2023-3 Notes and Series 2023-4 Notes, issued in August 2023, in aggregate principal amounts of \$500 million, respectively.

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

At the time of each respective issuance, proceeds from the HVF III Series 2023 Notes were used primarily to repay amounts outstanding on the Series 2021-A Notes, with any remaining funds used for the purchase or refinancing of certain eligible vehicles.

HVF III Series Class D Notes: At the time of initial issuance of the Class D Notes, Hertz, an affiliate of HVF III, purchased the Class D Notes. In September 2023, Hertz sold the Class D Notes to third parties.

<u>(In millions)</u>	Aggregate Principal Amount
HVF III Series 2022-2 Class D Notes	\$ 98
HVF III Series 2022-5 Class D Notes	47
HVF III Series 2023-1 Class D Notes	40
Total	\$ 185

Repurchase Facilities

As of September 30, 2023, there were no repurchase transactions outstanding under the Repurchase Facilities.

Hertz Canadian Securitization

The Hertz Canadian Securitization was amended in June 2023 to provide for aggregate maximum borrowings of CAD\$475 million and to extend the maturity date to June 2025. Additionally, the Hertz Canadian Securitization was amended to provide for aggregate maximum borrowings of CAD\$575 million for a seasonal commitment period through November 2023. Following the expiration of the seasonal commitment period, aggregate maximum borrowings will revert to CAD\$475 million.

International RAC

European ABS

The European ABS was amended in September 2023 to (i) increase the aggregate maximum borrowings to €1.2 billion, (ii) extend the maturity date to March 2026 and (iii) amend certain other provisions to provide for further operating flexibility.

New Zealand RCF

The New Zealand RCF was amended in March 2023 to extend its seasonal commitment period and provide for aggregate maximum borrowings of NZD\$80 million with step downs in committed capacity through May 2023. Following the expiration of the seasonal commitment period, aggregate maximum borrowings reverted to NZD\$60 million.

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**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(CONTINUED)**

The New Zealand RCF was amended in August 2023 to provide for aggregate maximum borrowings of NZD\$120 million and to extend the maturity date to June 2025.

Australian Securitization

The Australian Securitization was amended in June 2023 to provide for aggregate maximum borrowings of AUD\$340 million and to extend the maturity date to June 2025.

U.K. Financing Facility

The U.K. Financing Facility was amended in June 2023 to provide for aggregate maximum borrowings of £135 million and to extend the maturity date to November 2024. Additionally, the U.K. Financing Facility was amended to provide for aggregate maximum borrowings of £155 million for a seasonal commitment period through October 2023. Following the expiration of the seasonal commitment period, aggregate maximum borrowings will revert to £135 million.

Substantially all of our 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 and asset-backed securities programs. None of the value of such assets (including the assets owned by Hertz Vehicle Financing III LLC and various international subsidiaries that facilitate our international securitizations) will be available to satisfy the claims of unsecured creditors unless the secured creditors are paid in full.

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. As of September 30, 2023, 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 interests 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 September 30, 2023, we were in compliance with all covenants in the First Lien Credit Agreement.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(CONTINUED)

Capital Expenditures

Revenue Earning Vehicles Expenditures and Disposals

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

<u>Cash inflow (cash outflow)</u>	<u>Revenue Earning Vehicles</u>		
	<u>Capital Expenditures</u>	<u>Disposal Proceeds</u>	<u>Net Capital Expenditures</u>
(In millions)			
2023			
First Quarter	\$ (2,824)	\$ 1,206	\$ (1,618)
Second Quarter	(3,719)	1,560	(2,159)
Third Quarter	(1,769)	1,412	(357)
Total	<u>\$ (8,312)</u>	<u>\$ 4,178</u>	<u>\$ (4,134)</u>
2022			
First Quarter	\$ (2,985)	\$ 1,471	\$ (1,514)
Second Quarter	(3,104)	1,416	(1,688)
Third Quarter	(1,764)	1,583	(181)
Total	<u>\$ (7,853)</u>	<u>\$ 4,470</u>	<u>\$ (3,383)</u>

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

<u>Cash inflow (cash outflow)</u>	<u>Nine Months Ended</u>		<u>\$ Change</u>	<u>% Change</u>
	<u>September 30,</u>			
<u>(\$ in millions)</u>	<u>2023</u>	<u>2022</u>		
Americas RAC	\$ (3,237)	\$ (2,651)	\$ (586)	22
International RAC	(897)	(732)	(165)	23
Total	<u>\$ (4,134)</u>	<u>\$ (3,383)</u>	<u>\$ (751)</u>	22

Revenue earning vehicle expenditures increased \$459 million, or 6%, in the nine months ended September 30, 2023 compared to the 2022 period, primarily in our International RAC segment, resulting from increased vehicle acquisition costs. Revenue earning vehicle disposal proceeds decreased \$292 million for the nine months ended September 30, 2023 compared to the 2022 period resulting primarily from lower per unit gains recognized on vehicle dispositions in our Americas RAC segment.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(CONTINUED)

Non-Vehicle Capital Asset Expenditures and Disposals

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

<u>Cash inflow (cash outflow)</u>	<u>Non-Vehicle Capital Assets</u>		
	<u>Capital Expenditures</u>	<u>Disposal Proceeds</u>	<u>Net Capital Expenditures</u>
(In millions)			
2023			
First Quarter	\$ (45)	\$ 175	\$ 130
Second Quarter	(78)	1	(77)
Third Quarter	(28)	2	(26)
Total	<u>\$ (151)</u>	<u>\$ 178</u>	<u>\$ 27</u>
2022			
First Quarter	\$ (30)	\$ 1	\$ (29)
Second Quarter	(29)	5	(24)
Third Quarter	(45)	4	(41)
Total	<u>\$ (104)</u>	<u>\$ 10</u>	<u>\$ (94)</u>

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

<u>Cash inflow (cash outflow)</u>	<u>Nine Months Ended September 30,</u>		<u>\$ Change</u>	<u>% Change</u>
	<u>2023</u>	<u>2022</u>		
(\$ in millions)				
Americas RAC	\$ 75	\$ (81)	\$ 156	NM
International RAC	(12)	(8)	(4)	50
Corporate	(36)	(5)	(31)	NM
Total	<u>\$ 27</u>	<u>\$ (94)</u>	<u>\$ 121</u>	NM

NM - Not meaningful

In the nine months ended September 30, 2023, proceeds for non-vehicle capital assets increased by \$168 million compared to 2022, primarily in our Americas RAC segment, resulting primarily from the sale of certain non-vehicle capital assets as disclosed in Note 3, "Divestitures," in Part I, Item 1 of this Quarterly Report. In the nine months ended September 30, 2023, expenditures for non-vehicle capital assets increased by \$47 million compared to the 2022 period, primarily in our corporate operations, driven in part by increased IT-related and electric vehicle charging infrastructure spend.

CONTRACTUAL OBLIGATIONS

As of September 30, 2023, there have been no material changes outside of the ordinary course of business with respect to our material cash requirements for our known contractual and other obligations as set forth in the table included in Part II, Item 7 of our 2022 Form 10-K. Changes to our aggregate indebtedness, including related interest and terms of new issuances, are disclosed in Note 5, "Debt," in Part I, Item 1 of this Quarterly Report.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(CONTINUED)

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

Indemnification Obligations

There have been no significant changes to our indemnification obligations as compared to those disclosed in Note 15, "Contingencies and Off-Balance Sheet Commitments," in Part II, Item 8 of our 2022 Form 10-K.

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.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

There have been no significant changes due to recently issued accounting pronouncements as compared to those disclosed in Note 2, "Significant Accounting Policies," in Part II, Item 8 of our 2022 Form 10-K.

**ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(CONTINUED)****CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

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

Important factors that could affect our actual results and cause them to differ materially from those expressed in forward-looking statements include, among other things, those that may be disclosed from time to time in subsequent reports filed with or furnished to the SEC, those described under Item 1A, "Risk Factors," included in our 2022 Form 10-K and this Quarterly Report and the following, which were derived in part from the risks set forth in Item 1A, "Risk Factors," of our 2022 Form 10-K and this Quarterly Report:

- 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 and inflationary pressures;
- 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 particularly 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, execute our rideshare strategy and to play a central role in the modern mobility ecosystem;
- uncertainty with respect to the economics of electric vehicles, including those driven by customer demand, pricing, maintenance, incidence rate and cost of collision and damages, and residual value volatility;
- our ability to adequately respond to changes in technology impacting the mobility industry;
- the mix of vehicles in our fleet, including but not limited to program and non-program vehicles, which can lead to increased exposure to residual risk upon disposition;
- increases in vehicle holding periods, which may result in additional maintenance costs and lower customer satisfaction;
- financial instability of the manufacturers of our vehicles, which could impact their ability to fulfill obligations under repurchase or guaranteed depreciation programs;
- increases in the level of recall activity by the manufacturers of our vehicles, which may increase our costs and can disrupt our rental activity;
- our access to third-party distribution channels and related prices, commission structures and transaction volumes associated with those channels;

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS
(CONTINUED)

- *our ability to offer an excellent customer experience, retain and increase customer loyalty and increase 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;*
- *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 offset future tax on fleet dispositions, 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 environmental, social and governance ("ESG") regulations, meet increasing ESG expectations of stakeholders, and otherwise achieve 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 Quarterly 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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ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

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

There have been no material changes to the information reported under Part II, Item 7A of our 2022 Form 10-K.

ITEM 4. CONTROLS AND PROCEDURES

HERTZ GLOBAL

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 Quarterly Report. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of September 30, 2023, our disclosure controls and procedures were effective.

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 September 30, 2023 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

HERTZ

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 Quarterly Report. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of September 30, 2023, our disclosure controls and procedures were effective.

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 September 30, 2023 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

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PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

For a description of certain pending legal proceedings see Note 12, "Contingencies and Off-Balance Sheet Commitments," in Part I, Item 1 of this Quarterly Report.

ITEM 1A. RISK FACTORS

Part I, Item 1A of our 2022 Form 10-K for the year ended December 31, 2022 includes certain risk factors that could materially affect our business, financial condition or future results. There have been no material changes to those risk factors.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES, USE OF PROCEEDS, AND ISSUER PURCHASES OF EQUITY SECURITIES

The following table provides a breakdown of our equity security repurchases during the third quarter of 2023.

	(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)
Common Stock				
July 1 – July 31, 2023	873,550	\$ 18.17	873,550	\$ 949,479
August 1 – August 31, 2023	1,079,722	\$ 16.93	1,079,722	\$ 931,199
September 1 – September 30, 2023	1,069,113	\$ 14.89	1,069,113	\$ 915,279
Total	3,022,385	\$ 16.57	3,022,385	\$ 915,279

In November 2021, Hertz Global's independent Audit Committee recommended, and its Board of Directors 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. During the second quarter of 2022, the 2021 Share Repurchase Program was completed. A total of 97,783,047 shares of Hertz Global common stock were repurchased since the inception of the 2021 Share Repurchase Program for an aggregate purchase price of \$2.0 billion.

In June 2022, Hertz Global's independent Audit Committee recommended, and its 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. During the three and nine months ended September 30, 2023, a total of 3,022,385 and 15,024,640 shares of Hertz Global's common stock were repurchased under the 2022 Share Repurchase Program at an average share price of \$16.57 and \$16.65 for an aggregate purchase price of \$50 million and \$250 million, excluding applicable excise tax, respectively. As of September 30, 2023, a total of 62,327,649 shares of Hertz Global's common stock have been repurchased since the inception of the 2022 Share Repurchase Program for an aggregate purchase price of \$1.1 billion, excluding applicable excise tax.

Repurchases under the 2022 Share Repurchase Program may be made from time to time in the open market, pursuant to pre-set trading plans meeting the requirements of Rule 10b5-1 under the Securities Exchange Act of 1934, in private transactions or otherwise. The authorization does not have a stated expiration date. The timing and actual number of shares to be repurchased in the future will depend on a variety of factors, including the Company's financial position, earnings, share price, market conditions and other factors. The repurchase program does not obligate Hertz Global to acquire any particular amount of common stock and may be discontinued at any time. There can be no assurance as to the timing or number of any share repurchases.

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ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 5. OTHER INFORMATION

During the quarter ended September 30 2023, no director or officer has entered into any (i) contract or written plan for the purchase or sale of securities of Hertz Global intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act or (ii) any non-Rule 10b5-1 trading arrangement.

ITEM 6. EXHIBITS

(a) Exhibits:

The attached list of exhibits in the "Exhibit Index" immediately preceding the signature page to this Quarterly Report is filed as part of this Quarterly Report and is incorporated herein by reference in response to this item.

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EXHIBIT INDEX

Exhibit Number		Description
10.1	Hertz Holdings Hertz	<u>Series 2023-3 Supplement, dated as of August 24, 2023, 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 August 24, 2023).</u>
10.2	Hertz Holdings Hertz	<u>Series 2023-4 Supplement, dated as of August 24, 2023, 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 August 24, 2023).</u>
10.3	Hertz Holdings Hertz	<u>Amended and Restated Issuer Facility Agreement, amended and restated on September 22, 2023, 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/A of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on September 26, 2023).</u>
10.4	Hertz Holdings Hertz	<u>Amended and Restated Dutch Master Lease and Servicing Agreement, amended and restated on September 22, 2023, 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>
10.5	Hertz Holdings Hertz	<u>Amended and Restated French Master Lease and Servicing Agreement, amended and restated on September 22, 2023, 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>
10.6	Hertz Holdings Hertz	<u>Amended and Restated German Master Lease and Servicing Agreement, amended and restated on September 22, 2023, 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>
10.7	Hertz Holdings Hertz	<u>Amended and Restated Spanish Master Lease and Servicing Agreement, amended and restated on September 22, 2023, 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>

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EXHIBIT INDEX (Continued)

Exhibit Number	Description	Description
10.8	Hertz Holdings Hertz	Amended and Restated Master Definitions and Constructions Agreement, amended and restated on September 22, 2023, 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/A of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on September 26, 2023).
10.9	Hertz Holdings Hertz	Offer Letter between Alexandra Brooks and Hertz Global Holdings, Inc. dated July 25, 2023.†*
31.1	Hertz Holdings	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a).*
31.2	Hertz Holdings	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a).*
31.3	Hertz	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a).*
31.4	Hertz	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a).*
32.1	Hertz Holdings	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350.**
32.2	Hertz Holdings	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350.**
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)

† Indicates management contract or compensatory plan or arrangement.

* Filed herewith

** Furnished herewith

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

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

Date: October 26, 2023

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

By: */s/* ALEXANDRA BROOKS

Alexandra Brooks
Executive Vice President and Chief Financial Officer (Principal Financial Officer and Authorized Signatory)

Originally dated 25 September 2018, as amended and restated on 29 April 2021, 21 December 2021, 21 June 2022 and 20 December 2022 and further amended and restated on 22 September 2023

STUURGROEP FLEET (NETHERLANDS) B.V.

as Lessor

and

HERTZ AUTOMOBIELEN NEDERLAND B.V.

as Lessee and Servicer

Those Permitted Lessees from time to time becoming Lessees hereunder

and

BNP PARIBAS TRUST CORPORATION UK LIMITED

as Dutch Security Trustee

DUTCH MASTER LEASE AND SERVICING AGREEMENT

Linklaters

Ref: L-269083

Linklaters LLP

WEIL:

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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, 21 June 2022 and 20 December 2022 and further amended and restated on 22 September 2023 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;
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- (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 100 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.

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.

- (c) With respect to Non-Program Vehicles only and during the Revolving Period, the Servicer shall be able to negotiate on behalf of the Dutch FleetCo the terms of an Intra-Group Vehicle Purchasing Agreement with other FleetCos or OpCos or other Affiliates of the Dutch FleetCo located in a different jurisdiction than the jurisdiction where the FleetCo is located, for the purchase of Non-Program Vehicles, provided that the following requirements are satisfied at all times:
 - (i) the purchase price to be paid for the purchase of the Non-Program Vehicles shall be the Net Book Value (as determined under US GAAP) of such Non-Program Vehicle;
 - (ii) an Intra-Group Vehicle Purchasing Agreement for Non-Program Vehicle shall be entered into each time any such Non-Program Vehicle is acquired pursuant to this Sub-Clause, in form and substance substantially the same

as the template Intra-Group Vehicle Purchasing Agreement set out in Schedule 5 (*Draft Intra-Group Vehicle Purchasing Agreement*);

- (iii) once a Non-Program Vehicle is acquired by the Dutch FleetCo pursuant to an Intra-Group Vehicle Purchasing Agreement, the same Non-Program Vehicle may not be transferred or sold to any other FleetCo or Opco or other Affiliates of the Dutch FleetCo other than the disposal of such Non-Program vehicle at the expiry of the relevant Lease Term; and
 - (iv) following a Level 1 Minimum Liquidity Breach, the Servicer shall not be able to negotiate on behalf of the Dutch FleetCo the terms of an intra-group vehicle purchasing agreement with other FleetCos or OpCos.
- (d) The purchase of vehicles between Fleetcos and Opcos pursuant to the above paragraph shall cease if a Level 1 Minimum Liquidity Test Breach occurs.

6.4 Servicing Standard and Data Protection

In addition to the duties enumerated in Clause 6.2 (*Servicer Functions with Respect to Lease Vehicle Returns, Disposition and Invoicing*) and 6.3 (*Required Contractual Criteria*), the Servicer agrees to perform each of its obligations hereunder in accordance with the Servicing Standard, unless otherwise stated.

In addition, where necessary to enable the Servicer to deliver the services hereunder, for such purposes the Lessor authorises the Servicer to process personal data on behalf of the Lessor in accordance with this Clause 6.4. When the Servicer processes such personal data, the Servicer shall take appropriate technical and organisational measures designed to protect against unauthorised or unlawful processing or personal data and against accidental loss or destruction of, or damage to, personal data. In particular, the Servicer shall process personal data only for the purposes contemplated by this Agreement and shall act only on the instructions of the Lessor (given for such purposes) and shall comply at all times with the principles and provisions set out in the Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (and any subsequent amendments thereto) as if applicable to the Servicer directly and any other applicable laws. The Servicer shall answer the reasonable enquiries of the Lessor to enable the Lessor to monitor the Servicer's compliance with this Clause 6.4 and the Servicer shall not sub-contract its processing of personal data without the prior written consent of the Lessor.

6.5 Servicer Acknowledgment

The parties to this Agreement acknowledge and agree that Hertz Automobielen Nederland B.V. acts as Servicer of the Lessor pursuant to this Agreement, and, in such capacity, as the agent of the Lessor, for the purposes of performing certain duties of the Lessor under this Agreement and the Dutch Related Documents.

6.6 Servicer's Monthly Fee

6.6.1 As compensation for the Servicer's performance of its duties, the Lessor shall pay to or at the direction of the Servicer on each Payment Date (i) a fee (the "**Dutch Monthly Servicing Fee**") equal to one-twelfth of the Dutch Servicing Fee and (ii) the reasonable costs and expenses of the Servicer incurred by it during the Related

Month as a result of arranging for the sale of Lease Vehicles returned to the Lessor in accordance with Clause 2.5.1 (*Lessee Right to Return*), provided, however, that such costs and expenses shall only be payable to or at the direction of the Servicer to the extent of any excess of the sale price received by or on behalf of the Lessor for any such Lease Vehicle over the Net Book Value thereof.

- 6.6.2 All payments required to be made by any party under this Agreement shall be calculated without reference to any set-off or counterclaim and shall be made free and clear of and without any deduction for or on account of any set-off or counterclaim, except that (i) any fees and expenses or other amounts due and payable by the Lessor to the Servicer shall be set off against (ii) any amount owed by the Servicer in such capacity (or as Lessee) to the Lessor at such time under this Agreement.

6.7 Sub-Servicers

The Servicer may delegate to any Person (each such delegee, in such capacity, a “**Sub-Servicer**”) the performance of part (but not all) of the Servicer’s obligations as Servicer pursuant to this Agreement on the condition that:

- 6.7.1 the Servicer shall maintain up-to-date records of the Servicer’s obligations as Servicer which have been delegated to any Sub-Servicer, and such records shall contain the name and contact information of the Sub-Servicer;
- 6.7.2 in delegating any of its obligations as Servicer to a Sub-Servicer, the Servicer shall act as principal and not as an agent of the Lessor and shall use reasonable skill and care in choosing a Sub-Servicer;
- 6.7.3 the Servicer shall not be released or discharged from any liability under this Agreement, and no liability shall be diminished, and the Servicer shall remain primarily liable for the performance of all of the obligations of the Servicer under this Agreement;
- 6.7.4 the performance or non-performance and the manner of performance by any Sub-Servicer of any of the obligations of the Servicer as Servicer shall not affect the Servicer’s obligations under this Agreement;
- 6.7.5 any breach in the performance of the Servicer’s obligations as Servicer by a Sub-Servicer shall be treated as a breach of this Agreement by the Servicer, subject to the Servicer being entitled to remedy such breach for a period of 14 Business Days of the earlier of:
- (A) the Servicer becoming aware of the breach; and
 - (B) receipt by the Servicer of written notice from the Lessor or the Dutch Security Trustee requiring the same to be remedied; and
- 6.7.6 neither the Lessor nor the Dutch Security Trustee shall have any liability for any act or omission of any Sub-Servicer and shall have no responsibility for monitoring or investigating the suitability of any Sub-Servicer.

6.8 Servicer Records and Servicer Reports

- 6.8.1 On each Business Day commencing on the date hereof, the Servicer shall prepare and maintain electronic records (such records, as updated each Business Day, the

“**Servicer Records**”), showing each Lease Vehicle by the VIN with respect to such Lease Vehicle.

6.8.2 On the date hereof, the Servicer shall deliver or cause to be delivered to the Issuer Security Trustee and the Dutch Security Trustee the Servicer Records as of such date, which delivery may be satisfied by the Servicer posting, or causing to be posted, such Servicer Records to a password-protected website made available to the Dutch Security Trustee and the Lessor or by any other reasonable means of electronic transmission (including, without limitation, e-mail, file transfer protocol or otherwise).

6.8.3 On each Business Day following the date hereof, the Servicer shall deliver or cause to be delivered to the Dutch Security Trustee a schedule listing all changes to the Servicer Records in respect of the foregoing Clauses 6.8.1 and 6.8.2 since the preceding Business Day (such schedule as delivered each Business Day, a “**Servicer Report**”), which delivery may be satisfied by the Servicer posting, or causing to be posted, such Servicer Report to a password-protected website made available to the Dutch Security Trustee and the Lessor or by any other reasonable means of electronic transmission (including, without limitation, email, file transfer protocol or otherwise).

6.9 Powers of Attorney

The Lessor shall from time to time, upon receipt of request by the Servicer, promptly give to the Servicer any powers of attorney or other written authorisations or mandates and instruments as are reasonably necessary to enable the Servicer to perform its obligations under this Agreement, provided that any such powers of attorney or other written authorisations or mandates or instruments must be strictly limited to specific matters. Such powers of attorney shall cease to have effect when the Servicer ceases to act as servicer under this Agreement or when the Lessor terminates such power of attorney.

6.10 Servicer’s Agency Limited

The Servicer shall have no authority by virtue of this Agreement to act for or represent Dutch FleetCo as agent or otherwise, save in respect of those functions and duties which it is expressly authorised to perform and discharge by this Agreement and for the period during which this Agreement so authorises it to perform and discharge those functions and duties.

6.11 Resignation of Servicer

The Servicer may, by giving not less than 14 days’ written notice to Dutch FleetCo and the Dutch Security Trustee, resign as Servicer, provided that, other than where all amounts due and payable under the Dutch Facility Agreement are being repaid in full, a replacement Servicer satisfactory to Dutch FleetCo and the Dutch Security Trustee has been or will, simultaneously with the termination of the Servicer’s appointment under this Agreement, be appointed (it being understood that it is Dutch FleetCo’s obligation and not the Dutch Security Trustee’s obligation to negotiate and make such appointment).

7 Certain Representations and Warranties

Dutch OpCo, as Lessee, represents and warrants to the Lessor and the Dutch Security Trustee that as of the Closing Date, and as of each Vehicle Lease Commencement Date,

and each Additional Lessee represents and warrants to the Lessor and the Dutch Security Trustee that as of the Joinder Date with respect to such Additional Lessee, and as of each Vehicle Lease Commencement Date applicable to such Additional Lessee occurring on or after such Joinder Date:

7.1 Organisation; Power; Qualification

Such Lessee has been duly incorporated and is validly existing as a limited liability company under the laws of The Netherlands, with corporate power under the laws of the Netherlands to execute and deliver this Agreement and the other Related Documents to which it is a party and to perform its obligations hereunder and thereunder.

7.2 Authorisation; Enforceability

Each of this Agreement and the other Related Documents to which it is a party has been duly authorised, executed and delivered on behalf of such Lessee and, assuming due authorisation, execution and delivery by the other parties hereto or thereto, is a valid and legally binding agreement of such Lessee enforceable against such Lessee in accordance with its terms (except as such enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganisation, moratorium and other similar laws affecting creditors' rights generally).

7.3 Compliance

The execution, delivery and performance by such Lessee of this Agreement and the Dutch Related Documents to which it is a party will not conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any security, charge or encumbrance upon any of the property or assets of such Lessee other than Security arising under the Dutch Related Documents pursuant to the terms of any indenture, mortgage, deed of trust, loan agreement, guarantee, lease financing agreement or other similar agreement or instrument under which such Lessee is a debtor or guarantor (except to the extent that such conflict, breach, creation or imposition is not reasonably likely to have a Lease Material Adverse Effect) nor will such action result in a violation of any provision of applicable law or regulation (except to the extent that such violation is not reasonably likely to result in a Lease Material Adverse Effect) or of the provisions of the Lessee's articles of association.

7.4 Governmental Approvals

There is no consent, approval, authorisation, order, registration or qualification of or with any Governmental Authority having jurisdiction over such Lessee which is required for the execution, delivery and performance of this Agreement or the Dutch Related Documents (other than such consents, approvals, authorisations, orders, registrations or qualifications as have been obtained or made), except to the extent that the failure to so obtain or effect any such consent, approval, authorisation, order, registration or qualification is not reasonably likely to result in a Lease Material Adverse Effect.

7.5 [Reserved]

7.6 [Reserved]

7.7 Dutch Supplemental Documents True and Correct

All information contained in any material Dutch Supplemental Document that has been submitted, or that may hereafter be submitted, by such Lessee to the Lessor is, or will be, true, correct and complete in all material respects.

7.8 [Reserved]

7.9 [Reserved]

7.10 Eligible Vehicles

Each Lease Vehicle is or will be, as the case may be, on the applicable Vehicle Lease Commencement Date, an Eligible Vehicle or in the case of any Credit Vehicle will be an Eligible Vehicle following payment of the purchase price in respect thereof.

8 Certain Affirmative Covenants

Until the expiration or termination of this Agreement, and thereafter until the obligations of each Lessee under this Agreement and the Dutch Related Documents are satisfied in full, each Lessee covenants and agrees that, unless at any time the Lessor and the Dutch Security Trustee shall otherwise expressly consent in writing, it will:

8.1 Corporate Existence; Foreign Qualification

Do and cause to be done at all times all things necessary to: (i) maintain and preserve its limited liability existence; and (ii) comply with all Contractual Obligations and Requirements of Law binding upon it, except to the extent that the failure to comply therewith would not, in the aggregate, be reasonably expected to result in a Lease Material Adverse Effect.

8.2 Books, Records, Inspections and Access to Information

8.2.1 Maintain complete and accurate books and records with respect to the Lease Vehicles leased by it under this Agreement and the other Dutch Collateral;

8.2.2 at any time and from time to time during regular business hours, upon reasonable prior notice from the Lessor, the Dutch Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Dutch Security Trust Deed and the Issuer Security Trust Deed), permit the Lessor or the Dutch Security Trustee (or such other Person who may be designated from time to time by the Lessor or the Dutch Security Trustee) to examine and make copies of such books, records and documents in the possession or under the control of such Lessee relating to the Lease Vehicles leased by it under this Agreement and the other Dutch Collateral;

8.2.3 permit any of the Lessor, the Dutch Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Dutch Security Trust Deed and the Issuer Security Trust Deed) (or such other Person who may be designated from time to time by any of the Lessor, the Dutch

Security Trustee or the Issuer Security Trustee) to visit the office and properties of such Lessee for the purpose of examining such materials, and to discuss matters relating to the Lease Vehicles leased by such Lessee under this Agreement with such Lessee's independent public accountants or with any of the Authorized Officers of such Lessee having knowledge of such matters, all at such reasonable times and as often as the Lessor, the Dutch Security Trustee or the Issuer Security Trustee may reasonably request;

8.2.4 upon the request of the Lessor, the Dutch Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Dutch Security Trust Deed and the Issuer Security Trust Deed) from time to time, make reasonable efforts (but not disrupt the ongoing normal course rental of Lease Vehicles to customers) to confirm to the Lessor, the Dutch Security Trustee and/or the Issuer Security Trustee the location and mileage (as recorded in the Servicer's computer systems) of each Lease Vehicle leased by such Lessee hereunder and to make available for the Lessor's, the Dutch Security Trustee's and/or the Issuer Security Trustee's inspection within a reasonable time period such Lease Vehicle at the location where such Lease Vehicle is then domiciled; and

8.2.5 during normal business hours and with prior notice of at least three Business Days, make its records pertaining to the Lease Vehicles leased by such Lessee hereunder available to the Lessor, the Dutch Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Dutch Security Trust Deed and the Issuer Security Trust Deed) for inspection at the location or locations where such Lessee's records are normally domiciled,

provided that, in each case, the Lessor agrees that it will not disclose any information obtained pursuant to this Clause 8.2 that is not otherwise publicly available without the prior approval of such Lessee, except that the Lessor may disclose such information (x) to its officers, employees, attorneys and advisers, in each case on a confidential and need-to-know basis, and (y) as required by applicable law or compulsory legal process.

8.3 [Reserved]

8.4 Merger

Not merge or consolidate with or into any other Person unless (i) the applicable Lessee is the surviving entity of such merger or consolidation or (ii) the surviving entity of such merger or consolidation expressly assumes such Lessee's obligations under this Agreement.

8.5 Reporting Requirements

Furnish, or cause to be furnished to the Lessor and the Dutch Security Trustee:

8.5.1 no later than the prescribed statutory deadline required by its articles of association and in any event by no later than 270 calendar days after the end of each financial year, its audited Annual Financial Statements together with the related auditors' report(s);

8.5.2 promptly after becoming aware thereof, (a) notice of the occurrence of any Potential Lease Event of Default or Lease Event of Default, together with a written statement of an Authorized Officer of such Lessee describing such event and the action that such Lessee proposes to take with respect thereto, and (b) notice of any Amortization Event.

The financial data that shall be delivered to the Lessor and the Dutch Security Trustee pursuant to this Clause 8.5 shall be prepared in conformity with GAAP.

Documents, reports, notices or other information required to be furnished or delivered pursuant to this Clause 8.5 may be delivered electronically and, if so delivered, shall be deemed to have been delivered on the date (i) on which any Lessee posts such documents, or provides a link thereto on Dutch OpCo's or any Parent's website (or such other website address as any Lessee may specify by written notice to the Lessor and the Dutch Security Trustee from time to time) or (ii) on which such documents are posted on Dutch OpCo's or any Parent's behalf on an internet or intranet website to which the Lessor and the Dutch Security Trustee have access (whether a commercial, government or third-party website or whether sponsored by or on behalf of the Dutch Security Trustee).

8.6 Preservation of Rights

Preserve and/or exercise and/or enforce its rights and/or shall procure that the same are preserved, exercised or enforced on its behalf (including by the Dutch Security Trustee) in respect of the Dutch Vehicles, including, but not limited to, promptly notifying any Insolvency Official of a Manufacturer or Dealer of any retention of title existing in respect of one or more Dutch Vehicles in favour of the Lessor.

9 Default and Remedies Therefor

9.1 Events of Default

Any one or more of the following will constitute an event of default (a "**Lease Event of Default**") as that term is used herein:

- 9.1.1 there occurs a default in the payment of any Rent or other amount payable by any Lessee under this Agreement unless, such default in the payment is caused by an administrative or technical error and in such case, payment is made within three (3) Business Days of being due and payable;
- 9.1.2 any unauthorised assignment or transfer of this Agreement by any Lessee occurs;
- 9.1.3 the failure of any Lessee to observe or perform any other covenant, condition, agreement or provision hereof, including, but not limited to, usage, and maintenance that in any such case has a Lease Material Adverse Effect, and such default continues for more than fourteen (14) consecutive days after the earlier of the date written notice thereof is delivered by the Lessor or the Dutch Security Trustee to such Lessee or the date an Authorized Officer of such Lessee obtains actual knowledge thereof;
- 9.1.4 if (i) any representation or warranty made by any Lessee herein is inaccurate or incorrect or is breached or is false or misleading as of the date of the making thereof or any schedule, certificate, financial statement, report, notice or other writing furnished by or on behalf of any Lessee to the Lessor or the Dutch Security Trustee is false or misleading on the date as of which the facts therein set forth are

stated or certified, (ii) such inaccuracy, breach or falsehood has a Lease Material Adverse Effect, and (iii) the circumstance or condition in respect of which such representation, warranty or writing was inaccurate, incorrect, breached, false or misleading, as the case may be, shall not have been eliminated or otherwise cured for fourteen (14) consecutive days after the earlier of (x) the date of the receipt of written notice thereof from the Lessor or the Dutch Security Trustee to the applicable Lessee and (y) the date an Authorized Officer of the applicable Lessee learns of such circumstance or condition;

- 9.1.5 an Event of Bankruptcy occurs with respect to Hertz or with respect to any Lessee;
- 9.1.6 this Agreement or any portion thereof ceases to be in full force and effect (other than in accordance with its terms or as otherwise expressly permitted in the Dutch Related Documents) or a proceeding shall be commenced by any Lessee to establish the invalidity or unenforceability of this Agreement, in each case other than with respect to any Lessee that at such time is not leasing any Lease Vehicles hereunder;
- 9.1.7 a Servicer Default occurs; or
- 9.1.8 a Liquidation Event occurs.

For the avoidance of doubt, with respect to any Potential Lease Event of Default or Lease Event of Default, if the event or condition giving rise (directly or indirectly) to such Potential Lease Event of Default or Lease Event of Default, as applicable, ceases to be continuing (through cure, waiver or otherwise), then such Potential Lease Event of Default or Lease Event of Default, as applicable, will cease to exist and will be deemed to have been cured for every purpose under the Dutch Related Documents.

9.2 Effect of Lease Event of Default

If any Lease Event of Default set forth in Clause 9.1.1, 9.1.2, 9.1.5, 9.1.6 or 9.1.8 (*Events of Default*) shall occur and be continuing, the Lessee's right of possession with respect to any Lease Vehicles leased hereunder shall be subject to the Lessor's option to terminate such right as set forth in Clause 9.3 (*Rights of Lessor Upon Lease Event of Default*) and 9.4 (*Liquidation Event and Non-Performance of Certain Covenants*).

9.3 Rights of Lessor and Dutch Security Trustee Upon Lease Event of Default

- 9.3.1 If a Lease Event of Default shall occur and be continuing, then the Lessor may proceed by appropriate court action or actions available to it under Dutch law to enforce performance by any Lessee of the applicable covenants and terms of this Agreement or to recover damages for the breach hereof calculated in accordance with Clause 9.5 (*Measure of Damages*).
- 9.3.2 If any Lease Event of Default set forth in Clause 9.1.1, 9.1.2, 9.1.5, 9.1.6 or 9.1.8 (*Events of Default*) shall occur and be continuing, then (i) subject to the terms of this Clause 9.3.2, the Lessor or the Dutch Security Trustee (acting on the instructions of the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Dutch Security Trust Deed and the Issuer Security Trust Deed)) shall have the right to serve notice on the other parties hereto, a "**Master Lease Termination Notice**", and following service of such notice shall have the right (a) to terminate any Lessee's rights of use and possession hereunder of all or a portion of the Lease Vehicles leased hereunder by such

Lessee, (b) to take possession of all or a portion of the Lease Vehicles leased by any Lessee hereunder, (c) to peaceably enter upon the premises of any Lessee or other premises where Lease Vehicles may be located and take possession of all or a portion of the Lease Vehicles and thenceforth hold, possess and enjoy the same free from any right of any Lessee, or its successors or assigns, and to use or dispose of such Lease Vehicles for any purpose whatsoever and (d) to direct delivery by the Servicer of the ascription codes (*tenaamstellingscode*) for all or a portion of the Lease Vehicles and (ii) the Lessees, at the request of the Lessor or the Dutch Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Dutch Security Trust Deed), shall return or cause to be returned all Lease Vehicles to and in accordance with the directions of the Lessor or the Dutch Security Trustee, as the case may be.

The Lessor may not validly serve a Master Lease Termination Notice unless such decision to serve the Master Lease Termination Notice has been approved by any independent director (as the term may be defined in the relevant constitutional documents of the Lessor) on the board of directors of the Lessor.

- 9.3.3** Each and every power and remedy hereby specifically given to the Lessor will be in addition to every other power and remedy hereby specifically given or now or hereafter available to it under Dutch law and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Lessor, provided, however, that the measure of damages recoverable against such Lessee will in any case be calculated in accordance with Clause 9.5 (*Measure of Damages*). All such powers and remedies will be cumulative, and the exercise of one will not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Lessor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder will impair any such power or remedy or will be construed to be a waiver of any default or any acquiescence therein, provided that, for the avoidance of doubt, any exercise of any such right or power shall remain subject to each condition expressly specified in any Related Document with respect to such exercise. Any extension of time for payment hereunder or other indulgence duly granted to any Lessee will not otherwise alter or affect the Lessor's rights or the obligations hereunder of such Lessee. The Lessor's acceptance of any payment after it will have become due hereunder will not be deemed to alter or affect the Lessor's rights hereunder with respect to any subsequent payments or defaults therein.

9.4 Liquidation Event and Non-Performance of Certain Covenants

- 9.4.1** If a Liquidation Event shall have occurred and be continuing, the Dutch Security Trustee and the Issuer Security Trustee shall have the rights against each Lessee and the Dutch Collateral provided in the Dutch Security Trust Deed and Issuer Security Trust Deed, upon a Liquidation Event, including, in each case, the right to serve a Master Lease Termination Notice on the other parties hereto, following service of such notice shall have the right (i) to terminate any Lessee's rights of possession hereunder of all or a portion of the Lease Vehicles leased hereunder by such Lessee, (ii) to take possession of all or a portion of the Lease Vehicles leased by any Lessee hereunder, (iii) to peaceably enter upon the premises of any Lessee or other premises where Lease Vehicles may be located and take possession of all

or a portion of the Lease Vehicles and thenceforth hold, possess and enjoy the same free from any right of any Lessee, or its successors or assigns, and to use such Lease Vehicles for any purpose whatsoever and (iv) to direct delivery by the Servicer of the ascription codes (*tenaamstellingscode*) for all or a portion of the Lease Vehicles.

- 9.4.2 During the continuance of a Liquidation Event, the Servicer shall return any or all Lease Vehicles that are Program Vehicles to the related Manufacturers in accordance with the instructions of the Lessor. To the extent any Manufacturer fails to accept any such Program Vehicles under the terms of the applicable Manufacturer Program, the Lessor shall have the right to otherwise dispose of such Program Vehicles and to direct the Servicer to dispose of such Program Vehicles in accordance with its instructions.
- 9.4.3 Notwithstanding the exercise of any rights or remedies pursuant to this Clause 9.4, the Lessor will, nevertheless, have a right to recover from such Lessee any and all amounts (for the avoidance of doubt, as limited by Clause 9.5 (*Measure of Damages*)) as may be then due.
- 9.4.4 In addition, following the occurrence of a Liquidation Event, the Lessor shall have all of the rights, remedies, powers, privileges and claims vis-a-vis each Lessee, necessary or desirable to allow the Dutch Security Trustee to exercise the rights, remedies, powers, privileges and claims given to the Dutch Security Trustee pursuant to Clause 10.2 (*Rights of the Dutch Security Trustee upon Amortization Event or Certain Other Events of Default*) of the Dutch Facility Agreement, and each Lessee acknowledges that it has hereby granted to the Lessor all such rights, remedies, powers, privileges and claims granted by the Lessor to the Dutch Security Trustee pursuant to clause 10 of the Dutch Facility Agreement and that the Dutch Security Trustee may act in lieu of the Lessor in the exercise of all such rights, remedies, powers, privileges and claims.
- 9.4.5 The Dutch Security Trustee may only take possession of, or exercise any of the rights or remedies specified in this Agreement with respect to, such number of Lease Vehicles necessary to generate disposition proceeds in an aggregate amount sufficient to pay the Dutch Note with respect to which a Liquidation Event is then continuing as set forth in the Issuer Facility Agreement, taking into account the receipt of proceeds of all other vehicles being disposed of that have been pledged to secure such Dutch Note.

9.5 Measure of Damages

If a Lease Event of Default or Liquidation Event occurs and the Lessor or the Dutch Security Trustee exercises the remedies granted to the Lessor or the Dutch Security Trustee under Clause 8.6 (*Preservation of rights*), this Clause 9 (*Default and Remedies Therefor*) or Clause 10.2 of the Dutch Facility Agreement, the amount that the Lessor shall be permitted to recover from any Lessee as payment shall be equal to:

- 9.5.1 all Rent for each Lease Vehicle leased by such Lessee hereunder to the extent accrued and unpaid as of the earlier of the date of the return to the Lessor of such Lease Vehicle or disposition by the Servicer of such Lease Vehicle in accordance with the terms of this Agreement and all other payments payable under this Agreement by such Lessee, accrued and unpaid as of such date; plus

- 9.5.2 any reasonable out-of-pocket damages and expenses, including reasonable attorneys' fees and expenses that the Lessor or the Dutch Security Trustee will have sustained by reason of such a Lease Event of Default or Liquidation Event, together with reasonable sums for such attorneys' fees and such expenses as will be expended or incurred in the seizure, storage, rental or sale of the Lease Vehicles leased by such Lessee hereunder or in the enforcement of any right or privilege hereunder or in any consultation or action in such connection, in each case to the extent reasonably attributable to such Lessee; plus
- 9.5.3 interest from time to time on amounts due from such Lessee and unpaid under this Agreement at EURIBOR plus 1.0 per cent computed from the date of such a Lease Event of Default or Liquidation Event or the date payments were originally due to the Lessor by such Lessee under this Agreement or from the date of each expenditure by the Lessor or the Dutch Security Trustee, as applicable, that is recoverable from such Lessee pursuant to this Clause 9 (*Default and Remedies Therefor*), as applicable, to and including the date payments are made by such Lessee.

9.6 Servicer Default

Any of the following events will constitute a default of the Servicer (a "**Servicer Default**") as that term is used herein:

- 9.6.1 the failure of the Servicer to comply with or perform any provision of this Agreement or any other Related Document and such failure is, in the opinion of the Dutch Security Trustee, materially prejudicial to the Dutch Noteholder and in the case of a default which is remediable such default continues for more than fourteen (14) consecutive days after the earlier of the date written notice is delivered by the Lessor or the Dutch Security Trustee to the Servicer or the date an Authorized Officer of the Servicer obtains actual knowledge thereof;
- 9.6.2 an Event of Bankruptcy occurs with respect to the Servicer;
- 9.6.3 the failure of the Servicer to make any payment when due from it hereunder or under any of the other Dutch Related Documents or to deposit any Dutch Collections received by it into the Dutch Transaction Account when required under the Dutch Related Documents and, in each case, unless such failure is as a result of an administrative or technical error in such case payment has been made within three (3) Business Days;
- 9.6.4 if (I) any representation or warranty made by the Servicer relating to the Dutch Collateral in any Dutch Related Document is inaccurate or incorrect or is breached or is false or misleading as of the date of the making thereof or any schedule, certificate, financial statement, report, notice or other writing relating to the Dutch Collateral furnished by or on behalf of the Servicer to the Lessor or the Dutch Security Trustee pursuant to any Dutch Related Document is false or misleading on the date as of which the facts therein set forth are stated or certified, (II) such inaccuracy, breach or falsehood is, in the opinion of the Dutch Security Trustee materially prejudicial to the Dutch Noteholder, and (III) if such inaccuracy, breach or falsehood can be remedied, the circumstance or condition in respect of which such representation, warranty or writing was inaccurate, incorrect, breached, false or misleading, as the case may be, shall not have been eliminated or otherwise cured

for at least fourteen (14) consecutive days after the earlier of (x) the date of the receipt of written notice thereof from the Lessor or the Dutch Security Trustee to the Servicer and (y) the date an Authorized Officer of the Servicer obtains actual knowledge of such circumstance or condition;

9.6.5 a Lease Event of Default occurs which gives rise to a right for the Lessor or the Dutch Security Trustee to serve a Master Lease Termination Notice; or

9.6.6 a Liquidation Event occurs.

In the event of a Servicer Default, the Lessor or the Dutch Security Trustee, in each case acting pursuant to Clause 9.24(d) (*Servicer Default*) of the Dutch Facility Agreement, shall have the right to replace the Servicer as servicer.

For the avoidance of doubt, with respect to any Servicer Default, if the event or condition giving rise (directly or indirectly) to such Servicer Default ceases to be continuing (through cure, waiver or otherwise), then such Servicer Default will cease to exist and will be deemed to have been cured for every purpose under the Dutch Related Documents.

9.7 Application of Proceeds

The proceeds of any sale or other disposition pursuant to Clause 9.2 (*Effect of Lease Event of Default*) or Clause 9.3 (*Rights of Lessor Upon Lease Event of Default*) shall be applied by the Lessor in accordance with the terms of the Dutch Related Documents.

10 Certification of Trade or Business Use

Each Lessee hereby warrants and certifies that it intends to use the Lease Vehicles that are subject to this Agreement in connection with its trade or business.

11 [Reserved]

12 Additional Lessees

Subject to the prior consent of Dutch FleetCo (such consent not to be unreasonably withheld or delayed) and the Dutch Security Trustee (acting upon the instructions of the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Dutch Security Trust Deed and the Issuer Security Trust Deed), any Affiliate of Dutch OpCo that was incorporated under the laws of The Netherlands (each a "**Permitted Lessee**") shall have the right to become a Lessee under and pursuant to the terms of this Agreement by complying with the provisions of this Clause 12. If a Permitted Lessee desires to become a Lessee under this Agreement, then such Permitted Lessee shall execute (if appropriate) and deliver to the Lessor, the Dutch Security Trustee and the Issuer Security Trustee:

12.1 a Joinder in Lease Agreement substantially in the form attached hereto as Annex A (each an "**Affiliate Joinder in Lease**");

12.2 the articles of association for such Permitted Lessee, together with a recent extract from the Trade Register of the Dutch Chamber of Commerce relating to such Permitted Lessee, duly certified by an Authorized Officer of such Permitted Lessee;

12.3 copies of resolutions of the Board of Directors or other authorising action of such Permitted Lessee authorising or ratifying the execution, delivery and performance, respectively, of

those documents and matters required of it with respect to this Agreement, duly certified by an Authorized Officer of such Permitted Lessee;

- 12.4** a certificate of an Authorized Officer of such Permitted Lessee certifying the names of the individual or individuals authorised to sign the Affiliate Joinder in Lease and any other Related Documents to be executed by it, together with samples of the true signatures of each such individual;
- 12.5** an Officer's Certificate stating that such joinder by such Permitted Lessee complies with this Clause 12 and an opinion of counsel, which may be based on an Officer's Certificate and is subject to customary exceptions and qualifications (including, without limitation any insolvency laws, stating that (a) all conditions precedent set forth in this Clause 12 relating to such joinder by such Permitted Lessee have been complied with and (b) upon the due authorisation, execution and delivery of such Affiliate Joinder in Lease by the parties thereto, such Affiliate Joinder in Lease will be enforceable against such Permitted Lessee; and
- 12.6** any additional documentation that the Lessor, Dutch Security Trustee or the Issuer Security Trustee may reasonably require to evidence the assumption by such Permitted Lessee of the obligations and liabilities set forth in this Agreement.

13 Value Added Tax and Stamp Taxes

13.1 Sums Payable Exclusive of VAT

All sums or other consideration set out in this Agreement or otherwise payable or provided by any party to any other party pursuant to this Agreement shall be deemed to be exclusive of any VAT which is or becomes chargeable (if any) on any supply or supplies for which sums or other consideration (or any part thereof) are the whole or part of the consideration for VAT purposes.

13.2 Payment of Amounts in Respect of VAT

Where, pursuant to the terms of this Agreement, any party (the "**Supplier**") makes a supply to any other party (the "**Recipient**") hereto for VAT purposes and VAT is or becomes chargeable on such supply (being VAT for which the Supplier is required to account to the relevant Tax Authority):

- 13.2.1** where the Supplier is the Lessee, the Recipient shall, following receipt from the Supplier of a valid VAT invoice in respect of such supply, pay to the Supplier (in addition to any other consideration for such supply) a sum equal to the amount of such VAT; and
- 13.2.2** where the Supplier is the Lessor, the Recipient shall pay to the Supplier (in addition to and at the same time as paying any other consideration for such supply) a sum equal to the amount of such VAT, and the Supplier shall, following receipt of such sum and (unless otherwise required pursuant to any Requirement of Law) not before, provide the Recipient with a valid VAT invoice in respect of such supply.

13.3 Cost and Expenses

References in this Agreement to any fee, cost, loss, disbursement, commission, damages, expense, charge or other liability incurred by any party to this Agreement and in respect of

which such party is to be reimbursed or indemnified by any other party under the terms of, or the amount of which is to be taken into account in any calculation or computation set out in, this Agreement shall include such part of such fee, cost, loss, disbursement, commission, damages, expense, charge or other liability as represents any VAT, but only to the extent that such first party is not entitled to a refund (by way of a credit or repayment) in respect of such VAT from any relevant Tax Authority.

14 Security and Assignments

14.1 Rights of Lessor Pledged to Trustee

Each Lessee acknowledges that the Lessor has pledged or will pledge all of its rights under this Agreement to the Dutch Security Trustee pursuant to the Dutch Security Documents. Accordingly, each Lessee agrees that:

14.1.1 upon the occurrence of a Lease Event of Default or Liquidation Event, the Dutch Security Trustee may exercise (for and on behalf of the Lessor) any right or remedy against such Lessee provided for herein and such Lessee will not interpose as a defence that such claim should have been asserted by the Lessor;

14.1.2 upon the delivery by the Dutch Security Trustee of any notice to such Lessee stating that a Lease Event of Default or a Liquidation Event has occurred, such Lessee will, if so requested by the Dutch Security Trustee, comply with all obligations under this Agreement that are asserted by the Dutch Security Trustee, as the Lessor hereunder, irrespective of whether such Lessee has received any such notice from the Lessor; and

14.1.3 such Lessee acknowledges that, pursuant to this Agreement, it has agreed to make all payments of Rent hereunder (and any other payments hereunder) directly to the Dutch Security Trustee for deposit in the Dutch Transaction Account.

14.2 Right of the Lessor to Assign or Transfer its rights or obligations under this Agreement

The Lessor shall have the right to finance the acquisition and ownership of Lease Vehicles under this Agreement by, without limitation, selling, assigning or transferring any of its rights and/or obligations under this Agreement to the Issuer Security Trustee for the benefit of the Noteholders, provided, however, that any such sale, assignment or transfer shall be subject to the rights and interest of the Lessees in the Lease Vehicles, including, but not limited to, the Lessees' right of quiet and peaceful possession of such Lease Vehicles as set forth in Clause 5.3 (*Non-Disturbance*) hereof, and under this Agreement.

14.3 Limitations on the Right of the Lessees to Assign or Transfer their rights or obligations under this Agreement

No Lessee shall assign or transfer or purport to assign or transfer any right or obligation under this Agreement to any other party.

14.4 Security

The Lessor may grant security interests in the Lease Vehicles leased by any Lessee hereunder without consent of any Lessee. Except for Permitted Security, each Lessee shall keep all Lease Vehicles free of all Security arising during the Term. If on the Vehicle Lease

Expiration Date for any Lease Vehicle, there is Security on such Lease Vehicle, the Lessor may, in its discretion, remove such Security and any sum of money that may be paid by the Lessor in release or discharge thereof, including reasonable attorneys' fees and costs, will be paid by the Lessee of such Lease Vehicle upon demand by the Lessor.

15 Non-Liability of Lessor

As between the Lessor and each Lessee, acceptance for lease of each Lease Vehicle pursuant to Clause 2.2.6 (*Lease Vehicle Acceptance or Non-conforming Lease Vehicle Rejection*) shall constitute such Lessee's acknowledgment and agreement that such Lessee has fully inspected such Lease Vehicle, that such Lease Vehicle is in good order and condition and is of the manufacture, design, specifications and capacity selected by such Lessee and that such Lessee is satisfied that the same is suitable for this use. Each Lessee acknowledges that the Lessor is not a Manufacturer or agent thereof or primarily engaged in the sale or distribution of Lease Vehicles. Each Lessee acknowledges that the Lessor makes no representation, warranty or covenant, express or implied in any such case, as to the fitness, safeness, design, merchantability, condition, quality, durability, suitability, capacity or workmanship of the Lease Vehicles in any respect or in connection with or for any purposes or uses of any Lessee and makes no representation, warranty or covenant, express or implied in any such case, that the Lease Vehicles will satisfy the requirements of any law or any contract specification, and as between the Lessor and each Lessee, such Lessee agrees to bear all such risks at its sole cost and expense. Each Lessee specifically waives all rights to make claims against the Lessor and any Lease Vehicle for breach of any warranty of any kind whatsoever, and each Lessee leases each Lease Vehicle "as is". Upon the Lessor's acquisition of any Lease Vehicle identified in a request from any Lessee pursuant to Clause 2.2.4, the Lessor shall in no way be liable for any direct or indirect damages or inconvenience resulting from any defect in or loss, theft, damage or destruction of any Lease Vehicle or of the cargo or contents thereof or the time consumed in recovery repairing, adjusting, servicing or replacing the same and there shall be no abatement or apportionment of rental at such time. The Lessor shall not be liable for any failure to perform any provision hereof resulting from fire or other casualty, natural disaster, riot or other civil unrest, war, terrorism, strike or other labour difficulty, governmental regulation or restriction, or any cause beyond the Lessor's direct control. In no event shall the Lessor be liable for any inconveniences, loss of profits or any other special, incidental, or consequential damages, whatsoever or howsoever caused (including resulting from any defect in or any theft, damage, loss or failure of any Lease Vehicle).

The Lessor shall not be responsible for any liabilities (including any loss of profit) arising from any delay in the delivery of, or failure to deliver, any Lease Vehicle to any Lessee.

16 Non-Petition and No Recourse

16.1 Non-Petition

Notwithstanding anything to the contrary in this Agreement or any Dutch Related Document, only the Dutch Security Trustee may pursue the remedies available under the general law or under the Dutch Security Trust Deed to enforce this Agreement, the Dutch Security or the Dutch Note and no other Person shall be entitled to proceed directly against Dutch FleetCo in respect hereof (unless the Dutch Security Trustee, having become bound to proceed in accordance with the terms of the Dutch Related Documents, fails or neglects to do so). Each party to this Agreement hereby agrees with and acknowledges to each of

Dutch FleetCo and the Dutch Security Trustee until the date falling one year and one day after the Legal Final Payment Date that:

- 16.1.1 it shall not have the right to take or join any person in taking any steps against Dutch FleetCo for the purpose of obtaining payment of any amount due from Dutch FleetCo (other than serving a written demand subject to the terms of the Dutch Security Trust Deed); and
- 16.1.2 neither it nor any Person on its behalf shall initiate or join any person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to Dutch FleetCo, provided that the Dutch Security Trustee shall have the right to take any action pursuant to and in accordance with the relevant Dutch Related Documents and Dutch Security Documents.

The provisions of this Clause 16.1 shall survive the termination of this Agreement.

16.2 No Recourse

Each party to this Agreement agrees with and acknowledges to each of Dutch FleetCo and the Dutch Security Trustee that, notwithstanding any other provision of any Dutch Related Document, all obligations of Dutch FleetCo to such entity are limited in recourse as set out below:

- 16.2.1 sums payable to it in respect of any of Dutch FleetCo's obligations to it shall be limited to the lesser of (i) the aggregate amount of all sums due and payable to it and (ii) the aggregate amounts received, realised or otherwise recovered by or for the account of the Dutch Security Trustee in respect of the Dutch Security, whether pursuant to enforcement of the Dutch Security or otherwise; and
- 16.2.2 upon the Dutch Security Trustee giving written notice that it has determined in its opinion that there is no reasonable likelihood of there being any further realisations in respect of the Dutch Security (whether arising from an enforcement of the Dutch Security or otherwise) which would be available to pay unpaid amounts outstanding under the relevant Dutch Related Documents, it shall have no further claim against Dutch FleetCo in respect of any such unpaid amounts and such unpaid amounts shall be discharged in full.

The provisions of this Clause 16.2 shall survive the termination of this Agreement.

17 Submission to Jurisdiction

- 17.1 The parties agree that the courts of Amsterdam have exclusive jurisdiction to settle any Dispute arising out of or in connection with this Agreement and therefore irrevocably submit to the jurisdiction of those courts.
- 17.2 The parties agree that the courts of Amsterdam are an appropriate and convenient forum to settle Disputes between them and, accordingly, the parties will not argue to the contrary.

18 Governing Law

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

19 Notices

Unless otherwise specified herein, all notices, communications, requests, instructions and demands by any Party hereto to another shall be delivered in accordance with the provisions of clause 3.17 of the Master Definitions and Construction Agreement and clause 23 (*Notices*) of the Dutch Security Trust Deed.

20 Entire Agreement

This Agreement and the other agreements specifically referenced herein constitute the entire agreement among the parties hereto and supersede any prior understandings, agreements, or representations by or among the parties hereto, written or oral, to the extent they relate in any way to the subject matter hereof. This Agreement, together with the Manufacturer Programs, the Lease Vehicle Acquisition Schedules, the Intra-Lease Lessee Transfer Schedules and any other related documents attached to this Agreement (including, for the avoidance of doubt, all related joinders, exhibits, annexes, schedules, attachments and appendices), in each case solely to the extent to which such Manufacturer Programs, schedules and documents relate to Lease Vehicles, will constitute the entire agreement regarding the leasing of Lease Vehicles by the Lessor to each Lessee.

21 Modification and Severability

The terms of this Agreement will not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever unless the same shall be in writing and signed and delivered by the Lessor, the Servicer, the Dutch Security Trustee and each Lessee, subject to any restrictions on such waivers, alterations, modifications, amendments, supplements or terminations set forth in the Dutch Facility Agreement. If any part of this Agreement is not valid or enforceable according to law, all other parts will remain enforceable. For the avoidance of doubt, the execution and/or delivery of and/or performance under any Affiliate Joinder in Lease, Lease Vehicle Acquisition Schedule or Intra-Lease Lessee Transfer Schedule shall not constitute a waiver, alteration, modification, supplement or termination to or of this Agreement.

22 Survivability

In the event that, during the term of this Agreement, any Lessee becomes liable for the payment or reimbursement of any obligations, claims or taxes pursuant to any provision hereof, such liability will continue, notwithstanding the expiration or termination of this Agreement, until all such amounts are paid or reimbursed by or on behalf of such Lessee.

23 [Reserved]

24 Counterparts

This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute one and the same Agreement.

25 Electronic Execution

This Agreement (including, for the avoidance of doubt, any joinder, schedule, annex, exhibit or other attachment hereto) may be transmitted and/or signed by facsimile or other electronic means (i.e., a “pdf” or “tiff”). The effectiveness of any such documents and signatures shall, subject to applicable law, have the same force and effect as manually signed originals and shall be binding on each party hereto. The words “execution”, “signed”, “signature” and words of like import in this Agreement (including, for the avoidance of doubt, any joinder, schedule, annex, exhibit or other attachment hereto) or in any amendment or other modification hereof (including, without limitation, waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be.

26 Lessee Termination and Resignation

With respect to any Lessee except for Dutch OpCo, upon such Lessee (the “**Resigning Lessee**”) delivering irrevocable written notice to the Lessor, the Servicer and the Dutch Security Trustee that such Resigning Lessee desires to resign its role as a Lessee hereunder (such notice, substantially in the form attached as Exhibit A hereto, a “**Lessee Resignation Notice**”), such Resigning Lessee shall immediately cease to be a Lessee hereunder, and, upon such occurrence, event or condition, the Lessor, the Servicer and the Dutch Security Trustee shall be deemed to have released, waived, remised, acquitted and discharged such Resigning Lessee and such Resigning Lessee’s directors, officers, employees, managers, shareholders and members of and from any and all claims, expenses, damages, costs and liabilities arising or accruing in relation to such Resigning Lessee on or after the delivery of such Lessee Resignation Notice to the Lessor, the Servicer and the Dutch Security Trustee (the time of such delivery, the “**Lessee Resignation Notice Effective Date**”); provided that, as a condition to such release and discharge, the Resigning Lessee shall pay to the Lessor all payments due and payable with respect to each Lease Vehicle leased by the Resigning Lessee hereunder, including without limitation any payment listed under Clause 4.7 (*Payments*), as applicable to each such Lease Vehicle, as of the Lessee Resignation Notice Effective Date; provided further that, the Resigning Lessee shall return or reallocate all Lease Vehicles at the direction of the Servicer in accordance with Clause 2.5 (*Return*); provided further that, with respect to any Resigning Lessee, such Resigning Lessee shall not be released or otherwise relieved under this Clause 26 from any claim, expense, damage, cost or liability arising or accruing prior to the Lessee Resignation Notice Effective Date with respect to such Resigning Transferor.

27 Third-Party Rights

This Agreement is made for the benefit of the Issuer Security Trustee (and the Noteholders and their assigns) for no consideration pursuant to Section 6:253 (4) of the Dutch Civil Code. A Person (other than the Issuer Security Trustee (and the Noteholders and their assigns)) who is not a party to this Agreement has no right under article 6:253 of the Dutch Civil Code to enforce or to enjoy the benefit of any term of this Agreement. By countersigning this Agreement, the Issuer Security Trustee for itself and acting on behalf of

the Noteholders and their assigns accepts the third-party stipulation contained in this Clause 27.

28 Time of the Essence

Subject to any grace periods provided hereunder, time shall be of the essence of this Agreement as regards any time, date or period, whether as originally agreed or altered by agreement between all the parties (and, where required, with consent) or in any other manner provided in this Agreement, for the performance by each Lessee of its obligations under this Agreement.

29 Governing Language

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

30 Power of Attorney

If an entity incorporated in the Netherlands is represented by an attorney or attorneys in connection with the signing, execution or delivery of this Agreement or any document, agreement or deed referred to herein or made pursuant hereto, the relevant power of attorney is expressed to be governed by the laws of the Netherlands and it is hereby expressly acknowledged and accepted by the other parties that such laws shall govern the existence and extent of such attorney's or attorneys' authority and the effects of the exercise thereof.

31 Rescission or Nullification of this Agreement

Each Lessee irrevocably waives any right under any applicable law to rescind (*ontbinden*) or nullify (*vernietigen*) this Agreement in whole or in part and any right to suspend (*opschorten*) any obligation under this Agreement.

Lessor

STUURGROEP FLEET (NETHERLANDS) B.V.

By:

Title:

*This agreement was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

Lessee and Servicer

HERTZ AUTOMOBIELEN NEDERLAND B.V.

By:

Title:

*This agreement was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

Dutch Security Trustee

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

Signed by: _____
Title:

Signed by: _____
Title:

*This agreement was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

Annex
Form of Affiliate Joinder in Lease

THIS AFFILIATE JOINDER IN LEASE AGREEMENT (this “**Joinder**”) is executed as of [●] 20[●] (with respect to this Joinder and the Joining Party, the “**Joinder Date**”), by [●], a [●] (“**Joining Party**”), and delivered to Sturgroep 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, Sturgroep 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 contractsoverneming*). Terms defined in the Agreement have the same meaning in this Transfer Certificate unless given a different meaning in this Transfer Certificate.
- 2** We refer to paragraph 3 (*Procedure for transfer*):
 - (a) In accordance with paragraph 3 (*Procedure for transfer*), the Existing Supplier hereby transfers by means of take-over of contract (*akte van contractsoverneming*) to the New Supplier, which transfer is hereby accepted by the New Supplier, all of the Existing Supplier's rights and obligations relating to [the following vehicles set out below] (the “**Relevant Vehicles**”):
[Vehicle Registration Numbers]

OR

[all vehicles which have been or, as the case may be, which may be purchased by FleetCo under the Agreement (the “**Relevant Vehicles**”)]
 - (b) The proposed Transfer Date is the later of [●] or two Business Days after the date you receive this Transfer Certificate.
 - (c) The address, telephone number, fax number and attention details for notices of the New Supplier are:
Address: [Address]
Tel: [Telephone]
Fax: [Fax]
Attn: [Name]
- 3** The New Supplier expressly acknowledges its agreement to be bound by the terms of the Agreement, including, without limitation, the provisions set out in Schedule 3 (*Required Contractual Criteria for Vehicle Purchasing Agreements*).
- 4** The New Supplier acknowledges that it will not transfer its obligations under the New Agreement without the prior written consent of FleetCo and the Existing Supplier.
- 5** The New Supplier acknowledges that FleetCo will not be required, under any circumstances, to deliver any Relevant Vehicle to the New Supplier or its agent outside The Netherlands.

6 This Transfer Certificate may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Transfer Certificate.

7 This Transfer Certificate is governed by Dutch law.

[Existing Supplier] [New Supplier]

By: By:

For co-operation (*medewerking*) to the above transfers of contract:

Stuurgroep Fleet (Netherlands) B.V.

By:

Hertz Automobielen Nederlands B.V.

By:

Annex 2
Form of Acknowledgment of Joint and Several Liability

To: Stuurgroep Fleet (Netherlands) B.V. (“**Dutch FleetCo**”)

From: [EXISTING SUPPLIER] (the “**Existing Supplier**”) and [NEW SUPPLIER] (the “**New Supplier**”) and, together with the Existing Supplier, the “**Co-Obligors**”)

Date: [date]

Stuurgroep Fleet (Netherlands) B.V. — Agreement dated [date] (the “Agreement”)

- 1** We refer to the Agreement. This is an Acknowledgment as defined in paragraph 2(d) of the Agreement. Terms defined in the Agreement have the same meaning in this Acknowledgment unless given a different meaning in this Acknowledgment.
- 2** The Co-Obligors agree and acknowledge that they are jointly and severally liable for the due and punctual performance of each and every liability (whether arising in contract or otherwise) the New Supplier may now or hereafter have towards Dutch FleetCo under the terms of the Agreement. The Existing Supplier promises to pay to Dutch FleetCo from time to time and upon two Business Days’ written notice all liabilities from time to time due and payable (but unpaid following a notice to the New Supplier of such fact) by the New Supplier under or pursuant to the Agreement or on account of any breach thereof.
- 3** Dutch FleetCo may take action against, or release or compromise the liability of, either Co-Obligor, or grant time or other indulgence, without affecting the liability of the other Co-Obligor under paragraph 2 above. Dutch FleetCo may take action against the Co-Obligors together or such one or more of them as Dutch FleetCo shall think fit.
- 4** The obligations of each Co-Obligor contained in this Acknowledgment in paragraph 2 above and the rights, powers and remedies conferred in respect of that Co-Obligor upon Dutch FleetCo by this Acknowledgment shall not be discharged, impaired or otherwise affected by:
 - (i) the liquidation, winding-up, dissolution, administration or reorganisation of the other Co-Obligor or any change in its status, function, control or ownership;
 - (ii) any of the obligations of the other Co-Obligor under the Agreement being or becoming unenforceable in any respect;
 - (iii) time, waiver, release or other indulgence granted to the other Co-Obligor in respect of its obligations under the Agreement; or
 - (iv) any other act, event or omission which, but for this paragraph 4, might operate to discharge, impair or otherwise affect any of the obligations of the Existing Supplier contained in paragraph 2 above or any of the rights, powers or remedies conferred upon Dutch FleetCo under that paragraph 2.
- 5** This Acknowledgment is governed by Dutch law.

[Existing Supplier] [New Supplier]

By: By:

Schedule 5
Draft Intra-Group Vehicle Purchasing Agreement

202[•]

STUURGROEP FLEET (NETHERLANDS) B.V.

AND

[•]

INTRA-GROUP VEHICLE PURCHASING AGREEMENT

THIS INTRA-GROUP VEHICLE PURCHASING AGREEMENT (this "**Agreement**") is made on [•] 202[•],

BETWEEN:

(1) **STUURGROEP FLEET (NETHERLANDS) B.V.**, a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*), incorporated and existing under Dutch law, with its corporate seat in Amsterdam, the Netherlands, having its registered address at Scorpius 120, 2132 LR Hoofddorp, the Netherlands, registered with the Trade Register of the Dutch Chamber of Commerce under number 34275100 ("**Dutch FleetCo**" or the "**Purchaser**"); and

(2) [•], ("[•]" or the "**Seller**").

The Seller and the Purchaser shall be hereinafter jointly referred to as the "Parties".

WHEREAS:

[•]

NOW THEREFORE IT IS HEREBY AGREED:

1 SALE AND PURCHASE AND FURTHER UNDERTAKINGS

- 1.1. The Seller hereby sells to the Purchaser and the Purchaser hereby acquires from the Seller the vehicles identified in the Schedule to this Agreement (the "Vehicles").
- 1.2. From the moment of execution of this Agreement, title to the relevant Vehicle will automatically pass to the Purchaser.
- 1.3. The risk inherent to each Vehicle will pass to the Purchaser from the moment of the sale effected hereby.
- 1.4. The Parties hereby agree that the sale effected hereby is made on arm's length terms.
- 1.5. For the avoidance of doubt, the Purchaser shall have no liability in connection with the obligations of the Seller under this Agreement. The Seller undertakes to the Purchaser that if the Purchaser incurs any liability, damages, cost, loss or expense (including, without limitation, legal fees, costs and expenses and any value added tax thereon) arising out of, in connection with or based on the sale effected hereby, the Seller shall indemnify the Purchaser an amount equal to the amount so incurred by the Purchaser within five Business Days of written demand.

2 CONSIDERATION

The purchase price to be paid by the Purchaser to the Seller for the purchase of the Vehicles by the Purchaser under this Agreement shall be the Net Book Value (as

determined under US GAAP) of the Vehicles sold under this Agreement (the "**Purchase Price**").

3 REPRESENTATIONS AND WARRANTIES

3.1 The Seller's Representations

The Seller warrants and represents to the Purchaser that as at the date of this Agreement:

- 3.2.1 it is a legally incorporated entity and is duly authorised to enter into this Agreement and perform its obligations hereunder;
- 3.2.2 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;
- 3.2.3 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;
- 3.2.4 it holds full legal title to the Vehicles;
- 3.2.5 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
- 3.2.6 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 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

Originally dated 25 September 2018, as amended and restated on 29 April 2021, 21 December 2021, 21 June 2022, 20 December 2022 and further amended and restated on 22 September 2023

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, 21 June 2022, 20 December 2022 and further amended and restated on 22 September 2023 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 Immeuble Diagonale Sud 6 Avenue Gustave Eiffel Bâtiment A1, 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

2.1 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.

2.2 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.

2.3 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 waive 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:
- (i) 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
 - (ii) 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 100 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 or personal data and against accidental loss or destruction of, or damage to, personal data. In particular, the Servicer shall process personal data only for the purposes contemplated by this Agreement and shall act only on the instructions of the Lessor (given for such purposes) and shall comply at all times with the principles and provisions set out in the Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (and any subsequent amendments thereto) as if applicable to the Servicer directly and any other applicable laws. The Servicer shall answer the reasonable enquiries of the Lessor to enable the Lessor to monitor the Servicer's compliance with this Sub-Clause (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 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 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: Alina Guralnik acting as *Gérant* of TMF France Management SARL, *Président* of RAC Finance S.A.S

*This agreement was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

Lessee and Servicer

HERTZ FRANCE SAS

By: _____

*This agreement was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

French Security Trustee

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

Signed by: _____
Title:

Signed by: _____
Title:

*This agreement was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant

Issuer Security Trustee

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

Signed by: _____
Title:

Signed by: _____
Title:

*This agreement was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

**ANNEX A
FORM OF AFFILIATE JOINDER IN LEASE**

THIS AFFILIATE JOINDER IN LEASE AGREEMENT (this “**Joinder**”) is executed as of _____, 20__ (with respect to this Joinder and the Joining Party) the “**Joinder Date**”), by _____, a _____ (“**Joining Party**”), and delivered to 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 e

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
- (b) the solvency of French FleetCo; or
- (c) the solvency of any other Affiliate of The Hertz Corporation other than French FleetCo.

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.

2.4 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

Hertz France SAS

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

_____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

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:

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:

**Originally dated 25 September 2018 and as amended and restated on 29 April 2021, 21 December 2021, 21 June 2022, 20 December 2022 and further amended and restated on 22 September 2023
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, 21 June 2022, 20 December 2022 and further amended and restated on 22 September 2023 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

1.0 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.

2.0 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.

3.0 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 100 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.

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

- (c) The Servicer, on behalf of the German Fleetco, and/or the German Fleetco shall not at any time enter into Intra-Group Vehicle Purchasing Agreement for purchase of Vehicles with other Fleetcos or Opcos (other than the German Opcos).

6.4 Servicing Standard and Data Protection

In addition to the duties enumerated in Sub-Clause 6.2 (*Servicer Functions*) and 6.3 (*Required Contractual Criteria*), the Servicer agrees to perform each of its obligations hereunder in accordance with the Servicing Standard, unless otherwise stated.

To the extent that, in the context of this Agreement, the Lessor receives any personal data from the Servicer or the Servicer receives any personal data from the Lessor, the receiving party shall process such personal data only for the purposes of this Agreement and shall comply with applicable data protection laws (in particular, with the Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC) when processing such personal data.

6.5 Servicer Acknowledgment

The parties to this Agreement acknowledge and agree that Hertz Autovermietung GmbH acts as Servicer of the Lessor pursuant to this Agreement, and, in such capacity, as the agent of the Lessor, for purposes of performing certain duties of the Lessor under this Agreement and the German Related Documents.

6.6 Servicer's Monthly Fee

- (a) As compensation for the Servicer's performance of its duties, the Lessor shall pay to or at the direction of the Servicer on each Payment Date (i) a fee (the "**German Monthly Servicing Fee**") equal to 0.50% per annum, payable at one-twelfth the annual rate, on the outstanding

Net Book Value of the Lease Vehicles as of the last day of the Related Month with respect to such Payment Date and (ii) the reasonable costs and expenses of the Servicer incurred by it during the Related Month as a result of arranging for the sale of Lease Vehicles returned to the Lessor in accordance with Sub-Clause 2.4(a) (*Lessee Right to Return*); provided, however, that such costs and expenses shall only be payable to or at the direction of the Servicer to the extent of any excess of the sale price received by or on behalf of the Lessor for any such Lease Vehicle over the Net Book Value thereof.

- (b) All payments required to be made by any party under this Agreement shall be calculated without reference to any set-off or counterclaim and shall be made free and clear of and without any deduction for or on account of any set-off or counterclaim, except that (i) any fees and expenses or other amounts due and payable by the Lessor to the Servicer shall be set-off against (ii) any amount owed by the Servicer in such capacity (or as Lessee) to the Lessor at such time under this Agreement.

6.7 Sub-Servicers

The Servicer may delegate to any Person (each such delegee, in such capacity, a “**Sub-Servicer**”) the performance of part (but not all) of the Servicer’s obligations as Servicer pursuant to this Agreement on the condition that:

- (a) the Servicer shall maintain up-to-date records of the Servicer’s obligations as Servicer which have been delegated to any Sub-Servicer, and such records shall contain the name and contact information of the Sub-Servicer;
- (b) in delegating any of its obligations as Servicer to a Sub-Servicer, the Servicer shall act as principal and not as an agent of the Lessor and shall use reasonable skill and care in choosing a Sub-Servicer;
- (c) the Servicer shall not be released or discharged from any liability under this Agreement, and no liability shall be diminished, and the Servicer shall remain primarily liable for the performance of all of the obligations of the Servicer under this Agreement;
- (d) the performance or non-performance and the manner of performance by any Sub-Servicer of any of the obligations of the Servicer as Servicer shall not affect the Servicer’s obligations under this Agreement and the Sub-Servicer shall be appropriately licensed to perform any such obligations;
- (e) any breach in the performance of the Servicer’s obligations as Servicer by a Sub-Servicer shall be treated as a breach of this Agreement by the Servicer, subject to the Servicer being entitled to remedy such breach for a period of fourteen (14) Business Days of the earlier of:
 - (i) the Servicer becoming aware of the breach; and
 - (ii) receipt by the Servicer of written notice from the Lessor or the German Security Trustee requiring the same to be remedied; and
- (f) neither the Lessor nor the German Security Trustee shall have any liability for any act or omission of any Sub-Servicer and shall have no responsibility for monitoring or investigating the suitability of any Sub-Servicer; and
- (g) any delegation to a Sub-Servicer may not affect the Servicer’s centre of main interest within the meaning of Regulation (EU) 2015/848 of 20 May 2015 on insolvency proceedings (recast) on insolvency proceedings or cause an establishment of the Servicer within the meaning of such regulation.

6.8 Servicer Records and Servicer Reports

- (a) On each Business Day commencing on the date hereof, the Servicer shall prepare and maintain electronic records (such records, as updated each Business Day, the “**Servicer Records**”), showing each Lease Vehicle by the VIN with respect to such Lease Vehicle.
- (b) On the date hereof, the Servicer shall deliver or cause to be delivered to the Issuer Security Trustee and the German Security Trustee the Servicer Records as of such date, which delivery

may be satisfied by the Servicer posting, or causing to be posted, such Servicer Records to a password-protected website made available to the German Security Trustee and the Lessor or by any other reasonable means of electronic transmission (including, without limitation, e-mail, file transfer protocol or otherwise).

- (c) On each Business Day following the date hereof, the Servicer shall deliver or cause to be delivered to the German Security Trustee a schedule listing all changes to the Servicer Records in respect of the foregoing Sub-Clauses 6.8(a) and (b) (*Servicer Records and Servicer Reports*) since the preceding Business Day (such schedule as delivered each Business Day, a “**Servicer Report**”), which delivery may be satisfied by the Servicer posting, or causing to be posted, such Servicer Report to a password-protected website made available to the German Security Trustee and the Lessor or by any other reasonable means of electronic transmission (including, without limitation, e-mail, file transfer protocol or otherwise).

6.9 Powers of Attorney

The Lessor shall from time to time upon receipt of request by the Servicer, promptly give to the Servicer any powers of attorney or other written authorizations or mandates and instruments as are reasonably necessary to enable the Servicer to perform its obligations under this Agreement, provided that any such powers of attorney or other written authorizations or mandates or instruments must be strictly limited to specific matters. Such powers of attorney shall cease to have effect when the Servicer ceases to act as servicer under this Agreement.

6.10 Servicer’s agency limited

The Servicer shall have no authority by virtue of this Agreement to act for or represent German FleetCo as agent or otherwise, save in respect of those functions and duties which it is expressly authorized to perform and discharge by this Agreement and for the period during which this Agreement so authorizes it to perform and discharge those functions and duties.

6.11 Resignation of Servicer

The Servicer may, by giving not less than fourteen (14) days’ written notice to German FleetCo and the German Security Trustee, resign as Servicer, provided that, other than where all amounts due and payable under the German Facility Agreement are being repaid in full, a replacement Servicer satisfactory to German FleetCo and the German Security Trustee and with the appropriate licences and registrations has been or will, simultaneously with the termination of the Servicer’s appointment under this Agreement, be appointed (it being understood that it is German FleetCo’s obligation and not the German Security Trustee’s obligation to negotiate and make such appointment).

7 CERTAIN REPRESENTATIONS AND WARRANTIES

German OpCo, as Lessee, represents and warrants to the Lessor and the German Security Trustee that as of the Closing Date, and will represent and warrant as of each Vehicle Lease Commencement Date, and each Additional Lessee (with respect to itself only) will represent and warrant to the Lessor and the German Security Trustee that as of the Joinder Date with respect to such Additional Lessee, and as of each Vehicle Lease Commencement Date applicable to such Additional Lessee occurring on or after such Joinder Date:

7.1 Organization; Power; Qualification

Such Lessee has been duly incorporated and is validly existing as a limited liability company under the laws of Germany, with corporate power under the laws of Germany to execute and (where relevant) deliver this Agreement and the other Related Documents to which it is a party and to perform its obligations hereunder and thereunder.

7.2 Authorization; Enforceability

Each of this Agreement and the other Related Documents to which it is a party has been duly authorized, executed and (where relevant) delivered on behalf of such Lessee and, assuming due authorization, execution and (where relevant) delivery by the other parties hereto or thereto, is a valid and legally binding agreement of such Lessee enforceable against such Lessee in accordance with its terms (except as such enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors’ rights generally).

7.3 Compliance

The execution, delivery (where relevant) and performance by such Lessee of this Agreement and the German Related Documents to which it is a party will not conflict with or result in a breach of any of the terms or provisions of, or constitute a default under, or result in the creation or imposition of any security, charge or encumbrance upon any of the property or assets of such Lessee other than Security arising under the German Related Documents pursuant to the terms of any indenture, mortgage, deed of trust, loan agreement, guarantee, lease financing agreement or other similar agreement or instrument under which such Lessee is a debtor or guarantor (except to the extent that such conflict, breach, creation or imposition is not reasonably likely to have a Lease Material Adverse Effect) nor will such action result in a violation of any provision of applicable law or regulation (except to the extent that such violation is not reasonably likely to result in a Lease Material Adverse Effect) or of the provisions of the Lessee's articles of association.

7.4 Governmental Approvals

There is no consent, approval, authorization, order, registration or qualification of or with any Governmental Authority having jurisdiction over such Lessee which is required for the execution, delivery and performance of this Agreement or the German Related Documents (other than such consents, approvals, authorizations, orders, registrations or qualifications as have been obtained or made), except to the extent that the failure to so obtain or effect any such consent, approval, authorization, order, registration or qualification is not reasonably likely to result in a Lease Material Adverse Effect.

7.5 [Reserved]

7.6 [Reserved]

7.7 German Supplemental Documents True and Correct

All information contained in any material German Supplemental Document that has been submitted, or that may hereafter be submitted by such Lessee to the Lessor is, or will be, true, correct and complete in all material respects.

7.8 [Reserved]

7.9 [Reserved]

7.10 Eligible Vehicles

Each Lease Vehicle is or will be, as the case may be, on the applicable Vehicle Lease Commencement Date, an Eligible Vehicle or in the case of any Credit Vehicle will be an Eligible Vehicle following payment of the purchase price in respect thereof.

7.11 Ordinary business

Under this Agreement, the Lessee acts in the scope of its ordinary business.

7.12 Place of performing its duties

When performing its duties under this Agreement, the Lessee (or any representatives or agents of the Lessee) will not act out of or make use of a fixed place of business, a branch office or office facility located in Germany over which the Lessor (or its directors) has the power of control (*Verfügungsgewalt*).

7.13 Day-to-day management in relation to the Lessor's business

The managers, employees, representatives or agents of the Lessee will not make any day-to-day management decision in relation to the Lessor's business and will comply with any guidelines issued by the Lessor regarding the performance of any duty under this Agreement.

8 CERTAIN AFFIRMATIVE COVENANTS

Until the expiration or termination of this Agreement, and thereafter until the obligations of each Lessee under this Agreement and the German Related Documents are satisfied in full, each Lessee

covenants and agrees that, unless at any time the Lessor and the German Security Trustee shall otherwise expressly consent in writing, it will:

8.1 Corporate Existence; Foreign Qualification

Do and cause to be done at all times all things necessary to (i) maintain and preserve its limited liability existence; and (ii) comply with all Contractual Obligations and Requirements of Law binding upon it, except to the extent that the failure to comply therewith would not, in the aggregate, be reasonably expected to result in a Lease Material Adverse Effect.

8.2 Books, Records, Inspections and Access to Information

- (a) Maintain complete and accurate books and records with respect to the Lease Vehicles leased by it under this Agreement and the other German Collateral;
- (b) At any time and from time to time during regular business hours, upon reasonable prior notice from the Lessor, the German Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the German Security Trust Deed and the Issuer Security Trust Deed), permit the Lessor or the German Security Trustee (or such other Person who may be designated from time to time by the Lessor or the German Security Trustee) to examine and make copies of such books, records and documents in the possession or under the control of such Lessee relating to the Lease Vehicles leased by it under this Agreement and the other German Collateral;
- (c) Permit any of the Lessor, the German Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the German Security Trust Deed and the Issuer Security Trust Deed) (or such other Person who may be designated from time to time by any of the Lessor, the German Security Trustee or the Issuer Security Trustee) to visit the office and properties of such Lessee for the purpose of examining such materials, and to discuss matters relating to the Lease Vehicles leased by such Lessee under this Agreement with such Lessee's independent public accountants or with any of the Authorized Officers of such Lessee having knowledge of such matters, all at such reasonable times and as often as the Lessor, the German Security Trustee or the Issuer Security Trustee may reasonably request;
- (d) Upon the request of the Lessor, the German Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the German Security Trust Deed and the Issuer Security Trust Deed) from time to time, make reasonable efforts (but not disrupt the ongoing normal course rental of Lease Vehicles to customers) to confirm to the Lessor, the German Security Trustee and/or the Issuer Security Trustee the location and mileage (as recorded in the Servicer's computer systems) of each Lease Vehicle leased by such Lessee hereunder and to make available for the Lessor's, the German Security Trustee's and/or the Issuer Security Trustee's inspection within a reasonable time period such Lease Vehicle at the location where such Lease Vehicle is then domiciled; and
- (e) During normal business hours and with prior notice of at least three (3) Business Days, make its records pertaining to the Lease Vehicles leased by such Lessee hereunder available to the Lessor, the German Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the German Security Trust Deed and the Issuer Security Trust Deed) for inspection at the location or locations where such Lessee's records are normally domiciled,

provided that, in each case, the Lessor agrees that it will not disclose any information obtained pursuant to this Sub-Clause 8.2 (*Books, Records, Inspections and Access to Information*) that is not otherwise publicly available without the prior approval of such Lessee, except that the Lessor may disclose such information (x) to its officers, employees, attorneys and advisors, in each case on a confidential and need-to-know basis, and (y) as required by applicable law or compulsory legal process.

8.3 [Reserved]

8.4 Merger

Not merge or consolidate with or into any other Person unless (i) the applicable Lessee is the surviving entity of such merger or consolidation or (ii) the surviving entity of such merger or consolidation expressly assumes such Lessee's obligations under this Agreement.

8.5 Reporting Requirements

Furnish, or cause to be furnished to the Lessor and the German Security Trustee:

- (a) no later than the prescribed statutory deadline required by its articles of association and in any event by no later than 270 calendar days after the end of each financial year, its audited Annual Financial Statements together with the related auditors' report(s);
- (b) promptly after becoming aware thereof, (a) notice of the occurrence of any Potential Lease Event of Default or Lease Event of Default, together with a written statement of an Authorized Officer of such Lessee describing such event and the action that such Lessee proposes to take with respect thereto, and (b) notice of any Amortization Event.

The financial data that shall be delivered to the Lessor and the German Security Trustee pursuant to this Sub-Clause 8.5 (*Reporting Requirements*) shall be prepared in conformity with GAAP.

Documents, reports, notices or other information required to be furnished or delivered pursuant to this Sub-Clause 8.5 (*Reporting Requirements*) may be delivered electronically and, if so delivered, shall be deemed to have been delivered on the date (i) on which any Lessee posts such documents, or provides a link thereto on German OpCo's or any Parent's website (or such other website address as any Lessee may specify by written notice to the Lessor and the German Security Trustee from time to time) or (ii) on which such documents are posted on German OpCo's or any Parent's behalf on an internet or intranet website to which the Lessor and the German Security Trustee have access (whether a commercial, government or third-party website or whether sponsored by or on behalf of the German Security Trustee).

8.6 German withholding tax

Assist and cooperate with the Lessor to the extent reasonably necessary in the opinion of the Lessor regarding the Lessor's claims and obligations pertaining to German withholding tax, in particular, assistance with respect to the Lessor's application for a refund of German withholding tax and the Lessor's application for an exemption certificate relating to German withholding tax (pursuant to the provisions in particular of Section 50c 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 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 “tif”). 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)

*This agreement was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

Lessee and Servicer

HERTZ AUTOVERMIETUNG GMBH

By:

Name:

Title:

*This agreement was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

German Security Trustee

SIGNED for and on behalf of

BNP PARIBAS TRUST CORPORATION UK LIMITED

Signed by: _____

Title:

Signed by: _____

Title:

*This agreement was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

ANNEX A
FORM OF AFFILIATE JOINDER IN LEASE

THIS AFFILIATE JOINDER IN LEASE AGREEMENT (this “**Joinder**”) is executed as of _____, 20__ (with respect to this Joinder and the Joining Party, the “**Joinder Date**”), by _____, a _____ (“**Joining Party**”), and delivered to Hertz Fleet Limited, an entity established in Ireland (“**German FleetCo**”), as lessor pursuant to the German Master Lease and Servicing Agreement, the German Security Trustee (as defined below) and the other Lessees, dated as of 25 September, 2018 (as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “**Lease**”), among German FleetCo, as Lessor, Hertz Autovermietung GmbH (“**German OpCo**”), as a Lessee and as Servicer, those affiliates of German OpCo from time to time acceding as Lessees thereunder (together with German OpCo, the “**Lessees**”) and BNP Paribas Trust Corporation UK Limited as German security trustee (the “**German Security Trustee**”). Capitalized terms used herein but not defined herein shall have the meanings provided for in the Lease.

R E C I T A L S:

WHEREAS, the Joining Party is a Permitted Lessee; and

WHEREAS, the Joining Party desires to become a “**Lessee**” under and pursuant to the Lease.

NOW, THEREFORE, the Joining Party agrees as follows:

A G R E E M E N T:

1. The parties to this Joinder agree that the Joining Party shall accede (*Vertragsbeitritt*) to the Lease as of the Joinder Date.
2. The Joining Party hereby represents and warrants to and in favor of German FleetCo and the German Security Trustee that (i) the Joining Party is an Affiliate of German OpCo, (ii) all of the conditions required to be satisfied pursuant to Clause 12 (*Additional Lessees*) of the Lease in respect of the Joining Party becoming a Lessee thereunder have been satisfied, and (iii) all of the representations and warranties contained in Clause 7 (*Certain Representations and Warranties*) of the Lease with respect to the Lessees are true and correct as applied to the Joining Party as of the date hereof.
3. From and after the date hereof, the Joining Party hereby agrees to assume all of the obligations of a Lessee under the Lease and agrees to be bound by all of the terms, covenants and conditions therein.
4. By its execution of this Joinder, the Joining Party hereby becomes a Lessee for all purposes under the Lease. By its execution of this Joinder, German FleetCo and the German Security Trustee each acknowledges that the Joining Party is a Lessee for all purposes under the Lease.
5. The parties agree that the courts of Frankfurt am Main have exclusive jurisdiction to settle any Dispute arising out of or in connection with this Joinder and therefore irrevocably submit to the jurisdiction of those courts. The parties agree that the courts of Frankfurt am Main are an appropriate and convenient forum to settle Disputes between them and, accordingly, the parties will not argue to the contrary.
6. This Joinder is governed by German law. Any non-contractual obligations arising out of or in connection with this Joinder are governed by German law.

[Name of Joining Party]

By: _____

Name: _____

Title: _____

Address: _____

Attention: _____

Telephone: _____

Facsimile: _____

Accepted and Acknowledged by:

HERTZ FLEET LIMITED

By: _____

Name: _____

Title: _____

HERTZ AUTOVERMIETUNG GMBH

By: _____

Name: _____

Title: _____

BNP PARIBAS TRUST CORPORATION UK LIMITED
as German Security Trustee

By: _____

Name: _____

Title: _____

[OTHER LESSEES]

A36887653
WEIL:

EXHIBIT A
FORM OF LESSEE RESIGNATION NOTICE

[]

[German FleetCo, as Lessor]

[Hertz Autovermietung GmbH, as Servicer]

Re: Lessee Termination and Resignation

Ladies and Gentlemen:

Reference is hereby made to the German Master Lease and Servicing Agreement, dated as of 25 September, 2018 (as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof, the “**German Master Lease**”), among German FleetCo, as Lessor, Hertz Autovermietung GmbH (“**German OpCo**”), as a Lessee and as Servicer, those affiliates of Hertz from time to time acceding as Lessees thereunder (together with German OpCo, the “**Lessees**”) and BNP Paribas Trust Corporation UK Limited as German Security Trustee. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the German Master Lease.

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

Nothing herein shall be construed to be an amendment or waiver of any requirements of the German Master Lease.

[Name of Resigning Lessee]

By: _____

Name: _____

Title: _____

SCHEDULE I

Common Terms of Motor Third Party Liability Cover

Part A Non-vitiating endorsement

The Insurer undertakes to each Insured that this Policy will not be invalidated as regards the rights and interests of each such Insured and that the Insurer will not seek to avoid or deny any liability under this Policy because of any act or omission of any other Insured which has the effect of making this Policy void or voidable and/or entitles the Insurer to refuse indemnity in whole or in any material part in respect of any claims under this Policy as against such other Insured. For the purposes of this clause only "Insured" shall not include any "Authorised Driver".

Part B Severability of interest

The Insurer agrees that cover hereunder shall apply in the same manner and to the same extent as if individual policies had been issued to each Insured, provided that the total liability of the Insurers to all of the Insureds collectively shall not exceed the sums insured and the limits of indemnity (including any inner limits set by memorandum or endorsement stated in this Policy).

Part C Notice of non-payment of premium to be sent to the German Security Trustee

No cancellation unless thirty (30) days' notice.

In the event of non-payment of premium, this Policy may at the sole discretion of the Insurer be cancelled by written notice to the Insureds and [●] [or replacement German Security Trustee], stating when (not less than thirty (30) days thereafter) the cancellation shall be effective. Such notice of cancellation shall be withdrawn and shall be void and ineffective in the event that premium is paid by or on behalf of any of the Insureds prior to the proposed cancellation date.

Notices

The address for delivery of a notice to [●] [or replacement German Security Trustee] will be as follows:

Address:

Tel:

Fax:

Email:

Attention:

SCHEDULE II

[Reserved]

SCHEDULE III

Required Contractual Criteria for Vehicle Purchasing Agreements

1 PROVISIONS TO BE APPLIED TO ALL VEHICLE PURCHASING AGREEMENTS TO BE ENTERED INTO BY GERMAN FLEETCO OR GERMAN OPCO

Each Vehicle Purchasing Agreement will in substance satisfy the following contractual requirements:

1.1 Parties

Each Vehicle Purchasing Agreement will satisfy the following criteria:

- (a) the rights and obligations of each of German FleetCo and German OpCo shall in all cases be several and not joint (*nicht gesamtschuldnerisch*); and
- (b) German FleetCo shall not under any circumstances have any liability for the obligations of German OpCo arising under or in connection with such agreement.

5.0 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.

6.0 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]

Originally dated 25 September 2018 and as further amended and restated on 29 April 2021, 21 December 2021, 21 June 2022, 20 December 2022 and further amended and restated on 22 September 2023

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

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ANNEX A

FORM OF ACCESSION AGREEMENT

1

EXHIBIT A

FORM OF LESSEE RESIGNATION NOTICE

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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, 21 June 2022, 20 December 2022 and further amended and restated on 22 September 2023 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 portion (based upon the number of days in such Related Month that were included in the Vehicle Term for such Lease Vehicle) of the Depreciation Charge for such Lease Vehicle as of such Disposition Date, calculated on a 30/360 day basis.

4.4 Program Vehicle Depreciation Assumption True-Up Amount

If the Program Vehicle Depreciation Assumption True-Up Amount with respect to any Lease Vehicle is a positive number as of the first day following the end of the Estimation Period for such Lease Vehicle, then the Lessee of such Lease Vehicle shall pay the Lessor such Program Vehicle Depreciation Assumption True-Up Amount with respect to such Lease Vehicle in accordance with Sub-Clause 4.7.1 (*Payments*).

4.5 Monthly Variable Rent

The "**Monthly Variable Rent**" for each Payment Date and each Lease Vehicle other than a Lease Vehicle which was a Credit Vehicle on the last day of the Related Month with respect to

such Payment Date (w) leased hereunder as of the last day of the Related Month with respect to such Payment Date, (x) the Disposition Date in respect of which occurred during such Related Month, or (y) that was purchased by the applicable Lessee during such Related Month, in each case shall equal to the product of the sum of:

- (A) all interest that has accrued on the Spanish Note during the Interest Period for the Spanish Note ending on the second Business Day immediately preceding the Determination Date immediately preceding such Payment Date, plus
 - (B) all Spanish Carrying Charges with respect to such Payment Date, and
- (i) 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 franchises of such Affiliate and (iii) the aggregate Net Book Value of the Lease Vehicles being subleased pursuant to this Sub-Clause 5.2.2(B) (*Vehicle Use*) at any one time does not exceed five (5) per cent of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement at such time;
 - (C) any Affiliate of any Lessee located in the same jurisdiction as the jurisdiction in which the Lessee is incorporated, so long as (i) the sublease of such Lease Vehicles to such Affiliate states in writing that it is subject to the terms and conditions of this Agreement and is subordinate in all respects to this Agreement, (ii) the Lease Vehicles being so subleased are being used in connection with such Affiliate's business, including use by such Affiliate's and its subsidiaries' employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities and (iii) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Sub-Clause 5.2.2(C) does not exceed five (5) per cent. of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement;

- (D) subject to the provisions of Sub-Clause 5.2.2(E) below, any Affiliate of any Lessee in a jurisdiction different than the jurisdiction where the Lessee is located (other than France), so long as (i) the sublease of such Lease Vehicles to such Affiliate states in writing that it is subject to the terms and conditions of this Agreement and is subordinate in all respects to this Agreement, (ii) the Lease Vehicles being so subleased are being used in connection with such Affiliate's business, including use by such Affiliate's and its subsidiaries' employees, directors, officers, agents, representatives and other business associates in their personal or professional capacities, (iii) the relevant FleetCo Class A Baseline Advance Rate applicable to the Lease Vehicle being subleased must be the lower FleetCo Class A Baseline Advance Rate in respect of the relevant FleetCo AAA Component, as the case may be, of (a) the jurisdiction of the Lessee and (b) the jurisdiction of the relevant Affiliate to such Lease Vehicles are sub-leased to, (iv) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Sub-Clause 5.2.2(D) does not exceed one (1) per cent. of the aggregate Net Book Value of all Lease Vehicles being leased under this Agreement and (v) following a Level 1 Minimum Liquidity Test Breach, the subleases of such Lease Vehicles shall be terminated, and such subleased Vehicles shall either be: (a) returned to the Lessee or (b) sold by the relevant Affiliate, with all proceeds of such sale to be deposited into the Spanish Collection Account; and
- (E) in addition to the provisions of Sub-Clause 5.2.2(D) above, the OpCos located in a jurisdiction different than the jurisdiction where the Lessee is located, so long as (i) the sublease of such Lease Vehicles to such OpCo states in writing that it is subject to the terms and conditions of this Agreement and is subordinate in all respects to this Agreement, (ii) any Lease Vehicles being so subleased must be Non-Program Vehicles, (iii) the relevant FleetCo Class A Baseline Advance Rate applicable to the Lease Vehicle being subleased must be the lower of FleetCo Class A Baseline Advance Rate in respect of the relevant Eligible Investment Grade Non-Program Vehicle Amount or Eligible Non-Investment Grade Non-Program Vehicle Amount, as the case may be, of (a) the jurisdiction of the Lessee and (b) the jurisdiction of the relevant OpCo to such Lease Vehicles are sub-leased to, (iv) the aggregate Net Book Value of the Lease Vehicles being subleased at any one time pursuant to this Sub-Clause 5.2.2(E) (*Vehicle Use*), sub-clause 5.2.2. (E) of the Dutch Master Lease Agreement, sub-clause 5.2.2 (E) of the French Master Lease Agreement, 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 100 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.

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.

- (c) With respect to Non-Program Vehicles only and during the Revolving Period, the Servicer shall be able to negotiate on behalf of the Spanish FleetCo the terms of an Intra-Group Vehicle Purchasing Agreement with other FleetCos or OpCos or other Affiliates of the Spanish FleetCo located in a different jurisdiction than the jurisdiction where the FleetCo is located, for the purchase of Non-Program Vehicles, provided that the following requirements are satisfied at all times:
- (i) the purchase price to be paid for the purchase of the Non-Program Vehicles shall be the Net Book Value (as determined under US GAAP) of such Non-Program Vehicle;
 - (ii) an Intra-Group Vehicle Purchasing Agreement for Non-Program Vehicle shall be entered into each time any such Non-Program Vehicle is acquired pursuant to this Sub-Clause, in form and substance substantially the same as the template Intra-Group Vehicle Purchasing Agreement set out in Schedule VI (*Draft Intra-Group Vehicle Purchasing Agreement*);
 - (iii) once a Non-Program vehicle is acquired by the Spanish FleetCo pursuant to an Intra-Group Vehicle Purchasing Agreement, the same Non-Program Vehicle may not be transferred or sold to any other FleetCo or Opco or other Affiliates of the Spanish FleetCo other than the disposal of such Non-Program vehicle at the expiry of the relevant Lease Term, and
 - (iv) following a Level 1 Minimum Liquidity Breach, the Servicer shall be able to negotiate on behalf of the Spanish FleetCo the terms of an intra-group vehicle sale agreement with other FleetCos or OpCos.
- (d) The purchase of vehicles between Fleetcos and Opcos pursuant to the above paragraph shall cease if a Level 1 Minimum Liquidity Test Breach occurs.

6.4 Servicing Standard and Data Protection

In addition to the duties enumerated in Sub-Clause 6.2 (*Servicer Functions with Respect to Lease Vehicle Returns, Disposition and Invoicing*) and 6.3 (*Required Contractual Criteria*), the Servicer agrees to perform each of its obligations hereunder in accordance with the Servicing Standard, unless otherwise stated.

In addition, where necessary to enable the Servicer to deliver the services hereunder, for such purposes the Lessor authorises the Servicer to process personal data on behalf of the Lessor in accordance with this Sub-Clause 6.4 (*Servicing Standard and Data Protection*). When the Servicer processes such personal data, the Servicer shall take appropriate technical and organisational measures designed to protect against unauthorised or unlawful processing or personal data and against accidental loss or destruction of, or damage to, personal data. In particular, the Servicer shall process personal data only for the purposes contemplated by this Agreement and shall act only on the instructions of the Lessor (given for such purposes) and shall comply at all times with the principles and provisions set out in the Regulation (EU) 2016/679 of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (and any subsequent amendments thereto) as if applicable to the Servicer directly and any other applicable laws. The Servicer shall answer the reasonable enquiries of the Lessor to enable the Lessor to monitor the Servicer's compliance with this Sub-Clause 6.4

(*Servicing Standard and Data Protection*) and the Servicer shall not sub-contract its processing of personal data without the prior written consent of the Lessor.

6.5 Servicer Acknowledgment

The parties to this Agreement acknowledge and agree that Spanish OpCo acts as Servicer of the Lessor pursuant to this Agreement, and, in such capacity, as the agent of the Lessor, for purposes of performing certain duties of the Lessor under this Agreement and the Spanish Related Documents.

6.6 Servicer's Monthly Fee

- (a) As compensation for the Servicer's performance of its duties, the Lessor shall pay to or at the direction of the Servicer on each Payment Date (i) a fee (the "**Spanish Monthly Servicing Fee**") equal to one-twelfth of the Spanish Servicing Fee and (ii) the reasonable costs and expenses of the Servicer incurred by it during the Related Month as a result of arranging for the sale of Lease Vehicles returned to the Lessor in accordance with Sub-Clause 2.4(a) (*Lessee Right to Return*); provided, however, that such costs and expenses shall only be payable to or at the direction of the Servicer to the extent of any excess of the sale price received by or on behalf of the Lessor for any such Lease Vehicle over the Net Book Value thereof.
- (b) All payments required to be made by any party under this Agreement shall be calculated without reference to any set-off or counterclaim and shall be made free and clear of and without any deduction for or on account of any set-off or counterclaim, except that (i) any fees and expenses or other amounts due and payable by the Lessor to the Servicer shall be set-off against (ii) any amount owed by the Servicer in such capacity (or as Lessee) to the Lessor at such time under this Agreement.

6.7 Sub-Servicers

The Servicer may delegate to any Person (each such delegee, in such capacity, a "**Sub-Servicer**") the performance of part (but not all) of the Servicer's obligations as Servicer pursuant to this Agreement on the condition that:

- (a) the Servicer shall maintain up-to-date records of the Servicer's obligations as Servicer which have been delegated to any Sub-Servicer, and such records shall contain the name and contact information of the Sub-Servicer;
- (b) in delegating any of its obligations as Servicer to a Sub-Servicer, the Servicer shall act as principal and not as an agent of the Lessor and shall use reasonable skill and care in choosing a Sub-Servicer;
- (c) the Servicer shall not be released or discharged from any liability under this Agreement, and no liability shall be diminished, and the Servicer shall remain primarily liable for the performance of all of the obligations of the Servicer under this Agreement;
- (d) the performance or non-performance and the manner of performance by any Sub-Servicer of any of the obligations of the Servicer as Servicer shall not affect the Servicer's obligations under this Agreement;
- (e) any breach in the performance of the Servicer's obligations as Servicer by a Sub-Servicer shall be treated as a breach of this Agreement by the Servicer, subject to the Servicer being entitled to remedy such breach for a period of fourteen (14) Business Days of the earlier of:
 - (i) the Servicer becoming aware of the breach; and

- (ii) receipt by the Servicer of written notice from the Lessor or the Spanish Security Trustee requiring the same to be remedied; and
- (f) neither the Lessor nor the Spanish Security Trustee shall have any liability for any act or omission of any Sub-Servicer and shall have no responsibility for monitoring or investigating the suitability of any Sub-Servicer.

6.8 Servicer Records and Servicer Reports

- (a) On each Business Day commencing on the date hereof, the Servicer shall prepare and maintain electronic records (such records, as updated each Business Day, the "**Servicer Records**"), showing each Lease Vehicle by the VIN with respect to such Lease Vehicle.
- (b) On the date hereof, the Servicer shall deliver or cause to be delivered to the Issuer Security Trustee and the Spanish Security Trustee the Servicer Records as of such date, which delivery may be satisfied by the Servicer posting, or causing to be posted, such Servicer Records to a password-protected website made available to the Spanish Security Trustee and the Lessor or by any other reasonable means of electronic transmission (including, without limitation, e-mail, file transfer protocol or otherwise).
- (c) On each Business Day following the date hereof, the Servicer shall deliver or cause to be delivered to the Spanish Security Trustee a schedule listing all changes to the Servicer Records in respect of the foregoing Sub-Clauses 6.8(a) and (b) (*Servicer Records and Servicer Reports*) since the preceding Business Day (such schedule as delivered each Business Day, a "**Servicer Report**"), which delivery may be satisfied by the Servicer posting, or causing to be posted, such Servicer Report to a password-protected website made available to the Spanish Security Trustee and the Lessor or by any other reasonable means of electronic transmission (including, without limitation, e-mail, file transfer protocol or otherwise).

6.9 Powers of Attorney

Spanish FleetCo will grant immediately after the Closing Date and in any event within the following two Business Days after the Closing Date in favor of relevant persons within Spanish OpCo, the relevant power of attorney in substantially the form of Schedule V hereto, with faculties of delegation, so that they can bind Spanish FleetCo vis-à-vis third parties in relation to the service to be provided hereunder by the Servicer to Spanish FleetCo. Such power of attorney shall cease to have effect when the Servicer ceases to act as servicer under this Agreement or when the Lessor terminates such power of attorney.

6.10 Servicer's agency limited

The Servicer shall have no authority by virtue of this Agreement to act for or represent Spanish FleetCo as agent or otherwise, save in respect of those functions and duties which it is expressly authorized to perform and discharge by this Agreement and for the period during which this Agreement so authorizes it to perform and discharge those functions and duties.

6.11 Resignation of Servicer

The Servicer may, by giving not less than fourteen (14) days' written notice to Spanish FleetCo and the Spanish Security Trustee, resign as Servicer, provided that, other than where all amounts due and payable under the Spanish Facility Agreement are being repaid in full, a replacement Servicer satisfactory to Spanish FleetCo and the Spanish Security Trustee has been or will, simultaneously with the termination of the Servicer's appointment under this

Agreement, be appointed (it being understood that it is Spanish FleetCo's obligation and not the Spanish Security Trustee's obligation to negotiate and make such appointment).

6.12 Tax certificate

As established in article 43.1.(f) of the Spanish General Tax Law 58/2003, of 17 December, the Servicer shall provide the Lessor with the relevant certificate issued by the Spanish Tax Authorities once every twelve months confirming that the Servicer has no pending tax obligations. Such certificates shall make reference to the Lessor as recipient of the services rendered by the Servicer and the fact that the issuance of such certificate has been made in order to avoid the secondary liability as established in article 43.1.(f) of the Spanish General Tax Law 58/2003, of 17 December.

6.13 Labor and Social Security information

The Servicer shall:

- (a) provide the Lessor on a quarterly basis during the term of this Agreement with updated certificates of compliance issued by the General Treasury of the Social Security which evidence its fulfillment with its social security payment obligations;
- (b) upon the request of the Lessor the Spanish Security Trustee at any time during the life of this Agreement, and upon 15 days written prior notice (but no more than once within a calendar month), provide the social security contribution bulletins corresponding to its employees; and
- (c) during normal business hours and upon 15 days prior written notice, provide to the Lessor, the Spanish Security Trustee, all documentary evidence of its fulfillment of its relevant labor payment obligations.

7 CERTAIN REPRESENTATIONS AND WARRANTIES

Spanish OpCo, as Lessee, represents and warrants to the Lessor and the Spanish Security Trustee that as of the Closing Date, and as of each Vehicle Lease Commencement Date, and each Additional Lessee represents and warrants to the Lessor and the Spanish Security Trustee that as of the Joinder Date with respect to such Additional Lessee, and as of each Vehicle Lease Commencement Date applicable to such Additional Lessee occurring on or after such Joinder Date:

7.1 Organization; Power; Qualification

Such Lessee has been duly formed and is validly existing as a corporation, limited liability company or trust under the laws of its jurisdiction of organization, with corporate power under the laws of such jurisdiction to execute and deliver this Agreement and the other Related Documents to which it is a party and to perform its obligations hereunder and thereunder.

7.2 Authorization; Enforceability

Each of this Agreement and the other Related Documents to which it is a party has been duly authorized, executed and delivered on behalf of such Lessee and, assuming due authorization, execution and delivery by the other parties hereto or thereto, is a valid and legally binding agreement of such Lessee enforceable against such Lessee in accordance with its terms (except as such enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors' rights generally or by general equitable principles, whether considered in a proceeding at law or in equity or by an implied covenant of good faith and fair dealing).

7.3 Compliance

The execution, delivery and performance by such Lessee of this Agreement and the Spanish Related Documents to which it is a party will not conflict with or result in a breach of any of the

terms or provisions of, or constitute a default under, or result in the creation or imposition of any security, charge or encumbrance upon any of the property or assets of such Lessee other than Security arising under the Spanish Related Documents pursuant to the terms of, any indenture, mortgage, deed of trust, loan agreement, guarantee, lease financing agreement or other similar agreement or instrument under which such Lessee is a debtor or guarantor (except to the extent that such conflict, breach, creation or imposition is not reasonably likely to have a Lease Material Adverse Effect) nor will such action result in a violation of any provision of applicable law or regulation (except to the extent that such violation is not reasonably likely to result in a Lease Material Adverse Effect) or of the provisions of the certificate of incorporation or the by-laws of the Lessee.

7.4 Governmental Approvals

There is no consent, approval, authorization, order, registration or qualification of or with any Governmental Authority having jurisdiction over such Lessee which is required for the execution, delivery and performance of this Agreement or the Spanish Related Documents (other than such consents, approvals, authorizations, orders, registrations or qualifications as have been obtained or made), except to the extent that the failure to so obtain or effect any such consent, approval, authorization, order, registration or qualification is not reasonably likely to result in a Lease Material Adverse Effect.

7.5 [Reserved]

7.6 [Reserved]

7.7 Spanish Supplemental Documents True and Correct

All information contained in any material Spanish Supplemental Document that has been submitted, or that may hereafter be submitted by such Lessee to the Lessor is, or will be, true, correct and complete in all material respects.

7.8 [Reserved]

7.9 [Reserved]

7.10 Eligible Vehicles

Each Lease Vehicle is or will be, as the case may be, on the applicable Vehicle Lease Commencement Date, an Eligible Vehicle or in the case of any Credit Vehicle will be an Eligible Vehicle following payment of the purchase price in respect thereof.

8 CERTAIN AFFIRMATIVE COVENANTS

Until the expiration or termination of this Agreement, and thereafter until the obligations of each Lessee under this Agreement and the Spanish Related Documents are satisfied in full, each Lessee covenants and agrees that, unless at any time the Lessor and the Spanish Security Trustee shall otherwise expressly consent in writing, it will:

8.1 Corporate Existence; Foreign Qualification

Do and cause to be done at all times all things necessary to (i) maintain and preserve its limited liability existence; and (ii) comply with all Contractual Obligations and Requirements of Law binding upon it, except to the extent that the failure to comply therewith would not, in the aggregate, be reasonably expected to result in a Lease Material Adverse Effect.

8.2 Books, Records, Inspections and Access to Information

(a) Maintain complete and accurate books and records with respect to the Lease Vehicles leased by it under this Agreement and the other Spanish Collateral;

- (b) At any time and from time to time during regular business hours, upon reasonable prior notice from the Lessor, the Spanish Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Spanish Security Trust Deed and the Issuer Security Trust Deed), permit the Lessor or the Spanish Security Trustee (or such other Person who may be designated from time to time by the Lessor or the Spanish Security Trustee) to examine and make copies of such books, records and documents in the possession or under the control of such Lessee relating to the Lease Vehicles leased by it under this Agreement and the other Spanish Collateral;
- (c) Permit any of the Lessor, the Spanish Security Trustee or the Issuer Security Trustee ((whose instructions, in turn, have been obtained in accordance with the terms of the Spanish Security Trust Deed and the Issuer Security Trust Deed) (or such other Person who may be designated from time to time by any of the Lessor, the Spanish Security Trustee or the Issuer Security Trustee) to visit the office and properties of such Lessee for the purpose of examining such materials, and to discuss matters relating to the Lease Vehicles leased by such Lessee under this Agreement with such Lessee's independent public accountants or with any of the Authorized Officers of such Lessee having knowledge of such matters, all at such reasonable times and as often as the Lessor, the Spanish Security Trustee or the Issuer Security Trustee may reasonably request;
- (d) Upon the request of the Lessor, the Spanish Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Spanish Security Trust Deed and the Issuer Security Trust Deed) from time to time, make reasonable efforts (but not disrupt the ongoing normal course rental of Lease Vehicles to customers) to confirm to the Lessor, the Spanish Security Trustee and/or the Issuer Security Trustee the location and mileage (as recorded in the Servicer's computer systems) of each Lease Vehicle leased by such Lessee hereunder and to make available for the Lessor's, the Spanish Security Trustee's and/or the Issuer Security Trustee's inspection within a reasonable time period such Lease Vehicle at the location where such Lease Vehicle is then domiciled; and
- (e) During normal business hours and with prior notice of at least three (3) Business Days, make its records pertaining to the Lease Vehicles leased by such Lessee hereunder available to the Lessor, the Spanish Security Trustee or the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Spanish Security Trust Deed and the Issuer Security Trust Deed) for inspection at the location or locations where such Lessee's records are normally domiciled,

provided that, in each case, the Lessor agrees that it will not disclose any information obtained pursuant to this Sub-Clause 8.2 (*Books, Records, Inspections and Access to Information*) that is not otherwise publicly available without the prior approval of such Lessee, except that the Lessor may disclose such information (x) to its officers, employees, attorneys and advisors, in each case on a confidential and need-to-know basis, and (y) as required by applicable law or compulsory legal process.

8.3 [Reserved]

8.4 Merger

Not merge or consolidate with or into any other Person unless (i) the applicable Lessee is the surviving entity of such merger or consolidation or (ii) the surviving entity of such merger or consolidation expressly assumes such Lessee's obligations under this Agreement.

8.5 Reporting Requirements

Furnish, or cause to be furnished to the Lessor and the Spanish Security Trustee:

- (a) no later than the prescribed statutory deadline required by its articles of association and in any event by no later than 270 calendar days after the end of each financial

year, its audited Annual Financial Statements together with the related auditors' report(s);

- (b) promptly after becoming aware thereof, (a) notice of the occurrence of any Potential Lease Event of Default or Lease Event of Default, together with a written statement of an Authorized Officer of such Lessee describing such event and the action that such Lessee proposes to take with respect thereto, and (b) notice of any Amortization Event.

The financial data that shall be delivered to the Lessor and the Spanish Security Trustee pursuant to this Sub-Clause 8.5 (*Reporting Requirements*) shall be prepared in conformity with GAAP.

Documents, reports, notices or other information required to be furnished or delivered pursuant to this Sub-Clause 8.5 (*Reporting Requirements*) may be delivered electronically and, if so delivered, shall be deemed to have been delivered on the date (i) on which any Lessee posts such documents, or provides a link thereto on Spanish OpCo's or any Parent's website (or such other website address as any Lessee may specify by written notice to the Lessor and the Spanish Security Trustee from time to time) or (ii) on which such documents are posted on Spanish OpCo's or any Parent's behalf on an internet or intranet website to which the Lessor and the Spanish Security Trustee have access (whether a commercial, government or third-party website or whether sponsored by or on behalf of the Spanish Security Trustee).

8.6 Preservation of rights

Preserve and/or exercise and/or enforce its rights and/or shall procure that the same are preserved, exercised or enforced on its behalf (including by the Spanish Security Trustee) in respect of the Spanish Vehicles, including but not limited to promptly notifying any Insolvency Official of a Manufacturer or Dealer of any retention of title existing in respect of one or more Spanish Vehicles in favour of the Lessor.

9 DEFAULT AND REMEDIES THEREFOR

9.1 Events of Default

Any one or more of the following will constitute an event of default (a "**Lease Event of Default**") as that term is used herein:

- 9.1.1 there occurs a default in the payment of any Rent or other amount payable by any Lessee under this Agreement unless such default in the payment is caused by an administrative or technical error and in such case, payment is made within three (3) Business Days of being due and payable;
- 9.1.2 any unauthorized assignment or transfer of this Agreement by any Lessee occurs;
- 9.1.3 the failure of any Lessee to observe or perform any other covenant, condition, agreement or provision hereof, including, but not limited to, usage, and maintenance that in any such case has a Lease Material Adverse Effect, and such default continues for more than fourteen (14) consecutive days after the earlier of the date written notice thereof is delivered by the Lessor or the Spanish Security Trustee to such Lessee or the date an Authorized Officer of such Lessee obtains actual knowledge thereof;
- 9.1.4 if (i) any representation or warranty made by any Lessee herein is inaccurate or incorrect or is breached or is false or misleading as of the date of the making thereof or any schedule, certificate, financial statement, report, notice, or other writing furnished by or on behalf of any Lessee to the Lessor or the Spanish Security Trustee is false or misleading on the date as of which the facts therein set forth are stated or certified, (ii) such inaccuracy, breach or falsehood has a Lease Material Adverse Effect, and (iii) the circumstance or condition in respect of which such representation, warranty or writing was inaccurate, incorrect, breached, false or misleading, as the case may be, shall not have been eliminated or otherwise cured for fourteen (14) consecutive days after the earlier of (x) the date of the receipt of written

notice thereof from the Lessor or the Spanish Security Trustee to the applicable Lessee and (y) the date an Authorized Officer of the applicable Lessee learns of such circumstance or condition;

- 9.1.5 an Event of Bankruptcy occurs with respect to Hertz or with respect to any Lessee;
- 9.1.6 this Agreement or any portion thereof ceases to be in full force and effect (other than in accordance with its terms or as otherwise expressly permitted in the Spanish Related Documents) or a proceeding shall be commenced by any Lessee to establish the invalidity or unenforceability of this Agreement, in each case other than with respect to any Lessee that at such time is not leasing any Lease Vehicles hereunder;
- 9.1.7 a Servicer Default occurs; or
- 9.1.8 a Liquidation Event occurs.

For the avoidance of doubt, with respect to any Potential Lease Event of Default or Lease Event of Default, if the event or condition giving rise (directly or indirectly) to such Potential Lease Event of Default or Lease Event of Default, as applicable, ceases to be continuing (through cure, waiver or otherwise), then such Potential Lease Event of Default or Lease Event of Default, as applicable, will cease to exist and will be deemed to have been cured for every purpose under the Spanish Related Documents.

- 9.2 Effect of Lease Event of Default. If any Lease Event of Default set forth in Sub-Clause 9.1.1, 9.1.2, 9.1.5, 9.1.6 or 9.1.8 (*Events of Default*) shall occur and be continuing, the Lessee's right of possession with respect to any Lease Vehicles leased hereunder shall be subject to the Lessor's option to terminate such right as set forth in Sub-Clause 9.3 (*Rights of Lessor Upon Lease Event of Default*) and 9.4 (*Liquidation Event and Non-Performance of Certain Covenants*).

9.3 Rights of Lessor and Spanish Security Trustee Upon Lease Event of Default

- 9.3.1 If a Lease Event of Default shall occur and be continuing, then the Lessor may proceed by appropriate court action or actions, either at law or in equity, to enforce performance by any Lessee of the applicable covenants and terms of this Agreement or to recover damages for the breach hereof calculated in accordance with Sub-Clause 9.5 (*Measure of Damages*).
- 9.3.2 If any Lease Event of Default set forth in Sub-Clauses 9.1.1, 9.1.2, 9.1.5, 9.1.6 or 9.1.8 (*Events of Default*) shall occur and be continuing, then (i) subject to the terms of this Clause 9.3.2, the Lessor or the Spanish Security Trustee (acting on the written instructions of the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Spanish Security Trust Deed and the Issuer Security Trust Deed)) shall have the right to serve notice on the other parties hereto, a "**Master Lease Termination Notice**", and following service of such notice shall have the right to (a) to terminate any Lessee's rights of use and possession hereunder of all or a portion of the Lease Vehicles leased hereunder by such Lessee, (b) to take possession of all or a portion of the Lease Vehicles leased by any Lessee hereunder and (c) to peaceably enter upon the premises of any Lessee or other premises where Lease Vehicles may be located and take possession of all or a portion of the Lease Vehicles and thenceforth hold, possess and enjoy the same free from any right of any Lessee, or its successors or assigns, and to use or dispose of such Lease Vehicles for any purpose whatsoever and (ii) the Lessees, at the request of the Lessor or the Spanish Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Spanish Security Trust Deed and the Issuer Security Trust Deed), shall return or cause to be returned all Lease Vehicles to and in accordance with the directions of the Lessor or the Spanish Security Trustee as the case may be.

The Lessor may not validly serve a Master Lease Termination Notice unless such decision to serve the Master Lease Termination Notice has been approved by any independent director (as defined in the relevant constitutional documents of the Lessor) on the board of directors of the Lessor.

9.3.3 Each and every power and remedy hereby specifically given to the Lessor will be in addition to every other power and remedy hereby specifically given or now or hereafter existing at law, in equity or in bankruptcy and each and every power and remedy may be exercised from time to time and simultaneously and as often and in such order as may be deemed expedient by the Lessor; *provided, however*, that the measure of damages recoverable against such Lessee will in any case be calculated in accordance with Sub-Clause 9.5 (*Measure of Damages*). All such powers and remedies will be cumulative, and the exercise of one will not be deemed a waiver of the right to exercise any other or others. No delay or omission of the Lessor in the exercise of any such power or remedy and no renewal or extension of any payments due hereunder will impair any such power or remedy or will be construed to be a waiver of any default or any acquiescence therein; *provided that*, for the avoidance of doubt, any exercise of any such right or power shall remain subject to each condition expressly specified in any Related Document with respect to such exercise. Any extension of time for payment hereunder or other indulgence duly granted to any Lessee will not otherwise alter or affect the Lessor's rights or the obligations hereunder of such Lessee. The Lessor's acceptance of any payment after it will have become due hereunder will not be deemed to alter or affect the Lessor's rights hereunder with respect to any subsequent payments or defaults therein.

9.4 Liquidation Event and Non-Performance of Certain Covenants

- (a)** If a Liquidation Event shall have occurred and be continuing, the Spanish Security Trustee and the Issuer Security Trustee shall have the rights against each Lessee and the Spanish Collateral provided in the Spanish Security Trust Deed and Issuer Security Trust Deed, upon a Liquidation Event, including, in each case, the right to serve a Master Lease Termination Notice on the other parties hereto and following service of such notice shall have the right (i) to terminate any Lessee's rights of possession hereunder of all or a portion of the Lease Vehicles leased hereunder by such Lessee (ii) to take possession of all or a portion of the Lease Vehicles leased by any Lessee hereunder and (iii) to peaceably enter upon the premises of any Lessee or other premises where Lease Vehicles may be located and take possession of all or a portion of the Lease Vehicles and thenceforth hold, possess and enjoy the same free from any right of any Lessee, or its successors or assigns, and to use such Lease Vehicles for any purpose whatsoever.
- (b)** During the continuance of a Liquidation Event, the Servicer shall return any or all Lease Vehicles that are Program Vehicles to the related Manufacturers in accordance with the instructions of the Lessor. To the extent any Manufacturer fails to accept any such Program Vehicles under the terms of the applicable Manufacturer Program, the Lessor shall have the right to otherwise dispose of such Program Vehicles and to direct the Servicer to dispose of such Program Vehicles in accordance with its instructions.
- (c)** Notwithstanding the exercise of any rights or remedies pursuant to this Sub-Clause 9.4 (*Liquidation Event and Non-Performance of Certain Covenants*), the Lessor will, nevertheless, have a right to recover from such Lessee any and all amounts (for the avoidance of doubt, as limited by Sub-Clause 9.5 (*Measure of Damages*)) as may be then due.
- (d)** In addition, following the occurrence of a Liquidation Event, the Lessor shall have all of the rights, remedies, powers, privileges and claims vis-a-vis each Lessee, necessary or desirable to allow the Spanish Security Trustee to exercise the rights, remedies, powers, privileges and claims given to the Spanish Security Trustee pursuant to Sub-Clause 10.2 (*Rights of the Spanish Security Trustee upon Amortization Event or Certain Other Events of Default*) of the Spanish Facility Agreement, and each Lessee acknowledges that it has hereby granted to the Lessor all such rights, remedies, powers, privileges and claims granted by the Lessor to the Spanish Security Trustee pursuant to Clause 10 of the Spanish Facility Agreement and that the Spanish Security Trustee may act in lieu of the Lessor in the exercise of all such rights, remedies, powers, privileges and claims.

- (e) The Spanish Security Trustee may only take possession of, or exercise any of the rights or remedies specified in this Agreement with respect to, such number of Lease Vehicles necessary to generate disposition proceeds in an aggregate amount sufficient to pay the Spanish Note with respect to which a Liquidation Event is then continuing as set forth in the Issuer Facility Agreement, taking into account the receipt of proceeds of all other vehicles being disposed of that have been pledged to secure such Spanish Note.

9.5 Measure of Damages

If a Lease Event of Default or Liquidation Event occurs and the Lessor or the Spanish Security Trustee exercises the remedies granted to the Lessor or the Spanish Security Trustee under Sub-Clause 8.6 (*Preservation of rights*), this Clause 9 (*Default and Remedies Therefor*) or Sub-Clause 10.2 of the Spanish Facility Agreement, the amount that the Lessor shall be permitted to recover from any Lessee as payment shall be equal to:

- (a) all Rent for each Lease Vehicle leased by such Lessee hereunder to the extent accrued and unpaid as of the earlier of the date of the return to the Lessor of such Lease Vehicle or disposition by the Servicer of such Lease Vehicle in accordance with the terms of this Agreement and all other payments payable under this Agreement by such Lessee, accrued and unpaid as of such date; *plus*
- (b) any reasonable out-of-pocket damages and expenses, including reasonable attorneys' fees and expenses that the Lessor or the Spanish Security Trustee will have sustained by reason of such a Lease Event of Default or Liquidation Event, together with reasonable sums for such attorneys' fees and such expenses as will be expended or incurred in the seizure, storage, rental or sale of the Lease Vehicles leased by such Lessee hereunder or in the enforcement of any right or privilege hereunder or in any consultation or action in such connection, in each case to the extent reasonably attributable to such Lessee; *plus*
- (c) interest from time to time on amounts due from such Lessee and unpaid under this Agreement at EURIBOR *plus* 1.0% computed from the date of such a Lease Event of Default or Liquidation Event or the date payments were originally due to the Lessor by such Lessee under this Agreement or from the date of each expenditure by the Lessor or the Spanish Security Trustee, as applicable, that is recoverable from such Lessee pursuant to this Clause 8.6 (*Default and Remedies Therefor*), as applicable, to and including the date payments are made by such Lessee.

9.6 Servicer Default

Any of the following events will constitute a default of the Servicer (a "**Servicer Default**") as that term is used herein:

- (a) the failure of the Servicer to comply with or perform any provision of this Agreement or any other Related Document and such failure is, in the opinion of the Spanish Security Trustee materially prejudicial to the Spanish Noteholder and in the case of a default which is remediable, such default continues for more than fourteen (14) consecutive days after the earlier of the date written notice is delivered by the Lessor or the Spanish Security Trustee to the Servicer or the date an Authorized Officer of the Servicer obtains actual knowledge thereof;
- (b) an Event of Bankruptcy occurs with respect to the Servicer;
- (c) the failure of the Servicer to make any payment when due from it hereunder or under any of the other Spanish Related Documents or to deposit any Spanish Collections received by it into the Spanish Transaction Account when required under the Spanish Related Documents and, in each case, unless such failure is as a result of an administrative or technical error in such case payment has been made within three (3) Business Days;

- (d) if (I) any representation or warranty made by the Servicer relating to the Spanish Collateral in any Spanish Related Document is inaccurate or incorrect or is breached or is false or misleading as of the date of the making thereof or any schedule, certificate, financial statement, report, notice, or other writing relating to the Spanish Collateral furnished by or on behalf of the Servicer to the Lessor or the Spanish Security Trustee pursuant to any Spanish Related Document is false or misleading on the date as of which the facts therein set forth are stated or certified, (II) such inaccuracy, breach or falsehood is, in the opinion of the Spanish Security Trustee materially prejudicial to the Spanish Noteholder, and (III) if such inaccuracy, breach or falsehood can be remedied, the circumstance or condition in respect of which such representation, warranty or writing was inaccurate, incorrect, breached, false or misleading, as the case may be, shall not have been eliminated or otherwise cured for at least fourteen (14) consecutive days after the earlier of (x) the date of the receipt of written notice thereof from the Lessor or the Spanish Security Trustee to the Servicer and (y) the date an Authorized Officer of the Servicer obtains actual knowledge of such circumstance or condition;
- (e) a Lease Event of Default occurs which gives rise to a right for the Lessor or the Spanish Security Trustee to serve a Master Lease Termination Notice; or
- (f) a Liquidation Event occurs.

In the event of a Servicer Default, the Lessor or the Spanish Security Trustee, in each case acting pursuant to Sub-Clause 9.23(d) (*Servicer Default*) of the Spanish Facility Agreement, shall have the right to replace the Servicer as servicer.

For the avoidance of doubt, with respect to any Servicer Default, if the event or condition giving rise (directly or indirectly) to such Servicer Default ceases to be continuing (through cure, waiver or otherwise), then such Servicer Default will cease to exist and will be deemed to have been cured for every purpose under the Spanish Related Documents.

9.7 Indemnity relating to the services provided under this Agreement

The Servicer shall fully indemnify and hold the Lessor harmless in respect of any and all labour and social security liabilities resulting, directly or indirectly, from the Servicer's failure to perform its labour and social security obligations under applicable laws.

9.8 Application of Proceeds

The proceeds of any sale or other disposition pursuant to Sub-Clause 9.2 (*Effect of Lease Event of Default*) or Sub-Clause 9.3 (*Rights of Lessor Upon Lease Event of Default*) shall be applied by the Lessor in accordance with the terms of the Spanish Related Documents.

10 CERTIFICATION OF TRADE OR BUSINESS USE

Each Lessee hereby warrants and certifies that it intends to use the Lease Vehicles that are subject to this Agreement in connection with its trade or business.

11 [RESERVED]

12 ADDITIONAL LESSEES

Subject to prior consent of Spanish FleetCo (such consent not to be unreasonably withheld or delayed) and the Spanish Security Trustee (acting upon the instructions of the Issuer Security Trustee (whose instructions, in turn, have been obtained in accordance with the terms of the Spanish Security Trust Deed and the Issuer Security Trust Deed)), any Affiliate of Spanish OpCo that was incorporated under the laws of Spain (each, a "**Permitted Lessee**") shall have the right to become a Lessee under and pursuant to the terms of this Agreement by complying with the provisions of this Clause 12 (*Additional Lessees*); *provided that* the Lessor shall provide its consent to such Permitted Lessee becoming a Lessee pursuant to the terms of this Clause 12 (*Additional Lessees*). If a Permitted Lessee desires to become a Lessee

under this Agreement, then such Permitted Lessee shall execute (if appropriate) and deliver to the Lessor, the Spanish Security Trustee and the Issuer Security Trustee:

- 12.1 a Joinder in Lease Agreement substantially in the form attached hereto as Annex A (each, an “**Affiliate Joinder in Lease**”);
- 12.2 the certificate of incorporation or other organizational documents for such Permitted Lessee, together with a copy of the by-laws or other organizational documents of such Permitted Lessee, duly certified by an Authorized Officer of such Permitted Lessee;
- 12.3 copies of resolutions of the Board of Directors or other authorizing action of such Permitted Lessee authorizing or ratifying the execution, delivery and performance, respectively, of those documents and matters required of it with respect to this Agreement, duly certified by an Authorized Officer of such Permitted Lessee;
- 12.4 a certificate of an Authorized Officer of such Permitted Lessee certifying the names of the individual or individuals authorized to sign the Affiliate Joinder in Lease and any other Related Documents to be executed by it, together with samples of the true signatures of each such individual;
- 12.5 an Officer’s Certificate stating that such joinder by such Permitted Lessee complies with this Clause 12 (*Additional Lessees*) and an opinion of counsel, which may be based on an Officer’s Certificate and is subject to customary exceptions and qualifications (including, without limitation, insolvency laws and principles of equity), stating that (a) all conditions precedent set forth in this Clause 12 (*Additional Lessees*) relating to such joinder by such Permitted Lessee have been complied with and (b) upon the due authorization, execution and delivery of such Affiliate Joinder in Lease by the parties thereto, such Affiliate Joinder in Lease will be enforceable against such Permitted Lessee; and
- 12.6 any additional documentation that the Lessor, the Spanish Security Trustee or the Issuer Security Trustee may reasonably require to evidence the assumption by such Permitted Lessee of the obligations and liabilities set forth in this Agreement.

13 **VALUE ADDED TAX AND STAMP TAXES**

13.1 **Sums payable exclusive of VAT**

All sums or other consideration set out in this Agreement or otherwise payable or provided by any party to any other party pursuant to this Agreement shall be deemed to be exclusive of any VAT which is or becomes chargeable (if any) on any supply or supplies for which sums or other consideration (or any part thereof) are the whole or part of the consideration for VAT purposes.

13.2 **Payment of amounts in respect of VAT**

Where, pursuant to the terms of this Agreement, any party (the “**Supplier**”) makes a supply to any other party (the “**Recipient**”) hereto for VAT purposes and VAT is or becomes chargeable on such supply (being VAT for which the Supplier is required to account to the relevant Tax Authority):

- (a) where the Supplier is the Lessee, the Recipient shall, following receipt from the Supplier of a valid VAT invoice in respect of such supply, pay to the Supplier (in addition to any other consideration for such supply) a sum equal to the amount of such VAT; and
- (b) where the Supplier is the Lessor, the Recipient shall pay to the Supplier (in addition to and at the same time as paying any other consideration for such supply) a sum equal to the amount of such VAT, and the Supplier shall, following receipt of such sum and (unless otherwise required pursuant to any Requirement of Law) not before, provide the Recipient with a valid VAT invoice in respect of such supply.

13.3 Cost and expenses

References in this Agreement to any fee, cost, loss, disbursement, commission, damages, expense, charge or other liability incurred by any party to this Agreement and in respect of which such party is to be reimbursed or indemnified by any other party under the terms of, or the amount of which is to be taken into account in any calculation or computation set out in this Agreement shall include such part of such fee, cost, loss, disbursement, commission, damages, expense, charge or other liability as represents any VAT, but only to the extent that such first party is not entitled to a refund (by way of a credit or repayment) in respect of such VAT from any relevant Tax Authority.

14 SECURITY AND ASSIGNMENTS

14.1 Rights of Lessor pledged to Trustee

Each Lessee acknowledges that the Lessor has pledged or will pledge all of its rights under this Agreement to the Spanish Security Trustee pursuant to the Spanish Security Documents. Accordingly, each Lessee agrees that:

- (a) upon the occurrence of a Lease Event of Default or Liquidation Event, the Spanish Security Trustee may exercise (for and on behalf of the Lessor) any right or remedy against such Lessee provided for herein and such Lessee will not interpose as a defense that such claim should have been asserted by the Lessor;
- (b) upon the delivery by the Spanish Security Trustee of any notice to such Lessee stating that a Lease Event of Default or a Liquidation Event has occurred, such Lessee will, if so requested by the Spanish Security Trustee, comply with all obligations under this Agreement that are asserted by the Spanish Security Trustee, as the Lessor hereunder, irrespective of whether such Lessee has received any such notice from the Lessor; and
- (c) such Lessee acknowledges that pursuant to this Agreement it has agreed to make all payments of Rent hereunder (and any other payments hereunder) directly to the Spanish Security Trustee for deposit in the Spanish Transaction Account.

14.2 Right of the Lessor to Assign or Transfer its rights or obligations under this Agreement

The Lessor shall have the right to finance the acquisition and ownership of Lease Vehicles under this Agreement by, without limitation, selling, assigning or transferring any of its rights and/or obligations under this Agreement to the Issuer Security Trustee for the benefit of the Noteholders; provided, however, that any such sale, assignment or transfer shall be subject to the rights and interest of the Lessees in the Lease Vehicles, including but not limited to the Lessees' right of quiet and peaceful possession of such Lease Vehicles as set forth in Sub-Clause 5.3 (*Non-Disturbance*) hereof, and under this Agreement.

14.3 Limitations on the Right of the Lessees to Assign or Transfer its rights or obligations under this Agreement

No Lessee shall assign or transfer or purport to assign or transfer any right or obligation under this Agreement to any other party.

14.4 Security

The Lessor may grant security interests in the Lease Vehicles leased by any Lessee hereunder without consent of any Lessee. Except for Permitted Security, each Lessee shall keep all Lease Vehicles free of all Security arising during the Term. If on the Vehicle Lease Expiration Date for any Lease Vehicle, there is Security on such Lease Vehicle, the Lessor may, in its discretion, remove such Security and any sum of money that may be paid by the Lessor in release or discharge thereof, including reasonable attorneys' fees and costs, will be paid by the Lessee of such Lease Vehicle upon demand by the Lessor.

15 NON-LIABILITY OF LESSOR

As between the Lessor and each Lessee, acceptance for lease of each Lease Vehicle pursuant to Sub-Clause 2.1(f) (*Lease Vehicle Acceptance or Non-conforming Lease Vehicle Rejection*) shall constitute such Lessee's acknowledgment and agreement that such Lessee has fully inspected such Lease Vehicle, that such Lease Vehicle is in good order and condition and is of the manufacture, design, specifications and capacity selected by such Lessee, that such Lessee is satisfied that the same is suitable for this use. Each Lessee acknowledges that the Lessor is not a Manufacturer or agent thereof or primarily engaged in the sale or distribution of Lease Vehicles. Each Lessee acknowledges that the Lessor makes no representation, warranty or covenant, express or implied in any such case, as to the fitness, safeness, design, merchantability, condition, quality, durability, suitability, capacity or workmanship of the Lease Vehicles in any respect or in connection with or for any purposes or uses of any Lessee and makes no representation, warranty or covenant, express or implied in any such case, that the Lease Vehicles will satisfy the requirements of any law or any contract specification, and as between the Lessor and each Lessee, such Lessee agrees to bear all such risks at its sole cost and expense. Each Lessee specifically waives all rights to make claims against the Lessor and any Lease Vehicle for breach of any warranty of any kind whatsoever, and each Lessee leases each Lease Vehicle "as is." Upon the Lessor's acquisition of any Lease Vehicle identified in a request from any Lessee pursuant to Sub-Clause 2.1(d) above, the Lessor shall in no way be liable for any direct or indirect damages or inconvenience resulting from any defect in or loss, theft, damage or destruction of any Lease Vehicle or of the cargo or contents thereof or the time consumed in recovery repairing, adjusting, servicing or replacing the same and there shall be no abatement or apportionment of rental at such time. The Lessor shall not be liable for any failure to perform any provision hereof resulting from fire or other casualty, natural disaster, riot or other civil unrest, war, terrorism, strike or other labor difficulty, governmental regulation or restriction, or any cause beyond the Lessor's direct control. In no event shall the Lessor be liable for any inconveniences, loss of profits or any other special, incidental, or consequential damages, whatsoever or howsoever caused (including resulting from any defect in or any theft, damage, loss or failure of any Lease Vehicle).

The Lessor shall not be responsible for any liabilities (including any loss of profit) arising from any delay in the delivery of, or failure to deliver, any Lease Vehicle to any Lessee.

16 NON-PETITION AND NO RECOURSE

16.1 Non-Petition

Notwithstanding anything to the contrary in this Agreement or any Spanish Related Document, only the Spanish Security Trustee may pursue the remedies available under the general law or under the Spanish Security Trust Deed to enforce this Agreement, the Spanish Security or the Spanish Note and no other Person shall be entitled to proceed directly against Spanish FleetCo in respect hereof (unless the Spanish Security Trustee, having become bound to proceed in accordance with the terms of the Spanish Related Documents, fails or neglects to do so). Each party to this Agreement hereby agrees with and acknowledges to each of Spanish FleetCo and the Spanish Security Trustee until the date falling one year and one day after the Legal Final Payment Date, that:

- (a) it shall not have the right to take or join any person in taking any steps against Spanish FleetCo for the purpose of obtaining payment of any amount due from Spanish FleetCo (other than serving a written demand subject to the terms of the Spanish Security Trust Deed); and
- (b) neither it nor any Person on its behalf shall initiate or join any person in initiating an Event of Bankruptcy or the appointment of any Insolvency Official in relation to Spanish FleetCo, provided that, the Spanish Security Trustee shall have the right to take any action pursuant to and in accordance with the relevant Spanish Related Documents and Spanish Security Documents.

The provisions of this Sub-Clause 16.1 (*Non-Petition*) shall survive the termination of this Agreement.

16.2 No Recourse

Each party to this Agreement agrees with and acknowledges to each of Spanish FleetCo and the Spanish Security Trustee that, notwithstanding any other provision of any Spanish Related Document, all obligations of Spanish FleetCo to such entity are limited in recourse as set out below:

- (a) sums payable to it in respect of any of the Spanish FleetCo's obligations to it shall be limited to the lesser of (i) the aggregate amount of all sums due and payable to it and (ii) the aggregate amounts received, realised or otherwise recovered by or for the account of the Spanish Security Trustee in respect of the Spanish Security whether pursuant to enforcement of the Spanish Security or otherwise; and
- (b) upon the Spanish Security Trustee giving written notice that it has determined in its opinion that there is no reasonable likelihood of there being any further realisations in respect of the Spanish Security (whether arising from an enforcement of the Spanish Security or otherwise) which would be available to pay unpaid amounts outstanding under the relevant Spanish Related Documents, it shall have no further claim against Spanish FleetCo in respect of any such unpaid amounts and such unpaid amounts shall be discharged in full.

The provisions of this Sub-Clause 16.2 (*No Recourse*) shall survive the termination of this Agreement.

17 [RESERVED]

18 GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of Spain. With respect to any suit, action, dispute or proceedings relating to this Agreement, each party hereto irrevocably submits to the exclusive jurisdiction of the courts of first instance and agree that the courts of the city of Madrid are the most appropriate and convenient courts to settle any suit, action, dispute or proceedings and accordingly no party will argue to the contrary. The foregoing is for the benefit of the Spanish Security Trustee only. As a result, the Spanish Security Trustee shall not be prevented from taking proceedings relating to any suit, action, dispute or proceedings in any other courts with jurisdiction. To the extent permitted by law, the Spanish Security Trustee may take concurrent proceedings in any number of jurisdictions.

19 NOTICES

Unless otherwise specified herein, all notices, communications, requests, instructions and demands by any Party hereto to another shall be delivered in accordance with the provisions of Clause 3.17 of the Master Definitions and Construction Agreement and Clause 23 (*Notices*) of the Spanish Security Trust Deed.

20 ENTIRE AGREEMENT

This Agreement and the other agreements specifically referenced herein constitute the entire agreement among the parties hereto and supersede any prior understandings, agreements, or representations by or among the parties hereto, written or oral, to the extent they related in any way to the subject matter hereof. This Agreement, together with the Manufacturer Programs, the Lease Vehicle Acquisition Schedules, the Intra-Lease Lessee Transfer Schedules and any other related documents attached to this Agreement (including, for the avoidance of doubt, all related joinders, exhibits, annexes, schedules, attachments and appendices), in each case solely to the extent to which such Manufacturer Programs, schedules and documents relate to Lease Vehicles will constitute the entire agreement regarding the leasing of Lease Vehicles by the Lessor to each Lessee.

21 MODIFICATION AND SEVERABILITY

The terms of this Agreement will not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever unless the same shall be in writing and signed and delivered by the Lessor, the Servicer, the Spanish Security Trustee and each Lessee, subject to any restrictions on such waivers, alterations, modifications, amendments, supplements or terminations set forth in the Spanish Facility Agreement. If any part of this Agreement is not valid or enforceable according to law, all other parts will remain enforceable. For the avoidance of doubt, the execution and/or delivery of and/or performance under any Affiliate Joinder in Lease, Lease Vehicle Acquisition Schedule or Intra-Lease Lessee Transfer Schedule shall not constitute a waiver, alteration, modification, supplement or termination to or of this Agreement.

22 SURVIVABILITY

In the event that, during the term of this Agreement, any Lessee becomes liable for the payment or reimbursement of any obligations, claims or taxes pursuant to any provision hereof, such liability will continue, notwithstanding the expiration or termination of this Agreement, until all such amounts are paid or reimbursed by or on behalf of such Lessee.

23 [RESERVED]

24 COUNTERPARTS

This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original and all of which counterparts, taken together, shall constitute one and the same Agreement.

25 ELECTRONIC EXECUTION

This Agreement (including, for the avoidance of doubt, any joinder, schedule, annex, exhibit or other attachment hereto) may be transmitted and/or signed by facsimile or other electronic means (i.e., a "pdf" or "tiff"). The effectiveness of any such documents and signatures shall, subject to applicable law, have the same force and effect as manually signed originals and shall be binding on each party hereto. The words "execution," "signed," "signature," and words of like import in this Agreement (including, for the avoidance of doubt, any joinder, schedule, annex, exhibit or other attachment hereto) or in any amendment or other modification hereof (including, without limitation, waivers and consents) shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be.

26 LESSEE TERMINATION AND RESIGNATION

With respect to any Lessee except for Spanish OpCo, upon such Lessee (the "**Resigning Lessee**") delivering irrevocable written notice to the Lessor, the Servicer and the Spanish Security Trustee that such Resigning Lessee desires to resign its role as a Lessee hereunder (such notice, substantially in the form attached as Exhibit A hereto, a "**Lessee Resignation Notice**"), such Resigning Lessee shall immediately cease to be a Lessee hereunder, and, upon such occurrence, event or condition, the Lessor, the Servicer and the Spanish Security Trustee shall be deemed to have released, waived, remised, acquitted and discharged such Resigning Lessee and such Resigning Lessee's directors, officers, employees, managers, shareholders and members of and from any and all claims, expenses, damages, costs and liabilities arising or accruing in relation to such Resigning Lessee on or after the delivery of such Lessee Resignation Notice to the Lessor, the Servicer and the Spanish Security Trustee (the time of such delivery, the "**Lessee Resignation Notice Effective Date**"); provided that, as a condition to such release and discharge, the Resigning Lessee shall pay to the Lessor all payments due and payable with respect to each Lease Vehicle leased by Resigning Lessee hereunder, including without limitation any payment listed under Sub-Clause 4.7.1 and 4.7.2 (*Payments*), as applicable to each such Lease Vehicle, as of the Lessee Resignation Notice Effective Date; provided further that, the Resigning Lessee shall return or reallocate all Lease

Vehicles at the direction of the Servicer in accordance with Sub-Clause 2.4 (*Return*); provided further that, with respect to any Resigning Lessee, such Resigning Lessee shall not be released or otherwise relieved under this Clause 26 (*Lessee Termination and Resignation*) from any claim, expense, damage, cost or liability arising or accruing prior to the Lessee Resignation Notice Effective Date with respect to such Resigning Transferor.

27 THIRD-PARTY BENEFICIARIES

The parties hereto acknowledge that the Issuer Security Trustee (for the benefit of the Noteholders and their assigns) shall be a third-party beneficiary hereunder.

28 TIME OF THE ESSENCE

Subject to any grace periods provided hereunder, time shall be of the essence of this Agreement as regards any time, date or period, whether as originally agreed or altered by agreement between all the parties (and, where required, with consent) or in any other manner provided in this Agreement, for the performance by each Lessee of its obligations under this Agreement.

29 GOVERNING LANGUAGE

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

30 POWER OF ATTORNEY

If an entity incorporated in the Netherlands is represented by an attorney or attorneys in connection with the signing, execution or delivery of this Agreement or any document, agreement or deed referred to herein or made pursuant hereto, the relevant power of attorney is expressed to be governed by the laws of the Netherlands and it is hereby expressly acknowledged and accepted by the other parties that such laws shall govern the existence and extent of such attorney's or attorneys' authority and the effects of the exercise thereof.

IN WITNESS WHEREOF, the parties have executed this Agreement or caused it to be executed by their respective officers thereunto duly authorized as of the day and year first above written.

Dutch FleetCo

STUURGROEP FLEET (NETHERLANDS) B.V.

By: _____

*This agreement was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

Lessor

STUURGROEP FLEET (NETHERLANDS) B.V., SUCURSAL EN ESPAÑA

By: _____

*This agreement was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

Lessee and Servicer

HERTZ DE ESPAÑA, S.L.U.

By: _____

*This agreement was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

Spanish Security Trustee

BNP PARIBAS TRUST CORPORATION UK LIMITED

By: _____

*This agreement was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

ANNEX A

FORM OF AFFILIATE ACCESSION AGREEMENT

THIS AFFILIATE ACCESSION AGREEMENT (this “**Joinder**”) is executed as of _____, 20__ (with respect to this Joinder and the Joining Party, the “**Joinder Date**”), by _____, a _____ (“**Joining Party**”), and delivered to Stuurgroep Fleet (Netherlands) B.V., Sucursal en España, 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: _____

*This agreement was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

HERTZ 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:

*This agreement was not separately executed by the parties hereto but was agreed to by the parties pursuant to, and included as a schedule to, a separately signed administrative agreement that is not material to the registrant(s).

EXHIBIT A
FORM OF LESSEE RESIGNATION NOTICE

[]

Stuurgroep Fleet (Netherlands) B.V., Sucursal en España, as LessorHertz de España, S.L.U., as Servicer

Re: Lessee Termination and Resignation

Ladies and Gentlemen:

Reference is hereby made to the Spanish Master Lease and Servicing Agreement, dated as of 25 September 2018 (as amended, supplemented or otherwise modified from time to time in accordance with the terms thereof, the "**Spanish Master Lease**"), among Stuurgroep Fleet (Netherlands) B.V., as Dutch FleetCo, Spanish FleetCo, as Lessor, Hertz de España, S.L.U. ("**Spanish OpCo**"), as a Lessee and as Servicer, those affiliates of Hertz from time to time becoming Lessees thereunder (together with Spanish OpCo, the "**Lessees**") and BNP Paribas Trust Corporation UK Limited as Spanish Security Trustee. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to them in the Spanish Master Lease.

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

Nothing herein shall be construed to be an amendment or waiver of any requirements of the Spanish Master Lease.

[Name of Resigning Lessee]

By: _____

Name: _____

Title: _____

SCHEDULE I

Common Terms of Motor Third Party Liability Cover

Part A Non-vitiating endorsement

The Insurer undertakes to each Insured that this Policy will not be invalidated as regards the rights and interests of each such Insured and that the Insurer will not seek to avoid or deny any liability under this Policy because of any act or omission of any other Insured which has the effect of making this Policy void or voidable and/or entitles the Insurer to refuse indemnity in whole or in any material part in respect of any claims under this Policy as against such other Insured. For the purposes of this clause only "Insured" shall not include any "Authorised Driver".

Part B Severability of interest

The Insurer agrees that cover hereunder shall apply in the same manner and to the same extent as if individual policies had been issued to each Insured, provided that the total liability of the Insurers to all of the Insureds collectively shall not exceed the sums insured and the limits of indemnity (including any inner limits set by memorandum or endorsement stated in this Policy).

Part C Notice of non-payment of premium to be sent to the Spanish Security Trustee

No cancellation unless thirty (30) days' notice.

In the event of non-payment of premium, this Policy may at the sole discretion of the Insurer be cancelled by written notice to the Insureds and [●] [or replacement Spanish Security Trustee], stating when (not less than thirty (30) days thereafter) the cancellation shall be effective. Such notice of cancellation shall be withdrawn and shall be void and ineffective in the event that premium is paid by or on behalf of any of the Insureds prior to the proposed cancellation date.

Notices

The address for delivery of a notice to [●] [or replacement Spanish Security Trustee] will be as follows:

Address:

Tel:

Fax:

Email:

Attention:

SCHEDULE II

Insurance Broker Letter of Undertaking

Part A

Public/Product Liability Cover

To: [Lessor and the Spanish Security Trustee]

Dear Sirs

Letter of Undertaking

HERTZ DE ESPAÑA, S.L.U. (the "Company")

1. We confirm that the Public/Product Liability Cover providing protection against public and product liability in respect of Vehicles has been effected for the account of the Company, Stuurgroep Fleet (Netherlands) B.V., Sucursal en España and BNP Paribas Trust Corporation UK Limited.
2. We confirm that such Public/Product Liability Cover is in an amount which would be considered to be reasonably prudent in the context of the vehicle rental industry.
3. We confirm that such Public/Product Liability Cover is in full force and effect as of the date of this letter. The current policy will expire on [●] unless it is cancelled, terminated or liability thereunder is fully discharged prior to that date.

This letter shall be governed by Spanish law.

Yours faithfully

.....
Date: [●]

Part B
Motor Third Party Liability

To: [Lessor]

Dear Sirs

Letter of Undertaking

HERTZ DE ESPAÑA, S.L.U. (the "Company")

1. We confirm that the Motor Third Party Liability Cover providing protection which is required as a matter of law, including providing protection against (i) liability in respect of bodily injury or death caused to third parties, and (ii) loss or damage to property belonging to third parties, in each case arising out of the use of any Vehicle has been effected for the account of the Company, Stuurgroep Fleet (Netherlands) B.V., Sucursal en España, and to the extent that each or either of the aforementioned parties are required to do so as a matter of law in the jurisdiction in which each or either of them or a Vehicle is located, for any other Person.
2. We confirm that such Motor Third Party Liability Cover is in an amount which is at or above any applicable minimum limits of indemnity/ liability required as a matter of law or (if higher) which would be considered to be reasonably prudent in the context of the vehicle rental industry.
3. We confirm that such Motor Third Party Liability Cover is in full force and effect as of the date of this letter. The current policy will expire on [●] unless it is cancelled, terminated or liability thereunder is fully discharged prior to that date.

This letter shall be governed by Spanish law.

Yours faithfully

.....
Date: [●]

SCHEDULE III
Required Contractual Criteria for Vehicle Purchasing Agreements

1 PROVISIONS TO BE APPLIED TO ALL VEHICLE PURCHASING AGREEMENTS TO BE ENTERED INTO BY SPANISH FLEETCO

Each Vehicle Purchasing Agreement will in substance satisfy the following contractual requirements:

1.1 Parties

Vehicle Purchasing Agreements to which Spanish FleetCo is a party may include contractual terms permitting the accession of Spanish OpCo (or another Affiliate of The Hertz Corporation other than Spanish FleetCo) as an additional purchaser/seller.

If any Vehicle Purchasing Agreement provides that Spanish OpCo (or any other Affiliate of The Hertz Corporation other than Spanish FleetCo) may purchase/sell Vehicles in accordance with the terms of such Vehicle Purchasing Agreement, the obligations of Spanish FleetCo and Spanish OpCo (or other Affiliate of The Hertz Corporation other than Spanish FleetCo, as applicable) under that Vehicle Purchasing Agreement will in all cases need to be several, and provide that Spanish FleetCo will not have any liability for the obligations of Spanish OpCo (or such other Affiliate of The Hertz Corporation, as applicable).

Alternatively, existing Vehicle Purchasing Agreements to which Spanish OpCo (or other Affiliate of The Hertz Corporation other than Spanish FleetCo) is a party may be amended to provide that Spanish FleetCo may accede to such Vehicle Purchasing Agreements (satisfying the Spanish Required Contractual Criteria) and that Spanish FleetCo will not have any liability for the obligations of Spanish OpCo (or other Affiliate of The Hertz Corporation).

1.2 Separate obligations

Each Vehicle Purchasing Agreement will satisfy the following criteria:

- (a) Spanish FleetCo shall not under any circumstances have any liability for the obligations of Spanish OpCo (in its capacity as guarantor, purchaser of vehicles or otherwise) thereunder; and
- (b) to the extent that Spanish OpCo (or any other Affiliate of The Hertz Corporation other than Spanish FleetCo) enters into or is a party to any other Vehicle Purchasing Agreements with the same Manufacturer/Dealer (each such Vehicle Purchasing Agreement to which Spanish OpCo or other Affiliate of The Hertz Corporation other than Spanish FleetCo is a party being a "**Spanish OpCo Specific Agreement**"), Spanish FleetCo shall not under any circumstances have any liability for the obligations of Spanish OpCo (or such other Affiliate of The Hertz Corporation, as the case may be) under such Spanish OpCo Specific Agreement.

1.3 Volume Rebates etc.

A Vehicle Purchasing Agreement may provide that any bonus payment or other amount (howsoever described) payable or to be made available by a Manufacturer/Dealer as a result of Spanish FleetCo (or Spanish FleetCo and/or Spanish OpCo (and/or any other relevant Affiliate of The Hertz Corporation) under such Vehicle Purchasing Agreement and/or any Spanish OpCo Specific Agreement, as applicable) meeting any minimum vehicle purchase level in that relevant year, be payable to or for the account of Spanish OpCo (rather than Spanish FleetCo). For the avoidance of doubt, Spanish FleetCo may however take the benefit of reductions applied to purchase prices applicable to vehicles as a result of any such minimum vehicle purchase levels being reached.

Notwithstanding the foregoing where a Vehicle Purchasing Agreement provides that in the event that any minimum vehicle purchase level in the relevant year is not met:

- (a) any bonus, payment, benefit or reductions applied to purchase prices on Vehicles purchased by Spanish FleetCo or other amount (howsoever described) is recoverable by or repayable to a Manufacturer y/Dealer; or
- (b) any penalty or other amount (howsoever described) is payable to such Manufacturer/Dealer,

such Vehicle Purchasing Agreement shall provide that, in each case, such amounts will only be reclaimed from, payable by, or otherwise recoverable from Spanish OpCo or another Affiliate of The Hertz Corporation other than Spanish FleetCo.

1.4 Confidentiality and public disclosure of terms of Vehicle Purchasing

Each Vehicle Purchasing Agreement will need to be disclosed to the Spanish Security Trustee and possibly other Enhancement Providers.

1.5 Non-petition

Each Vehicle Purchasing Agreement will contain an irrevocable and unconditional covenant or undertaking given by the relevant Manufacturer/Dealer that such Manufacturer/Dealer shall not be entitled and shall not initiate or take any step in connection with:

- (a) liquidation, bankruptcy or insolvency (or any similar or analogous proceedings or circumstances) of Spanish FleetCo; or
- (b) the appointment of an insolvency officer in relation to Spanish FleetCo or any of its assets whatsoever,

provided that, to the extent that a Vehicle Purchasing Agreement provides that such covenant or undertaking will terminate upon a given date, such date shall be no earlier than the date falling one year and one day after the Legal Final Payment Date.

1.6 Limited recourse

Each Vehicle Purchasing Agreement will contain an irrevocable covenant or undertaking given by the relevant Manufacturer/Dealer that such Manufacturer/Dealer shall not be entitled to, and shall not, initiate or take any step in connection with the commencement of legal proceedings (howsoever described) to recover any amount owed to it by Spanish FleetCo under the relevant Vehicle Purchasing Agreement; this covenant will be unconditional except that the relevant Manufacturer/Dealer may commence legal proceedings to the extent that the only relief sought against Spanish FleetCo pursuant to such proceedings is the re-possession of relevant Vehicle(s) pursuant to applicable retention of title provisions provided for under the relevant Vehicle Purchasing Agreement, provided that, to the extent that a Vehicle Purchasing Agreement provides that such covenant or undertaking will terminate upon a given date, such date shall be no earlier than the date falling one year and one day after the Legal Final Payment Date.

2 PROVISIONS TO BE APPLIED TO ALL MANUFACTURER PROGRAMS TO BE ENTERED INTO BY A FLEETCO

Each Manufacturer Program will in substance satisfy the following additional contractual requirements:

2.1 Assignment and transfers

Each Manufacturer Program will contain terms that permit Spanish FleetCo to assign by way of security or pledge any of its rights under such agreement to the Spanish Security Trustee. Any such right to grant security to the relevant Spanish Security Trustee must be unrestricted.

Unless pursuant to an Intra-Group Transfer (as defined below) by a Manufacturer (which shall not require consent from Spanish FleetCo), each Manufacturer Program will provide that the Manufacturer/Dealer may not assign, transfer or novate its obligations under such agreement without the prior written consent of Spanish FleetCo. Spanish FleetCo shall not provide such consent unless the Manufacturer/Dealer enters into a guarantee materially in the form set out in Schedule 3 (*Draft Transfer and Guarantee Language to be included in Pro Forma Manufacturer Programs*) or accepts joint and several liability in respect of the transferred obligations substantially on the terms set out in Schedule IV (*Draft Transfer and Joint and Several Liability Language to be included in Pro Forma Manufacturer Programs*). For the purposes hereof, an **"Intra-Group Transfer"** means an assignment, transfer or novation by a Manufacturer of its obligations under a Manufacturer Program to an Affiliate of such Manufacturer which would satisfy the definition of **"Investment Grade Manufacturer"** upon such Affiliate becoming a Manufacturer. For the avoidance of doubt, Manufacturers/Dealers may assign their rights under Manufacturer Programs without the prior written consent of Spanish FleetCo.

2.2 Set-off

Each Manufacturer Program will provide that the Manufacturer/Dealer expressly waives (to the extent that it is able to do so under applicable law) any right that it would otherwise have under such Manufacturer Program or under applicable law to set-off (i) any amount of unpaid purchase price owed to such Manufacturer/Dealer by Spanish FleetCo in relation to Vehicles ordered by (but not delivered to) Spanish FleetCo by such Manufacturer/Dealer under that Manufacturer Program, against (ii) amounts owed by the Manufacturer/Dealer to Spanish FleetCo under such Manufacturer Program, provided that, each Vehicle Purchasing Agreement entered into or renewed on or after the Closing Date will provide that the Manufacturer /Dealer expressly waives (to the extent that it is able to do so under applicable law) any right that it would otherwise have under such Vehicle Purchasing Agreement or under applicable law to set-off (i) any amount of unpaid purchase price owed to such Manufacturer/Dealer by Spanish FleetCo under that Vehicle Purchasing Agreement, against (ii) amounts owed by the Manufacturer/Dealer to Spanish FleetCo under that Manufacturer Program or any other Vehicle Purchasing Agreement, save and except in relation to any Manufacturer Programme with Daimler AG, Seat, S.A., Volkswagen Group España Distribución, S.A. and/or any of their respective Affiliates or successors or any corporation into which such entities may be merged or converted or with which they may be consolidated or any corporation resulting from any merger, conversion or consolidation of such entities (the **"Non-Accepting Entities"**) or any Dealers or agents (or Affiliates or successors thereof) selling Vehicles manufactured or purchased from the Non-Accepting Entities if such Manufacturer Programme does not provide for waiver of set-off in accordance with paragraph 2.2 (Set-off) hereof, in which case such amounts may be reclaimed from, payable by, or otherwise recoverable from Spanish FleetCo.

Notwithstanding the foregoing the Manufacturer/Dealers will be entitled to set off any amount owed by Spanish FleetCo in respect of turn-back related damages against any amount of Repurchase Price owed by it to Spanish FleetCo. The Servicer shall use reasonable efforts to procure that each Manufacturer Program will provide that the Manufacturer/Dealer expressly waives all rights to set-off (however arising and whether at law or in equity) any amount:

- (a) owed to it by Spanish OpCo under such Manufacturer Program; or
- (b) owed to it by Spanish OpCo (or any other Affiliate of The Hertz Corporation other than Spanish FleetCo) under any other agreement (including any Spanish OpCo Specific Agreement),

in any such case against amounts owed by the Manufacturer/Dealer to Spanish FleetCo under the relevant Manufacturer Program.

2.3 Manufacturer's/Dealer's obligations to be 'unconditional'

No Manufacturer Program may contain terms that provide that the Repurchase Obligations of the Manufacturer/Dealer are conditional in any respect other than, in relation to (a) a force

majeure event¹ or (b) compliance with applicable turn-back procedures (including any Programme Minimum Term or Programme Maximum Term) and/or (c) turn-back standards in relation to the condition of the relevant Vehicle. For the avoidance of doubt, no Manufacturer Program may provide that the obligations of the Manufacturer/Dealer thereunder are conditional upon:

- (a) any minimum number of Vehicles being purchased (i) by Spanish FleetCo under such Manufacturer Program; and/or (ii) by Spanish OpCo or any other Person under such Manufacturer Program or any Spanish OpCo Specific Agreement; or
- (b) the solvency of Spanish FleetCo; or
- (c) the solvency of any other Affiliate of The Hertz Corporation other than Spanish FleetCo.

2.4 Termination provisions

To the extent that a Manufacturer/Dealer requires express termination provisions to be included in any Manufacturer Program, such Manufacturer Program may provide that a Manufacturer/Dealer is entitled (upon expiry of a predetermined notice period or otherwise) to terminate such agreement before its scheduled expiry date upon the occurrence of certain events (e.g. liquidation, bankruptcy, insolvency, failure to pay, late payment, partial payment, breach or serious breach of obligations, or any similar or analogous events); provided always that the Manufacturer/Dealer shall not under any circumstances have the right to terminate its obligations (subject to and in accordance with any eligibility criteria and Programme Minimum Term or Programme Maximum Term) to repurchase (or, if applicable to perform its guaranteed obligations thereunder) in respect of any Vehicle shipped to Spanish FleetCo or its order prior to the termination of such Manufacturer Program.

2.5 Retention of title in favour of Spanish FleetCo

The Manufacturer Program entered into with the Top Two Non-Investment Grade Manufacturers will, where credit terms are made available to the relevant Manufacturer/Dealer (in relation to the payment by it of applicable repurchase prices for Vehicles) provide that title to the relevant Vehicle will remain with Spanish FleetCo until the sale proceeds are 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 subparagraph (b) below not less than 2 (two) Business Days following receipt by FleetCo of a duly completed transfer certificate substantially in the form set out in Annex 1 (the "**Transfer Certificate**") delivered to it by the Existing Supplier and the New Supplier.
- (b) On the Transfer Date:
 - (i) to the extent that in the Transfer Certificate the Existing Supplier seeks to transfer its rights and obligations under this Agreement in respect of the Relevant Vehicles, each of FleetCo and the Existing Supplier shall be released from further obligations towards one another in respect of the Relevant Vehicles under this Agreement and their respective rights against one another under this Agreement in respect of the Relevant Vehicles shall be cancelled (being the "**Discharged Rights and Obligations**");
 - (ii) each of Spanish FleetCo and the New Supplier shall assume obligations towards one another and/or acquire rights against one another which shall be the same as the Discharged Rights and Obligations insofar as Spanish FleetCo and the New Supplier have assumed and/or acquired the same in place of FleetCo and the Existing Supplier; and
 - (iii) the New Supplier shall become a party to the New Agreement.

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:

SCHEDULE V
FORM OF POWER OF ATTORNEY

Poder General

Power of Attorney

En la ciudad de _____, el ____ de ____ 2018.

In the city of _____, on _____ 2018.

- (i) Dña. Maria José Porrero Valor, mayor de edad, de nacionalidad española, con domicilio profesional en Las Rozas (Madrid), calle José Echegaray, número 6, Edificio B-1, y titular de DNI número [*], en vigor, actuando en nombre y representación de **Hertz de España, S.L.**, sociedad de responsabilidad limitada constituida y existente bajo las leyes de España, con domicilio social en calle Jacinto Benavente 2, Edificio B, 3ª planta, Las Rozas, Madrid (España) y número de identificación fiscal español (NIF) [*],
- (i) Ms. Maria José Porrero Valor, of legal age, of Spanish nationality, with professional address in Las Rozas (Madrid), calle José Echegaray, número 6, Edificio B-1, and holder of Spanish Identity Number [*], in force, acting in the name and on behalf of **Hertz de España, S.L.**, a limited liability company incorporated and existing under the laws of the Kingdom of Spain, with registered office at calle Jacinto Benavente 2, Edificio B, 3ª planta, Las Rozas, Madrid (Spain) and Spanish Tax Id number /NIF) [*],

- (i) 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,
- (i) 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:

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.,** 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) [*]
- **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) [*]

(en adelante, el "**Apoderado**"), para que, por sí solo, actuando indistinta y solidariamente, pueda ejercitar las facultades y llevar a cabo las actuaciones contenidas en este poder en nombre y representación de la Poderdante, en los términos y condiciones que el Apoderado estime convenientes, incluso incurriendo en multirepresentación, autocontratación, o conflicto de intereses, en el marco del contrato denominado "*Spanish Master Lease and Servicing Agreement*" suscrito el **25 de Septiembre** de 2018 por Stuurgroep Fleet (Netherlands) B.V., la Poderdante, Hertz de España, S.L. y cualquier entidad vinculada con Hertz de España, S.L. que se convierta en un "Arrendatario" de conformidad con los términos del "*Spanish Master Lease and Servicing Agreement*" (el "**Contrato**")

(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;
- a) gestionar y organizar la devolución o disposición de los vehículos arrendados, incluyendo, sin limitación alguna su transporte a otras instalaciones;
- a) Organizar la disposición de los vehículos;
- a) 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;

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;
- a) arrange and manage the return or disposal of leased vehicles, including but not limited to their transportation to other premises;
- a) Arrange the disposal of the vehicles:
- a) prepare and deliver all kinds of signed leased vehicle transfer documents, signed vehicle condition reports and signed odometer statements, among others;

- a) 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;
- a) 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;
- a) 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

- a) 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;
- a) 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;
- a) carry out, directly or indirectly, all actions in connection with duties of maintenance and administration of the vehicles that the Attorney considers necessary or desirable to fulfil those duties, provided that these do not have a material adverse effect on the Company's interests; and

- | | |
|---|---|
| <p>a) Crear, mantener y a poner a disposición de terceros registros con información sobre los vehículos arrendados, sobre la delegación de poderes en favor de cualesquiera sub-prestadores de servicios y sobre cualquier otro tipo de información de acuerdo con lo establecido en el Contrato.</p> | <p>a) Create, maintain and make records available to third parties with information regarding the leased vehicles, the delegation of powers to any "Sub-servicer" and with respect to any other type of information in accordance with the provisions of the Agreement.</p> |
| <p>1. Administrar, cobrar y autorizar el cobro de cualesquiera importes adeudados a la Poderdante en relación con el Contrato.</p> | <p>1. Administer, collect and authorize collection of any amounts receivable by the Grantor in the context of the Agreement.</p> |
| <p>1. Rendir, ajustar, compensar y conformar saldos y cuentas, aprobándolas o impugnándolas. Convenir, fijar y finiquitar saldos.</p> | <p>1. Yield, adjust, setoff and certify balances and accounts, approving or challenging them. Agree, fix and settle balances.</p> |
| <p>1. Celebrar todos los contratos de naturaleza comercial o mercantil que sean apropiados en relación con las obligaciones establecidas en el Contrato, tanto con terceros independientes como con sociedades del Grupo o empresas asociadas al mismo, y que entrañen obligaciones de prestar o recibir servicios, obligaciones de hacer o de no hacer, que supongan prestaciones de tracto único o de tracto sucesivo, y con facultad para suscribir toda clase de documentos públicos o privados necesarios para la validez, exigibilidad y cumplimiento de los contratos firmados, y con plenos poderes para negociar las estipulaciones y términos de tales contratos, con independencia de su clase, así como para modificar o resolver cualquiera de las relaciones contractuales comerciales o mercantiles mencionadas.</p> | <p>1. Enter into all contracts of a commercial or mercantile nature as in relation with the obligations established in the Agreement, either with independent third parties or with group companies or associated companies, and perform or receive services, obligations to do or to refrain from doing, involving a one-time performance or continuous performance, with authority to sign all types of public or private documents required for the validity, enforceability and performance of the agreements signed, and with full powers to negotiate the provisions and terms of the contracts, regardless of their category, and to modify or terminate those commercial or mercantile contractual relationships.</p> |
| <p>1. Suscribir cualquier contrato o documento, público o privado, que el Apoderado considere necesario o conveniente en relación con el Contrato, así como llevar a cabo cuantos actos conexos o convenientes para el completo cumplimiento del mandato recibido por la Otorgante en relación con el Contrato.</p> | <p>1. 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 fulfillment of the mandate received by the Grantor in connection with the Agreement.</p> |
| <p>1. Delegar todas o parte de las facultades antes mencionadas en cualquier persona que se considere apropiada.</p> | <p>1. Delegate the whole or part of the above powers to all persons deemed appropriate.</p> |

- | | |
|--|--|
| (i) Conceder las autorizaciones que se consideren necesarias para conferir todas o parte de las facultades enumeradas en este documento. | (i) Grant the authorizations deemed appropriate to confer all or part of the powers enumerated in this document. |
| (i) Revocar, en todo o en parte, las delegaciones efectuadas y/o las facultades conferidas de acuerdo con el presente documento. | (i) Revoke, in full or in part, the delegations made and/or powers granted by virtue of this document. |

La Poderdante se compromete a indemnizar al Apoderado por The Grantor hereby undertakes to indemnify the Attorney against cualquier coste, reclamación, gasto y responsabilidad en que el all costs, claims, expenses and liabilities incurred by the Attorney, Apoderado, o cualquiera de sus representantes, incurran en or any of their representatives, in connection with anything lawfully relación con cualquier actuación conforme a ley realizada por done by any of them pursuant to this Power of Attorney, except in cualquiera de ellos en virtud del presente Poder, excepto en caso case of gross negligence or wilful misconduct. de negligencia grave y dolo.

A petición de la Poderdante el Apoderado proporcionará a la Upon request by the Grantor the Attorney will provide the Grantor Poderdante cualquier documento firmado (o cualquier información with any signed document (or other information which the Grantor que la Poderdante pueda razonablemente solicitar en cada may reasonably request from time to time) in relation to this power momento) en relación con el presente Poder. of attorney

El presente Poder se regirá e interpretará de acuerdo con las leyes This Power of Attorney shall be governed by the laws of Spain and comunes de España y los Juzgados y Tribunales de España the Spain Courts shall have exclusive jurisdiction to settle any tendrán exclusiva jurisdicción para dirimir cuantas cuestiones dispute which may arise from or in connection with it. pudieran derivarse del presente Poder.

El presente Poder estará en vigor por un periodo de cinco (5) años This power of attorney shall be in force for a period of five (5) years desde la fecha indicada en el encabezamiento, salvo que sea from the date of the execution hereof, unless revoked at an earlier revocado con anterioridad de conformidad con los términos del date in accordance with the terms of this power of attorney. presente Poder.

El presente Poder podrá ser revocado por escrito en cualquier momento por la Poderdante. This Power of Attorney may be revoked at any time by the Grantor provided such revocation is in writing.

En testimonio de lo cual, se otorga este poder especial en el lugar y fecha indicados en el encabezamiento. In witness whereof, this special power of attorney is duly granted on 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**

WEIL:

2

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

WEIL:

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:

WEIL:

Schedule
Description of Vehicles Sold

9

WEIL:



July 25, 2023

Alex Brooks

Dear Alex:

Congratulations on your appointment to Executive Vice President, Chief Financial Officer effective July 25, 2023. Your annualized base salary will increase to \$600,000, paid on a bi-weekly basis. Your new role will continue to be based out of Estero, FL and will report directly to me.

You will continue to be eligible to participate in the Hertz Executive Incentive Compensation Plan (EICP), with a target of 80% of your new base salary. Your 2023 participation will be prorated based on the effective date of your position.

You will continue to be eligible to participate in the Hertz annual equity award program. Your new annual equity award target is \$1,000,000. You will also receive a promotional equity grant, which will be pro-rata based on your promotion date. Your promotional award will be issued at the start of the quarter following the commencement of your promotion. Equity grants are subject to the 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.

Notwithstanding anything in this letter to the contrary, you acknowledge and agree that this letter and any compensation or other benefits described herein (including the settlement of any equity awards) are subject to the terms and conditions of Hertz's clawback policy or policies (if any) as may be in effect from time to time that is applicable to you, including specifically to implement Section 10D of the U.S. Securities Exchange Act of 1934 and any applicable rules or regulations promulgated thereunder (including applicable rules and regulations of any national securities exchange on which shares of Hertz common stock may be traded) (collectively, the "Compensation Recovery Policy"), and by accepting the terms and conditions of employment, you acknowledge and agree that you consent to be bound by the terms of this letter, including its clawback provisions (and consent to fully cooperate with the Company in connection with any of your obligations pursuant to the letter and its clawback provisions).

I am excited to have you as a key member of my team and believe that you will continue to make great contributions to the organization.

Very truly yours,

/s/ Stephen Scherr

Stephen Scherr
Chief Executive Officer

I accept the terms and conditions of this offer:

/s/ Alex Brooks

Alex Brooks

July 25, 2023

Date

**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 quarterly report on Form 10-Q for the quarter ended September 30, 2023 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 15d-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: October 26, 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, Alexandra Brooks, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended September 30, 2023 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 15d-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: October 26, 2023

By: /s/ ALEXANDRA BROOKS
Alexandra Brooks
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 quarterly report on Form 10-Q for the quarter ended September 30, 2023 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 15d-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: October 26, 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, Alexandra Brooks, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended September 30, 2023 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 15d-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: October 26, 2023

By: /s/ ALEXANDRA BROOKS
Alexandra Brooks
Executive Vice President and Chief Financial Officer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with the quarterly report of Hertz Global Holdings, Inc. (the "Company") on Form 10-Q for the period ending September 30, 2023 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: October 26, 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 quarterly report of Hertz Global Holdings, Inc. (the "Company") on Form 10-Q for the period ending September 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Alexandra Brooks, 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: October 26, 2023

By: /s/ ALEXANDRA BROOKS

Alexandra Brooks

Executive Vice President and Chief Financial Officer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350**

In connection with the quarterly report of The Hertz Corporation (the "Company") on Form 10-Q for the period ending September 30, 2023 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: October 26, 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 quarterly report of The Hertz Corporation (the "Company") on Form 10-Q for the period ending September 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Alexandra Brooks, 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: October 26, 2023

By: /s/ ALEXANDRA BROOKS

Alexandra Brooks

Executive Vice President and Chief Financial Officer