

**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 March 31, 2019

OR

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

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

(Exact name of registrant as specified in its charter)

DELAWARE

001-37665

61-1770902

DELAWARE

001-07541

13-1938568

(State or other jurisdiction of incorporation or organization)

(Commission File Number)

(I.R.S. Employer Identification No.)

**8501 Williams Road
Estero, Florida 33928
(239) 301-7000**

(Address, including Zip Code, and telephone number, including area code, of registrant's principal executive offices)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report.)

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

Hertz Global Holdings, Inc. Yes No

The Hertz Corporation Yes No

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

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

Title of Each Class	Trading	Name of Each Exchange on which Registered
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		Symbol(s)	
Hertz Global Holdings, Inc.	Common Stock, Par Value \$0.01 per share	HTZ	New York Stock Exchange
The Hertz Corporation	None	None	None

Indicate the number of shares outstanding as of the latest practicable date.

	Class	Shares Outstanding at April 29, 2019
Hertz Global Holdings, Inc.	Common Stock, par value \$0.01 per share	84,119,340
The Hertz Corporation	Common Stock, par value \$0.01 per share	100 (100% owned by Rental Car Intermediate Holdings, LLC)

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

TABLE OF CONTENTS

	Page
<u>PART I. FINANCIAL INFORMATION</u>	
<u>ITEM 1.</u> <u>Condensed Consolidated Financial Statements (Unaudited)</u>	<u>1</u>
<u>ITEM 2.</u> <u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>38</u>
<u>ITEM 3.</u> <u>Quantitative and Qualitative Disclosures About Market Risk</u>	<u>57</u>
<u>ITEM 4.</u> <u>Controls and Procedures</u>	<u>57</u>
<u>PART II. OTHER INFORMATION</u>	
<u>ITEM 1.</u> <u>Legal Proceedings</u>	<u>58</u>
<u>ITEM 1A.</u> <u>Risk Factors</u>	<u>58</u>
<u>ITEM 2.</u> <u>Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>58</u>
<u>ITEM 3.</u> <u>Defaults Upon Senior Securities</u>	<u>58</u>
<u>ITEM 5.</u> <u>Other Information</u>	<u>58</u>
<u>ITEM 6.</u> <u>Exhibits</u>	<u>58</u>
<u>SIGNATURE</u>	<u>59</u>
<u>EXHIBIT INDEX</u>	<u>60</u>

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

PART I. FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

Index

	Page
Hertz Global Holdings, Inc. and Subsidiaries	
Condensed Consolidated Balance Sheets as of March 31, 2019 and December 31, 2018	2
Condensed Consolidated Statements of Operations for the Three Months Ended March 31, 2019 and 2018	3
Condensed Consolidated Statements of Comprehensive Income (Loss) for the Three Months Ended March 31, 2019 and 2018	4
Condensed Consolidated Statements of Changes in Stockholders' Equity for the Three Months Ended March 31, 2019 and 2018	5
Condensed Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2019 and 2018	6
The Hertz Corporation and Subsidiaries	
Condensed Consolidated Balance Sheets as of March 31, 2019 and December 31, 2018	8
Condensed Consolidated Statements of Operations for the Three Months Ended March 31, 2019 and 2018	9
Condensed Consolidated Statements of Comprehensive Income (Loss) for the Three Months Ended March 31, 2019 and 2018	10
Condensed Consolidated Statements of Changes in Stockholder's Equity for the Three Months Ended March 31, 2019 and 2018	11
Condensed Consolidated Statements of Cash Flows for the Three Months Ended March 31, 2019 and 2018	12
Notes to the Condensed Consolidated Financial Statements	
Note 1 Background	14
Note 2 Basis of Presentation and Recently Issued Accounting Pronouncements	14
Note 3 Debt	16
Note 4 Leases	21
Note 5 Income Tax (Provision) Benefit	24
Note 6 Earnings (Loss) Per Share - Hertz Global	24
Note 7 Fair Value Measurements	25
Note 8 Contingencies and Off-Balance Sheet Commitments	26
Note 9 Related Party Transactions	28
Note 10 Segment Information	29
Note 11 Guarantor and Non-Guarantor Condensed Consolidating Financial Information - Hertz	32

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

	March 31, 2019	December 31, 2018
ASSETS		
Cash and cash equivalents	\$ 554	\$ 1,127
Restricted cash and cash equivalents:		
Vehicle	425	257
Non-vehicle	27	26
Total restricted cash and cash equivalents	452	283
Total cash, cash equivalents, restricted cash and restricted cash equivalents	1,006	1,410
Receivables:		
Vehicle	583	625
Non-vehicle, net of allowance of \$27 and \$27, respectively	980	962
Total receivables, net	1,563	1,587
Prepaid expenses and other assets	1,107	902
Revenue earning vehicles:		
Vehicles	16,979	15,703
Less: accumulated depreciation	(3,211)	(3,284)
Total revenue earning vehicles, net	13,768	12,419
Property and equipment, net	771	778
Operating lease right-of-use assets	1,514	—
Intangible assets, net	3,218	3,203
Goodwill	1,083	1,083
Total assets ^(a)	\$ 24,030	\$ 21,382
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable:		
Vehicle	\$ 649	\$ 284
Non-vehicle	630	704
Total accounts payable	1,279	988
Accrued liabilities	1,330	1,304
Accrued taxes, net	146	136
Debt:		
Vehicle	12,827	11,902
Non-vehicle	4,430	4,422
Total debt	17,257	16,324
Operating lease liabilities	1,513	—
Public liability and property damage	411	418
Deferred income taxes, net	1,089	1,092
Total liabilities ^(a)	23,025	20,262
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.01 par value, no shares issued and outstanding	—	—
Common stock, \$0.01 par value, 86 and 86 shares issued, respectively and 84 and 84 shares outstanding, respectively	1	1
Additional paid-in capital	2,262	2,261
Accumulated deficit	(1,056)	(909)
Accumulated other comprehensive income (loss)	(185)	(192)
Treasury stock, at cost, 2 shares and 2 shares, respectively	(100)	(100)
Stockholders' equity attributable to Hertz Global	922	1,061
Noncontrolling interests	83	59
Total stockholders' equity	1,005	1,120
Total liabilities and stockholders' equity	\$ 24,030	\$ 21,382

(a) Hertz Global Holdings, Inc.'s consolidated total assets as of March 31, 2019 and December 31, 2018 include total assets of variable interest entities ("VIEs") of \$1.1 billion and \$1.0 billion, respectively, which can only be used to settle obligations of the VIEs. Hertz Global Holdings, Inc.'s consolidated total liabilities as of March 31, 2019 and December 31, 2018 include total liabilities of VIEs of \$1.0 billion and \$947 million, respectively, for which the creditors of the VIEs have no recourse to Hertz Global Holdings, Inc. See "Special Purpose Entities" in Note 3, "Debt," and "Other Relationships" in Note 9, "Related Party Transactions," 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 March 31,	
	2019	2018
Revenues:		
Worldwide vehicle rental	\$ 1,953	\$ 1,894
All other operations	154	169
Total revenues	<u>2,107</u>	<u>2,063</u>
Expenses:		
Direct vehicle and operating	1,266	1,236
Depreciation of revenue earning vehicles and lease charges	592	661
Selling, general and administrative	234	234
Interest expense, net:		
Vehicle	112	94
Non-vehicle	71	72
Total interest expense, net	<u>183</u>	<u>166</u>
Other (income) expense, net	<u>(19)</u>	<u>(3)</u>
Total expenses	<u>2,256</u>	<u>2,294</u>
Income (loss) before income taxes	(149)	(231)
Income tax (provision) benefit	1	29
Net income (loss)	<u>(148)</u>	<u>(202)</u>
Net (income) loss attributable to noncontrolling interests	1	—
Net income (loss) attributable to Hertz Global	<u>\$ (147)</u>	<u>\$ (202)</u>
Weighted average shares outstanding:		
Basic	84	83
Diluted	84	83
Earnings (loss) per share:		
Basic earnings (loss) per share	\$ (1.75)	\$ (2.43)
Diluted earnings (loss) per share	\$ (1.75)	\$ (2.43)

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 March 31,	
	2019	2018
Net income (loss)	\$ (148)	\$ (202)
Other comprehensive income (loss):		
Foreign currency translation adjustments	8	—
Net gain (loss) on defined benefit pension plans	(1)	(3)
Reclassification from other comprehensive income (loss) to other (income) expense for amortization of actuarial (gains) losses on defined benefit pension plans	1	—
Total other comprehensive income (loss) before income taxes	8	(3)
Income tax (provision) benefit related to reclassified amounts of net periodic costs on defined benefit pension plans	(1)	—
Total other comprehensive income (loss)	7	(3)
Total comprehensive income (loss)	(141)	(205)
Comprehensive (income) loss attributable to noncontrolling interests	1	—
Comprehensive income (loss) attributable to Hertz Global	\$ (140)	\$ (205)

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	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Treasury Stock Shares	Treasury Stock Amount	Stockholders' Equity Attributable to Hertz Global	Non-controlling Interests	Total Stockholders' Equity
Balance as of:											
December 31, 2017	—	84	\$ 1	\$ 2,243	\$ (506)	\$ (118)	2	\$ (100)	\$ 1,520	\$ —	\$ 1,520
Change in accounting principle	—	—	—	—	(189)	—	—	—	(189)	—	(189)
January 1, 2018 (as adjusted)	—	84	1	2,243	(695)	(118)	2	(100)	1,331	—	1,331
Net income (loss)	—	—	—	—	(202)	—	—	—	(202)	—	(202)
Other comprehensive income (loss)	—	—	—	—	—	(3)	—	—	(3)	—	(3)
Net settlement on vesting of restricted stock	—	—	—	(3)	—	—	—	—	(3)	—	(3)
Stock-based compensation charges	—	—	—	10	—	—	—	—	10	—	10
Contributions from noncontrolling interests	—	—	—	—	—	—	—	—	—	5	5
March 31, 2018	—	84	\$ 1	\$ 2,250	\$ (897)	\$ (121)	2	\$ (100)	\$ 1,133	\$ 5	\$ 1,138
	Preferred Stock Shares	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Treasury Stock Shares	Treasury Stock Amount	Stockholders' Equity Attributable to Hertz Global	Non-controlling Interests	Total Stockholders' Equity
Balance as of:											
December 31, 2018	—	84	\$ 1	\$ 2,261	\$ (909)	\$ (192)	2	\$ (100)	\$ 1,061	\$ 59	\$ 1,120
Net income (loss)	—	—	—	—	(147)	—	—	—	(147)	(1)	(148)
Other comprehensive income (loss)	—	—	—	—	—	7	—	—	7	—	7
Net settlement on vesting of restricted stock	—	—	—	(2)	—	—	—	—	(2)	—	(2)
Stock-based compensation charges	—	—	—	3	—	—	—	—	3	—	3
Contributions from noncontrolling interests	—	—	—	—	—	—	—	—	—	25	25
March 31, 2019	—	84	\$ 1	\$ 2,262	\$ (1,056)	\$ (185)	2	\$ (100)	\$ 922	\$ 83	\$ 1,005

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)

	Three Months Ended March 31,	
	2019	2018
Cash flows from operating activities:		
Net income (loss)	\$ (148)	\$ (202)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and reserves for revenue earning vehicles	644	641
Depreciation and amortization, non-vehicle	48	58
Amortization of deferred financing costs and debt discount (premium)	14	13
Stock-based compensation charges	3	3
Provision for receivables allowance	10	9
Deferred income taxes, net	(4)	(36)
(Gain) loss on marketable securities	(11)	—
Other	(13)	4
Changes in assets and liabilities:		
Non-vehicle receivables	(33)	(107)
Prepaid expenses and other assets	(55)	(64)
Operating lease right-of-use assets	90	—
Non-vehicle accounts payable	32	73
Accrued liabilities	28	4
Accrued taxes, net	10	2
Operating lease liabilities	(94)	—
Public liability and property damage	(7)	3
Net cash provided by (used in) operating activities	<u>514</u>	<u>401</u>
Cash flows from investing activities:		
Revenue earning vehicles expenditures	(3,973)	(3,565)
Proceeds from disposal of revenue earning vehicles	2,153	1,782
Capital asset expenditures, non-vehicle	(54)	(44)
Proceeds from property and other equipment disposed of or to be disposed of	19	4
Other	—	(27)
Net cash provided by (used in) investing activities	<u>(1,855)</u>	<u>(1,850)</u>

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)

	Three Months Ended March 31,	
	2019	2018
Cash flows from financing activities:		
Proceeds from issuance of vehicle debt	3,667	5,181
Repayments of vehicle debt	(2,736)	(3,283)
Proceeds from issuance of non-vehicle debt	341	127
Repayments of non-vehicle debt	(344)	(131)
Payment of financing costs	(12)	(19)
Contributions from noncontrolling interests	25	5
Other	(2)	(3)
Net cash provided by (used in) financing activities	939	1,877
Effect of foreign currency exchange rate changes on cash, cash equivalents, restricted cash and restricted cash equivalents	(2)	8
Net increase (decrease) in cash, cash equivalents, restricted cash and restricted cash equivalents during the period	(404)	436
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of period	1,410	1,504
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of period	\$ 1,006	\$ 1,940
Supplemental disclosures of cash flow information:		
Cash paid during the period for:		
Interest, net of amounts capitalized:		
Vehicle	\$ 87	\$ 82
Non-vehicle	29	28
Income taxes, net of refunds	6	6
Operating lease liabilities	140	—
Supplemental disclosures of non-cash information:		
Purchases of revenue earning vehicles included in accounts payable and accrued liabilities, net of incentives	\$ 431	\$ 613
Sales of revenue earning vehicles included in receivables	365	268
Sales of revenue earning vehicles included in other receivables	78	—
Purchases of non-vehicle capital assets included in accounts payable	45	42
Operating lease right-of-use assets obtained in exchange for lease liabilities	20	—

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)

	March 31, 2019	December 31, 2018
ASSETS		
Cash and cash equivalents	\$ 554	\$ 1,127
Restricted cash and cash equivalents:		
Vehicle	425	257
Non-vehicle	27	26
Total restricted cash and cash equivalents	452	283
Total cash, cash equivalents, restricted cash and restricted cash equivalents	1,006	1,410
Receivables:		
Vehicle	583	625
Non-vehicle, net of allowance of \$27 and \$27, respectively	980	962
Total receivables, net	1,563	1,587
Prepaid expenses and other assets	1,107	902
Revenue earning vehicles:		
Vehicles	16,979	15,703
Less: accumulated depreciation	(3,211)	(3,284)
Total revenue earning vehicles, net	13,768	12,419
Property and equipment, net	771	778
Operating lease right-of-use assets	1,514	—
Intangible assets, net	3,218	3,203
Goodwill	1,083	1,083
Total assets ^(a)	\$ 24,030	\$ 21,382
LIABILITIES AND STOCKHOLDER'S EQUITY		
Accounts payable:		
Vehicle	\$ 649	\$ 284
Non-vehicle	630	704
Total accounts payable	1,279	988
Accrued liabilities	1,330	1,304
Accrued taxes, net	146	136
Debt:		
Vehicle	12,827	11,902
Non-vehicle	4,430	4,422
Total debt	17,257	16,324
Operating lease liabilities	1,513	—
Public liability and property damage	411	418
Deferred income taxes, net	1,091	1,094
Total liabilities ^(a)	23,027	20,264
Commitments and contingencies		
Stockholder's equity:		
Common stock, \$0.01 par value, 100 and 100 shares issued and outstanding, respectively	—	—
Additional paid-in capital	3,190	3,187
Due from affiliate	(56)	(52)
Accumulated deficit	(2,029)	(1,884)
Accumulated other comprehensive income (loss)	(185)	(192)
Stockholder's equity attributable to Hertz	920	1,059
Noncontrolling interests	83	59
Total stockholder's equity	1,003	1,118
Total liabilities and stockholder's equity	\$ 24,030	\$ 21,382

(a) The Hertz Corporation's consolidated total assets as of March 31, 2019 and December 31, 2018 include total assets of variable interest entities ("VIEs") of \$1.1 billion and \$1.0 billion, respectively, which can only be used to settle obligations of the VIEs. The Hertz Corporation's consolidated total liabilities as of March 31, 2019 and December 31, 2018 include total liabilities of VIEs of \$1.0 billion and \$947 million, respectively, for which the creditors of the VIEs have no recourse to The Hertz Corporation. See "Special Purpose Entities" in Note 3, "Debt," and "Other Relationships" in Note 9, "Related Party Transactions," 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 March 31,	
	2019	2018
Revenues:		
Worldwide vehicle rental	\$ 1,953	\$ 1,894
All other operations	154	169
Total revenues	2,107	2,063
Expenses:		
Direct vehicle and operating	1,266	1,236
Depreciation of revenue earning vehicles and lease charges	592	661
Selling, general and administrative	234	234
Interest expense, net:		
Vehicle	112	94
Non-vehicle	69	71
Total interest expense, net	181	165
Other (income) expense, net	(19)	(3)
Total expenses	2,254	2,293
Income (loss) before income taxes	(147)	(230)
Income tax (provision) benefit	1	29
Net income (loss)	(146)	(201)
Net (income) loss attributable to noncontrolling interests	1	—
Net income (loss) attributable to Hertz	\$ (145)	\$ (201)

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 March 31,	
	2019	2018
Net income (loss)	\$ (146)	\$ (201)
Other comprehensive income (loss):		
Foreign currency translation adjustments	8	—
Net gain (loss) on defined benefit pension plans	(1)	(3)
Reclassification from other comprehensive income (loss) to other (income) expense for amortization of actuarial (gains) losses on defined benefit pension plans	1	—
Total other comprehensive income (loss) before income taxes	8	(3)
Income tax (provision) benefit related to reclassified amounts of net periodic costs on defined benefit pension plans	(1)	—
Total other comprehensive income (loss)	7	(3)
Total comprehensive income (loss)	(139)	(204)
Comprehensive (income) loss attributable to noncontrolling interests	1	—
Comprehensive income (loss) attributable to Hertz	\$ (138)	\$ (204)

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

Unaudited

(In millions, except share data)

<u>Balance at:</u>	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Due From Affiliate	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Stockholder's Equity Attributable to Hertz	Noncontrolling Interests	Total Stockholder's Equity
December 31, 2017	100	\$ —	\$ 3,166	\$ (42)	\$ (1,486)	\$ (118)	\$ 1,520	\$ —	\$ 1,520
Change in accounting principle	—	—	—	—	(189)	—	(189)	—	(189)
January 1, 2018 (as adjusted)	100	—	3,166	(42)	(1,675)	(118)	1,331	—	1,331
Net income (loss)	—	—	—	—	(201)	—	(201)	—	(201)
Due from Hertz Holdings	—	—	—	(4)	—	—	(4)	—	(4)
Other comprehensive income (loss)	—	—	—	—	—	(3)	(3)	—	(3)
Stock-based compensation charges	—	—	10	—	—	—	10	—	10
Contributions from noncontrolling interests	—	—	—	—	—	—	—	5	5
March 31, 2018	100	\$ —	\$ 3,176	\$ (46)	\$ (1,876)	\$ (121)	\$ 1,133	\$ 5	\$ 1,138

<u>Balance at:</u>	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Due From Affiliate	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Stockholder's Equity Attributable to Hertz	Noncontrolling Interests	Total Stockholder's Equity
December 31, 2018	100	\$ —	\$ 3,187	\$ (52)	\$ (1,884)	\$ (192)	\$ 1,059	\$ 59	\$ 1,118
Net income (loss)	—	—	—	—	(145)	—	(145)	(1)	(146)
Due from Hertz Holdings	—	—	—	(4)	—	—	(4)	—	(4)
Other comprehensive income (loss)	—	—	—	—	—	7	7	—	7
Stock-based compensation charges	—	—	3	—	—	—	3	—	3
Contributions from noncontrolling interests	—	—	—	—	—	—	—	25	25
March 31, 2019	100	\$ —	\$ 3,190	\$ (56)	\$ (2,029)	\$ (185)	\$ 920	\$ 83	\$ 1,003

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)

	Three Months Ended March 31,	
	2019	2018
Cash flows from operating activities:		
Net income (loss)	\$ (146)	\$ (201)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and reserves for revenue earning vehicles	644	641
Depreciation and amortization, non-vehicle	48	58
Amortization of deferred financing costs and debt discount (premium)	14	13
Stock-based compensation charges	3	3
Provision for receivables allowance	10	9
Deferred income taxes, net	(4)	(36)
(Gain) loss on marketable securities	(11)	—
Other	(13)	4
Changes in assets and liabilities:		
Non-vehicle receivables	(33)	(107)
Prepaid expenses and other assets	(55)	(64)
Operating lease right-of-use assets	90	—
Non-vehicle accounts payable	32	73
Accrued liabilities	28	4
Accrued taxes, net	10	2
Operating lease liabilities	(94)	—
Public liability and property damage	(7)	3
Net cash provided by (used in) operating activities	516	402
Cash flows from investing activities:		
Revenue earning vehicles expenditures	(3,973)	(3,565)
Proceeds from disposal of revenue earning vehicles	2,153	1,782
Capital asset expenditures, non-vehicle	(54)	(44)
Proceeds from property and other equipment disposed of or to be disposed of	19	4
Other	—	(27)
Net cash provided by (used in) investing activities	(1,855)	(1,850)

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)

	Three Months Ended March 31,	
	2019	2018
Cash flows from financing activities:		
Proceeds from issuance of vehicle debt	3,667	5,181
Repayments of vehicle debt	(2,736)	(3,283)
Proceeds from issuance of non-vehicle debt	341	127
Repayments of non-vehicle debt	(344)	(131)
Payment of financing costs	(12)	(19)
Advances to Hertz Holdings	(4)	(4)
Contributions from noncontrolling interests	25	5
Net cash provided by (used in) financing activities	937	1,876
Effect of foreign currency exchange rate changes on cash, cash equivalents, restricted cash and restricted cash equivalents	(2)	8
Net increase (decrease) in cash, cash equivalents, restricted cash and restricted cash equivalents during the period	(404)	436
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of period	1,410	1,504
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of period	\$ 1,006	\$ 1,940
Supplemental disclosures of cash flow information:		
Cash paid during the period for:		
Interest, net of amounts capitalized:		
Vehicle	\$ 87	\$ 82
Non-vehicle	29	28
Income taxes, net of refunds	6	6
Operating lease liabilities	140	—
Supplemental disclosures of non-cash information:		
Purchases of revenue earning vehicles included in accounts payable and accrued liabilities, net of incentives	\$ 431	\$ 613
Sales of revenue earning vehicles included in receivables	365	268
Sales of revenue earning vehicles included in other receivables	78	—
Purchases of non-vehicle capital assets included in accounts payable	45	42
Operating lease right-of-use assets obtained in exchange for lease liabilities	20	—

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" 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-owned, licensee and franchisee locations in the United States ("U.S."), Africa, Asia, Australia, Canada, the Caribbean, Europe, Latin America, the Middle East and New Zealand. Through its Donlen subsidiary, Hertz provides vehicle leasing and fleet management services.

Note 2—Basis of Presentation and Recently Issued Accounting Pronouncements***Basis of Presentation***

This Quarterly Report on Form 10-Q combines the quarterly reports on Form 10-Q for the quarterly period ended March 31, 2019 of Hertz Global and Hertz. Hertz Global consolidates Hertz for financial statement purposes, 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 Company's 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 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, 2018 unaudited condensed consolidated balance sheet data is derived from audited financial statements 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, 2018 (the "2018 Form 10-K"), as filed with the Securities and Exchange Commission ("SEC") on February 25, 2019.

Principles of Consolidation

The unaudited condensed consolidated financial statements of Hertz Global include the accounts of Hertz Global and 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. The Company accounts for its investment in joint ventures using the equity method when it has significant influence but not control and is not the primary beneficiary. All significant intercompany transactions have been eliminated in consolidation.

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

Recently Issued Accounting Pronouncements

Adopted

Leases

In February 2016, the Financial Accounting Standards Board (the "FASB") issued guidance that replaced the existing lease guidance in U.S. GAAP and in 2018 and 2019 issued amendments and updates to the new lease standard (collectively "Topic 842"). Topic 842 established a right-of-use ("ROU") model that requires a lessee to record on the balance sheet a ROU asset and corresponding lease liability based on the present value of future lease payments. Leases are classified as either finance or operating, with classification affecting the pattern of expense recognition in the income statement. Topic 842 also expanded the requirements for lessees to record leases embedded in other arrangements. Additionally, enhanced quantitative and qualitative disclosures surrounding leases are required which provide financial statement users the ability to assess the amount, timing and uncertainty of cash flows arising from leases.

The Company adopted this guidance effective January 1, 2019 using a simplified transition approach for both lessees and lessors. Prior periods have not been retrospectively adjusted and are in conformance with the then existing guidance under U.S. GAAP ("Topic 840"). The Company utilized the package of practical expedients for existing or expired contracts and did not reassess whether such contracts contain leases, the lease classification or the initial direct costs. Additionally, the Company utilized the historical lease term and did not utilize the practical expedient allowing the use of hindsight in determining the lease term and in assessing impairment of its ROU assets. To determine the present value of its lease payments as of January 1, 2019, the Company utilized the interest rate implicit in the lease agreement. If the implicit interest rate was not provided in the lease agreement, the Company utilized the Company's collateralized incremental borrowing rate as of January 1, 2019. Also, with respect to the Company's real estate leases, vehicle leases and fleet leases, the Company availed itself of the practical expedient for lessees and lessors and elected an accounting policy by class of underlying asset to combine lease and non-lease components.

As of January 1, 2019, the Company accounts for revenue earned from vehicle rentals and rental related activities wherein an identified asset is transferred to the customer and the customer has the ability to control that asset under Topic 842. Prior to the adoption of Topic 842, the Company accounted for such revenue under *Revenue from Contracts with Customers* ("Topic 606").

The cumulative effect of applying the new guidance to all leases as of January 1, 2019 that were not completed and with lease terms in excess of twelve months has been recorded as of the adoption date as follows:

Hertz Global

(In millions)	Operating Lease Right-of- Use Assets	Prepaid and Other Assets	Total Assets	Operating Lease Liabilities	Accrued Liabilities	Total Liabilities	Total Liabilities and Stockholders' Equity
As of December 31, 2018	\$ —	\$ 902	\$ 21,382	\$ —	\$ 1,304	\$ 20,262	\$ 21,382
Effect of Adopting Topic 842	1,585	(45)	1,540	1,588	(48)	1,540	1,540
As of January 1, 2019	<u>\$ 1,585</u>	<u>\$ 857</u>	<u>\$ 22,922</u>	<u>\$ 1,588</u>	<u>\$ 1,256</u>	<u>\$ 21,802</u>	<u>\$ 22,922</u>

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

Hertz

(In millions)	Operating Lease Right-of-Use Assets	Prepaid and Other Assets	Total Assets	Operating Lease Liabilities	Accrued Liabilities	Total Liabilities	Total Liabilities and Stockholder's Equity
As of December 31, 2018	\$ —	\$ 902	\$ 21,382	\$ —	\$ 1,304	\$ 20,264	\$ 21,382
Effect of Adopting Topic 842	1,585	(45)	1,540	1,588	(48)	1,540	1,540
As of January 1, 2019	\$ 1,585	\$ 857	\$ 22,922	\$ 1,588	\$ 1,256	\$ 21,804	\$ 22,922

Adoption of Topic 842 did not impact the Company's results of operations or cash flows. See Note 4, "Leases," for information regarding the Company's accounting policies for leases, as well as other required disclosures under Topic 842.

Not Yet Adopted

Changes to Disclosure Requirements for Defined Benefit Plans

In August 2018, the FASB issued guidance that modifies disclosure requirements for employers that sponsor defined benefit pension or other postretirement plans to remove disclosures no longer considered cost beneficial, add disclosures identified as relevant and clarify certain disclosure requirements. The guidance is effective for annual periods beginning after December 15, 2020 using a retrospective transition method. Early adoption is permitted. The Company is in the process of determining the timing of adoption and assessing the overall impact of adopting this guidance on its disclosures.

Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement

In August 2018, the FASB issued guidance on a customer's accounting for implementation fees paid in a cloud computing service contract arrangement that addresses which implementation costs to capitalize as an asset and which costs to expense. Capitalized implementation fees are to be expensed over the term of the cloud computing arrangement, and the expense is required to be recognized in the same line item in the income statement as the associated hosting service expenses. The entity is also required to present the capitalized implementation fees on the balance sheet in the same line item as the prepayment for hosting service fees associated with the cloud computing arrangement.

The guidance is effective for annual periods beginning after December 15, 2019, and interim periods within those annual periods using a retrospective or prospective transition method. Early adoption is permitted, including adoption in any interim period. The Company intends to adopt this guidance when effective, on January 1, 2020, using a prospective transition method and is in the process of assessing the overall impact of adopting this guidance on its financial position, results of operations and cash flows.

Note 3—Debt

The Company's debt, including its available credit facilities, consists of the following (\$ in millions):

Facility	Weighted Average Interest Rate as of March 31, 2019	Fixed or Floating Interest Rate	Maturity	March 31, 2019	December 31, 2018
Non-Vehicle Debt					
Senior Term Loan	5.25%	Floating	6/2023	\$ 670	\$ 674
Senior RCF	N/A	Floating	6/2021	—	—

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 March 31, 2019	Fixed or Floating Interest Rate	Maturity	March 31, 2019	December 31, 2018
Senior Notes ⁽¹⁾	6.13%	Fixed	10/2020-10/2024	2,500	2,500
Senior Second Priority Secured Notes	7.63%	Fixed	6/2022	1,250	1,250
Promissory Notes	7.00%	Fixed	1/2028	27	27
Other Non-Vehicle Debt	6.14%	Fixed	Various	13	4
Unamortized Debt Issuance Costs and Net (Discount) Premium				(30)	(33)
Total Non-Vehicle Debt				4,430	4,422
Vehicle Debt					
<i>HVF II U.S. ABS Program</i>					
HVF II U.S. Vehicle Variable Funding Notes					
HVF II Series 2013-A ⁽²⁾	3.67%	Floating	3/2021	3,570	2,940
HVF II Series 2019-A ⁽²⁾	N/A	Floating	10/2019	—	—
				3,570	2,940
HVF II U.S. Vehicle Medium Term Notes					
HVF II Series 2015-1 ⁽²⁾	2.93%	Fixed	3/2020	780	780
HVF II Series 2015-3 ⁽²⁾	3.10%	Fixed	9/2020	371	371
HVF II Series 2016-1 ⁽²⁾	N/A	N/A	N/A	—	466
HVF II Series 2016-2 ⁽²⁾	3.41%	Fixed	3/2021	595	595
HVF II Series 2016-3 ⁽²⁾	2.72%	Fixed	7/2019	424	424
HVF II Series 2016-4 ⁽²⁾	3.09%	Fixed	7/2021	424	424
HVF II Series 2017-1 ⁽²⁾	3.38%	Fixed	10/2020	450	450
HVF II Series 2017-2 ⁽²⁾	3.57%	Fixed	10/2022	350	350
HVF II Series 2018-1 ⁽²⁾	3.41%	Fixed	2/2023	1,000	1,000
HVF II Series 2018-2 ⁽²⁾	3.80%	Fixed	6/2021	200	200
HVF II Series 2018-3 ⁽²⁾	4.15%	Fixed	7/2023	200	200
HVF II Series 2019-1 ⁽²⁾	3.85%	Fixed	3/2022	700	—
				5,494	5,260
<i>Donlen ABS Program</i>					
HFLF Variable Funding Notes					
HFLF Series 2013-2 ⁽²⁾	3.86%	Floating	3/2021	482	320
				482	320
HFLF Medium Term Notes					
HFLF Series 2015-1 ⁽³⁾	N/A	N/A	N/A	—	33
HFLF Series 2016-1 ⁽³⁾	3.81%	Both	4/2019-2/2020	136	171
HFLF Series 2017-1 ⁽³⁾	2.86%	Both	4/2019-4/2021	352	397
HFLF Series 2018-1 ⁽³⁾	3.28%	Both	7/2019-6/2021	550	550
				1,038	1,151

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 March 31, 2019	Fixed or Floating Interest Rate	Maturity	March 31, 2019	December 31, 2018
<i>Vehicle Debt - Other</i>					
U.S. Vehicle RCF	4.98%	Floating	6/2021	146	146
European Vehicle Notes ⁽⁴⁾	5.07%	Fixed	10/2021-3/2023	815	829
European ABS ⁽²⁾	1.75%	Floating	10/2020	585	600
Canadian Securitization ⁽²⁾	3.57%	Floating	3/2020	261	220
Australian Securitization ⁽²⁾	3.56%	Floating	3/2020	155	155
New Zealand RCF	4.60%	Floating	3/2020	41	40
U.K. Financing Facility	3.08%	Floating	4/2019-9/2021	244	242
Other Vehicle Debt	3.98%	Floating	4/2019-10/2022	39	42
				2,286	2,274
Unamortized Debt Issuance Costs and Net (Discount) Premium				(43)	(43)
Total Vehicle Debt				12,827	11,902
Total Debt				\$ 17,257	\$ 16,324

N/A - Not applicable

- (1) References to the "Senior Notes" include the series of Hertz's unsecured senior notes set forth in the table below. Outstanding principal amounts for each such series of the Senior Notes is also specified below:

(In millions)

Senior Notes	Outstanding Principal	
	March 31, 2019	December 31, 2018
5.875% Senior Notes due October 2020	\$ 700	\$ 700
7.375% Senior Notes due January 2021	500	500
6.250% Senior Notes due October 2022	500	500
5.500% Senior Notes due October 2024	800	800
	\$ 2,500	\$ 2,500

- (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 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.

- (3) In the case of the Hertz Fleet Lease Funding LP ("HFLF") Medium Term Notes, such notes are repayable from cash flows derived from third-party leases comprising the underlying HFLF collateral pool. The initial maturity date referenced for each series of HFLF Medium Term Notes represents the end of the revolving period for such series, at which time the related notes begin to amortize monthly by an amount equal to the lease collections payable to that series. To the extent the revolving period already has ended, the initial maturity date reflected is April 2019. The second maturity date referenced for each series of HFLF Medium Term Notes represents the date by which Hertz and the investors in the related series expect such series of notes to be repaid in full, which is based upon various assumptions made at the time of pricing of such notes, including the contractual amortization of the underlying leases as well as the assumed rate of prepayments of such leases. Such maturity reference is to the "expected final maturity date" as opposed to the subsequent "legal final maturity date." The legal final maturity date is the date on which the relevant indebtedness is legally due and payable. Although the underlying lease cash flows that support the repayment of the HFLF Medium Term Notes may vary, the cash flows generally are expected to approximate a straight-line amortization of the related notes from the initial maturity date through the expected final maturity date.

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

- (4) References to the "European Vehicle Notes" include the series of Hertz Holdings Netherlands B.V.'s, an indirect wholly owned subsidiary of Hertz organized under the laws of the Netherlands ("HHN BV"), unsecured senior notes (converted from Euros to U.S. dollars at a rate of 1.12 to 1 and 1.14 to 1 as of March 31, 2019 and December 31, 2018, respectively) set forth in the table below. Outstanding principal amounts for each such series of the European Vehicle Notes is also specified below:

(In millions)	Outstanding Principal	
	March 31, 2019	December 31, 2018
European Vehicle Notes		
4.125% Senior Notes due October 2021	\$ 253	\$ 257
5.500% Senior Notes due March 2023	562	572
	\$ 815	\$ 829

The Company is highly leveraged and a substantial portion of its liquidity needs arise from debt service on its indebtedness and from the funding of its costs of operations and capital expenditures. The Company's practice is to maintain sufficient liquidity through cash from operations, credit facilities and other financing arrangements to mitigate any adverse impact on its operations resulting from adverse financial market conditions.

As of March 31, 2019, approximately \$2.6 billion of vehicle debt and \$19 million of non-vehicle debt is due to mature between April 1, 2019 and March 31, 2020. The Company has reviewed its debt facilities and determined that it is probable that the Company will be able, and has the intent, to refinance these facilities at such times as the Company determines appropriate prior to their respective maturities.

Vehicle Debt

HVF II U.S. Vehicle Variable Funding Notes

HVF II Series 2013-A Notes: In February 2019, HVF II increased the commitments under the HVF II Series 2013-A Notes by \$400 million.

HVF II Series 2019-A Notes: In February 2019, HVF II issued the Series 2019-A Variable Funding Rental Car Asset Backed Notes in an aggregate maximum principal amount of \$500 million.

HVF II U.S. Vehicle Medium Term Notes

HVF II Series 2019-1 Notes: In February 2019, HVF II issued the Series 2019-1 Rental Car Asset Backed Notes, Class A, Class B, Class C and Class D in an aggregate principal amount of \$745 million. An affiliate of HVF II purchased the Class D Notes of such series at the time of issuance, and as a result, approximately \$45 million of the aggregate principal amount is eliminated in consolidation. There is subordination within the HVF II Series 2019-1 Notes based on class.

Canadian Securitization

In April 2019, TCL Funding Limited Partnership ("Funding LP"), a bankruptcy remote, indirect, wholly owned, special purpose subsidiary of Hertz, amended its supplemental indenture for its Series 2015-A Variable Funding Rental Car Asset Backed Notes (the "Funding LP Series 2015-A Notes") to provide for incremental seasonal capacity (subject to borrowing base availability) of up to CAD\$90 million from June 2019 to October 2019. Following the expiration of the seasonal commitment period, aggregate maximum borrowings available under the Funding LP Series 2015-A Notes will revert to CAD\$350 million (subject to borrowing base availability). Additionally, the Canadian Securitization was amended to extend the maturity of the aggregate maximum borrowings of CAD\$350 million to March 2021.

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

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 a standalone \$400 million letter of credit facility (the "Letter of Credit Facility"). 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. The Company's ability to borrow under each such asset-backed securitization facility and asset-based revolving credit facility is a function of, among other things, the value of the assets in the relevant collateral pool. 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. 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). With respect to the Senior RCF and the Letter of Credit Facility, "Availability Under Borrowing Base Limitation" is the same as "Remaining Capacity" since borrowings under the Senior RCF and availability for issuances of letters of credit under the Letter of Credit Facility are not subject to a borrowing base.

The following facilities were available to the Company as of March 31, 2019 and are presented net of any outstanding letters of credit:

(In millions)	Remaining Capacity	Availability Under Borrowing Base Limitation
Non-Vehicle Debt		
Senior RCF	\$ 459	\$ 459
Letter of Credit Facility	2	2
Total Non-Vehicle Debt	461	461
Vehicle Debt		
U.S. Vehicle RCF	—	—
HVF II U.S. Vehicle Variable Funding Notes	995	—
HFLF Variable Funding Notes	18	2
European ABS	540	68
Canadian Securitization	—	—
Australian Securitization	22	—
U.K. Financing Facility	85	—
New Zealand RCF	—	—
Total Vehicle Debt	1,660	70
Total	\$ 2,121	\$ 531

Letters of Credit

As of March 31, 2019, there were outstanding standby letters of credit totaling \$714 million. Such letters of credit have been issued primarily to support the Company's insurance programs, vehicle rental concessions and leaseholds as well as to provide credit enhancement for its asset-backed securitization facilities. Of this amount, \$403 million was issued under the Senior RCF and \$304 million was issued under the Letter of Credit Facility. As of March 31, 2019, none of the issued letters of credit have been drawn upon.

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

Special Purpose Entities

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 and asset-backed securities programs. None of such assets (including the assets owned by Hertz Vehicle Financing II LP, HVF II GP Corp., Hertz Vehicle Financing LLC, Rental Car Finance LLC, DNRS II LLC, HFLF, Donlen Trust and various international subsidiaries that facilitate the Company's international securitizations) are available to satisfy the claims of general creditors.

The Company has a 25% ownership interest in International Fleet Financing II ("IFF No. 2"), whose sole purpose is to provide commitments to lend in various currencies subject to borrowing bases comprised of revenue earning vehicles and related assets of certain of Hertz International, Ltd.'s subsidiaries. IFF No. 2 is a VIE and the Company is the primary beneficiary, therefore, the assets, liabilities, and results of operations of IFF No. 2 are included in the Company's unaudited condensed consolidated financial statements. As of March 31, 2019 and December 31, 2018, IFF No. 2 had total assets of \$1.0 billion and \$946 million, respectively, primarily comprised of loans receivable, and total liabilities of \$1.0 billion and \$946 million, respectively, primarily comprised of debt.

Covenant Compliance

The financial covenant provides that Hertz's consolidated first lien net leverage ratio, as defined in the credit agreements governing the Senior RCF and the Letter of Credit Facility, as of the last day of any fiscal quarter may not exceed a ratio of 3.00 to 1.00 (the "Covenant Leverage Ratio"). As of March 31, 2019, Hertz was in compliance with the Covenant Leverage Ratio.

Note 4—Leases

As disclosed in the Leases section of Note 2, "Basis of Presentation and Recently Issued Accounting Pronouncements" ("Note 2"), the Company adopted Topic 842 in accordance with the effective date on January 1, 2019. Note 2 includes disclosures regarding the Company's method of adoption and the impact upon adoption to its financial position, results of operations and cash flows.

The Company enters into agreements as a lessor under which it rents vehicles and leases fleets to customers. The Company enters into agreements as a lessee to rent real estate, vehicles and other equipment and to conduct its vehicle rental operations under concession agreements. If any of the following criteria is met, the Company classifies the lease as a financing lease (as a lessee) or as a direct financing or sales-type lease (as a lessor):

- The lease transfers ownership of the underlying asset to the lessee by the end of the lease term;
- The lease grants the lessee an option to purchase the underlying asset that the Company is reasonably certain to exercise;
- The lease term is for 75% or more of the remaining economic life of the underlying asset, unless the commencement date falls within the last 25% of the economic life of the underlying asset;
- The present value of the sum of the lease payments equals or exceeds 90% of the fair value of the underlying asset; or
- The underlying asset is of such a specialized nature that it is expected to have no alternative use to the lessor at the end of the lease term.

Leases that do not meet any of the above criteria are accounted for as operating leases.

The Company combines lease and non-lease components in its contracts under Topic 842.

The following further describes the Company's leasing transactions.

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

Lessor

The Company's operating leases for vehicle rentals have rental periods that are typically short term in nature (e.g., daily or weekly) and can generally be extended for up to one month or terminated at the customer's discretion. Rental charges are computed on a limited or unlimited mileage rate, or on a time rate plus a mileage charge. In connection with the vehicle rental, the Company offers supplemental equipment rentals (e.g., child seats and ski racks) and issues loyalty points to customers enrolled in its Hertz Gold Plus Rewards program, which are deemed lease components. The Company also offers value-added services in connection with the vehicle rental, which are deemed non-lease components, such as loss or collision damage waiver, theft protection, liability and personal accident/effects insurance coverage, premium emergency roadside service and satellite radio. Additionally, the Company charges for variable services primarily consisting of charges for the fueling of vehicles and tolls incurred during the rental period, and for fees associated with the early or late termination of the vehicle lease. The Company mitigates residual value risk of its revenue earning vehicles by utilizing manufacturer repurchase and guaranteed depreciation programs, using sophisticated vehicle diagnostic and repair equipment to maintain the condition of its vehicles, and through periodic reviews of vehicle depreciation rates based on management's ongoing assessment of present and estimated future market conditions.

The Company's operating leases for fleets have lease periods that are typically for twelve months, after which the lease converts to a month-to-month lease, allowing the vehicle to be surrendered any time thereafter. The Company's fleet leases contain a terminal rental adjustment clause ("TRAC lease") where, upon sale of the vehicle following the termination of the lease, a TRAC adjustment may result through which the lessee is credited or charged with the gain or loss on the vehicle. Such TRAC adjustments are considered variable charges.

The following table summarizes the amount of operating lease income and other income included in total revenues in the accompanying condensed consolidated statement of operations for the three months ended March 31, 2019:

(In millions)	Three Months Ended March 31, 2019
Operating lease income from vehicle rentals	\$ 1,800
Operating lease income from fleet leasing	158
Variable operating lease income	67
Revenue accounted for under Topic 842	2,025
Revenue accounted for under Topic 606	82
Total revenues	<u>\$ 2,107</u>

Lessee

As a lessee, the Company has the following types of operating leases:

- Concession agreements which grant the Company the right to conduct its vehicle rental operations at airports, hotels and train stations and to use building space such as terminal counters and parking garages;
- Real estate leases for its off airport vehicle rental locations and other premises;
- Revenue earning vehicle leases; and
- Other equipment leases.

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

The Company's lease terms generally range from one month to thirty-five years and a number of agreements contain escalation clauses, which increase the payment obligation based on a fixed or variable rate, and renewal options. The length of renewals vary and may result in different payment terms. Payment terms are based on fixed rates explicit in the lease, including guaranteed minimums, and/or variable rates based on:

- Operating expenses, such as common area charges, real estate taxes and insurance;
- A percentage of revenues or sales arising at the relevant premises; and/or
- Periodic inflation adjustments.

The Company recognizes a ROU asset and lease liability in its condensed consolidated balance sheet for leases with a term greater than twelve months. Options to extend or terminate a lease are included in the Company's ROU asset and lease liability when it is reasonably certain that such options will be exercised. The Company does not recognize ROU assets or lease liabilities for short-term leases (i.e., those with a term of twelve months or less) and recognizes lease expense on a straight-line basis over the lease term.

To determine the present value of its lease payments, the Company utilizes the interest rate implicit in the lease agreement. If the implicit interest rate was not provided in the lease agreement, the Company utilizes the Company's collateralized incremental borrowing rate as of the beginning of the reporting period or the commencement date of the lease, whichever is later.

The following table summarizes the amount of lease costs incurred by the Company:

(In millions)	Three Months Ended March 31, 2019	Year Ended December 31, 2018
Minimum fixed lease costs⁽¹⁾:		
Short-term lease costs	\$ 30	N/A
Other operating lease costs	134	N/A
Total	\$ 164	\$ 577
Variable lease costs	63	438
Total lease costs	\$ 227	\$ 1,015

⁽¹⁾ Topic 842, which was adopted on January 1, 2019, requires the Company to disclose the short term portion of minimum fixed lease costs. For the year ended December 31, 2018, under the then existing guidance in Topic 840, the Company was only required to disclose minimum fixed costs in total.

The following summarizes the weighted average remaining lease term and weighted average discount rate for the Company's operating leases as a lessee:

	As of March 31, 2019
Weighted average remaining lease term (in years)	9
Weighted average discount rate	10.9%

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

The following table summarizes the Company's minimum fixed lease obligations under existing agreements as a lessee, excluding variable concession obligations and short-term leases, as of March 31, 2019:

(In millions)	
April 1, 2019 - March 31, 2020	\$ 465
April 1, 2020 - March 31, 2021	379
April 1, 2021 - March 31, 2022	305
April 1, 2022 - March 31, 2023	226
April 1, 2023 - March 31, 2024	166
After March 31, 2024	930
Total lease payments	2,471
Interest	(958)
Operating lease liabilities at March 31, 2019	\$ 1,513

Note 5—Income Tax (Provision) Benefit

Hertz Global

The effective tax rate for the three months ended March 31, 2019 and 2018 is 1% and 13%, respectively.

The Company recorded a tax benefit of \$1 million for the three months ended March 31, 2019, compared to \$29 million for the three months ended March 31, 2018. The effective income tax rate and related tax benefit are lower for the three months ended March 31, 2019 driven by overall improvement in results from operations, primarily due to lower losses in the U.S. where an income tax benefit was recognized, and the composition of earnings by jurisdiction.

Hertz

The effective tax rate for the three months ended March 31, 2019 and 2018 is 1% and 13%, respectively.

The Company recorded a tax benefit of \$1 million for the three months ended March 31, 2019, compared to \$29 million for the three months ended March 31, 2018. The effective income tax rate and related tax benefit are lower for the three months ended March 31, 2019 driven by overall improvement in results from operations, primarily due to lower losses in the U.S. where an income tax benefit was recognized, and the composition of earnings by jurisdiction.

Note 6—Earnings (Loss) Per Share - Hertz Global

Basic earnings (loss) per share has been computed based upon the weighted average number of common shares outstanding. Diluted earnings (loss) per share has been computed based upon the weighted average number of common shares outstanding plus the effect of all potentially dilutive common stock equivalents, except when the effect would be anti-dilutive.

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

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

<i>(In millions, except per share data)</i>	Three Months Ended March 31,	
	2019	2018
Basic and diluted earnings (loss) per share:		
Numerator:		
Net income (loss)	\$ (148)	\$ (202)
Net (income) loss attributable to noncontrolling interests	1	—
Net income (loss) attributable to Hertz Global	\$ (147)	\$ (202)
Denominator:		
Basic weighted average shares outstanding	84	83
Dilutive stock options, RSUs and PSUs	—	—
Weighted average shares used to calculate diluted earnings (loss) per share	84	83
Antidilutive stock options, RSUs, PSUs and PSAs	2	3
Earnings (loss) per share:		
Basic earnings (loss) per share	\$ (1.75)	\$ (2.43)
Diluted earnings (loss) per share	\$ (1.75)	\$ (2.43)

Note 7—Fair Value Measurements

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The fair value of cash, restricted cash, accounts receivable, accounts payable and accrued expenses, to the extent the underlying liability will be settled in cash, approximates the carrying values because of the short-term nature of these instruments.

Cash Equivalents, Restricted Cash Equivalents and Investments

The Company's cash equivalents and restricted cash equivalents primarily consist of investments in money market funds and time deposits. The Company determines the fair value of cash equivalents using a market approach based on quoted prices in active markets (Level 1 inputs).

Investments in equity securities that are measured at fair value on a recurring basis consist of marketable securities.

The following table summarizes the ending balances of the Company's cash equivalents, restricted cash equivalents and investments:

<i>(In millions)</i>	March 31, 2019				December 31, 2018			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Money market funds and time deposits	\$ 250	\$ —	\$ —	\$ 250	\$ 701	\$ —	\$ —	\$ 701
Equity securities	55	—	—	55	44	—	—	44

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

Debt Obligations

The fair value of debt 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 (Level 2 inputs).

(In millions)	As of March 31, 2019		As of December 31, 2018	
	Nominal Unpaid Principal Balance	Aggregate Fair Value	Nominal Unpaid Principal Balance	Aggregate Fair Value
Non-Vehicle Debt	\$ 4,460	\$ 4,304	\$ 4,455	\$ 4,011
Vehicle Debt	12,870	12,885	11,945	11,891
Total	\$ 17,330	\$ 17,189	\$ 16,400	\$ 15,902

Note 8—Contingencies and Off-Balance Sheet Commitments

Legal Proceedings

Public Liability and Property Damage

The Company is currently a defendant in numerous actions and has received numerous claims on which actions have not yet commenced for public liability and property damage arising from the operation of motor vehicles rented from the Company. The obligation for public liability and property damage on self-insured U.S. and international vehicles, as stated on 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 a non-discounted basis. Reserve requirements are based on rental volume and actuarial evaluations of historical accident claim experience and trends, as well as future projections of ultimate losses, expenses, premiums and administrative costs. As of March 31, 2019 and December 31, 2018, the Company's liability recorded for public liability and property damage matters is \$411 million and \$418 million, respectively. The Company believes that its analysis is based on the most relevant information available, combined with reasonable assumptions, and that the Company may prudently rely on this information to determine the estimated liability. The liability is subject to significant uncertainties. The adequacy of the liability reserve is regularly monitored based on evolving accident claim history and insurance related state legislation changes. If the Company's estimates change or if actual results differ from these assumptions, the amount of the recorded liability is adjusted to reflect these results.

Loss Contingencies

From time to time the Company is a party to various legal proceedings, typically involving operational issues common to the vehicle rental business, including claims by employees and former employees and governmental investigations. The Company has summarized below the most significant legal proceedings to which the Company was and/or is a party during the three months ended March 31, 2019 or the period after March 31, 2019, but before the filing of this Quarterly Report on Form 10-Q.

Governmental Investigations - The Company previously identified certain activities in Brazil that raised issues under the Foreign Corrupt Practices Act (the "FCPA") and other federal and local laws, which the Company self-reported to appropriate government entities. The matters associated with the FCPA and other federal matters have been resolved without further action by the applicable U.S. government entities. The Company is continuing its cooperation with respect to matters under local Brazilian laws. The Company has accrued a loss contingency with respect to the ongoing Brazil-related matters that is not material. However, it is possible that an adverse outcome with respect to the ongoing matters in Brazil could result in losses that could be material to the Company's consolidated financial condition, results of operations or cash flows in any particular reporting period.

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

In re Hertz Global Holdings, Inc. Securities Litigation - In November 2013, a purported shareholder class action, Pedro Ramirez, Jr. v. Hertz Global Holdings, Inc., et al., was commenced in the U.S. District Court for the District of New Jersey naming Old Hertz Holdings and certain of its officers as defendants and alleging violations of the federal securities laws. The complaint alleged that Old Hertz Holdings made material misrepresentations and/or omissions of material fact in certain of its public disclosures in violation of Section 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended, and Rule 10b-5 promulgated thereunder. The complaint sought an unspecified amount of monetary damages on behalf of the purported class and an award of costs and expenses, including counsel fees and expert fees. The complaint, as amended, was dismissed with prejudice on April 27, 2017 and on September 20, 2018, the Third Circuit affirmed the dismissal of the complaint with prejudice. On February 5, 2019, the plaintiffs filed a motion asking the federal district court to exercise its discretion and allow the plaintiffs to reinstate their claims to include additional allegations from the Administrative Order.

In addition to the matters described above, the Company maintains an internal compliance program through which it from time to time identifies other potential violations of laws and regulations applicable to the Company. When the Company identifies such matters, the Company conducts an internal investigation and otherwise cooperates with governmental authorities, as appropriate.

The Company has established reserves for matters where the Company believes that losses are probable and can be reasonably estimated. Other than the aggregate reserve established for claims for public liability and property damage, none of those reserves are material. For matters, including certain of those described above, 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, including those discussed above, 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 accompanying consolidated financial condition, results of operations or cash flows in any particular reporting period.

Other Proceedings

Litigation Against Former Executives - On March 25, 2019, the Company filed a petition against Mark Frissora, Elyse Douglas and John Jeffrey Zimmerman, all former senior executive officers of the former Hertz Global Holdings, Inc. ("Old Hertz Holdings"), in the U.S. District Court for the District of New Jersey alleging four causes of action for breach of contract, with a fifth cause of action seeking a declaratory judgment denying the defendants' entitlement to advances of fees and expenses under the Company's indemnification bylaws. On March 28, 2019, the Company filed a petition against Scott Sider, a former senior executive of Old Hertz Holdings, in the Circuit Court of the Twentieth Judicial Circuit alleging three causes of action for breach of contract, with a fourth cause of action seeking a declaratory judgment denying the defendants' entitlement to advances of fees and expenses under the Company's indemnification bylaws. The Company is seeking repayment of incentive-based compensation received by the defendants in connection with the restatements included in the Old Hertz Holdings Form 10-K for the year ended December 31, 2014 and related accounting for prior periods. The Company is also seeking recovery for the costs of the SEC investigation that resulted in an administrative order on December 31, 2018 with respect to events generally involving the restatements included in Old Hertz Holdings Form 10-K for the year ended December 31, 2014 and other damages resulting from the necessity of the restatements. The Company is pursuing these legal proceedings in accordance with its clawback policy and contractual rights. Pursuant to the agreements governing the separation of Herc Holdings from Hertz Global that occurred on June 30, 2016, Herc Holdings is entitled to 15% of the net proceeds of any such repayment or recovery.

Indemnification Obligations

In the ordinary course of business, the Company has executed contracts involving indemnification obligations customary in the relevant industry and indemnifications specific to a transaction such as the sale of a business. These indemnification obligations might include claims relating to the following: environmental matters; intellectual property rights; governmental regulations and employment-related matters; customer, supplier and other commercial contractual

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

relationships; and financial matters. Specifically, the Company has indemnified various parties for the costs associated with remediating numerous hazardous substance storage, recycling or disposal sites in many states and, in some instances, for natural resource damages. The amount of any such expenses or related natural resource damages for which the Company may be held responsible could be substantial. In addition, Hertz entered into customary indemnification agreements with Hertz Holdings and certain of the Company's stockholders and their affiliates pursuant to which Hertz Holdings and Hertz will indemnify those entities and their respective affiliates, directors, officers, partners, members, employees, agents, representatives and controlling persons, against certain liabilities arising out of performance of a consulting agreement with Hertz Holdings and each of such entities and certain other claims and liabilities, including liabilities arising out of financing arrangements or securities offerings. The Company has entered into customary indemnification agreements with each of its directors and certain of its officers. Performance under these indemnification obligations would generally be triggered by a breach of terms of the contract or by a third-party claim. In connection with the Spin-Off, the Company executed an agreement with Herc Holdings that contains mutual indemnification clauses and a customary indemnification provision with respect to liability arising out of or resulting from assumed legal matters. The Company regularly evaluates the probability of having to incur costs associated with these indemnification obligations and has accrued for expected losses that are probable and estimable.

Note 9—Related Party Transactions

Agreements with the Icahn Group

In the normal course of business, the Company purchases goods and services and leases property from entities controlled by Carl C. Icahn and his affiliates, including The Pep Boys - Manny, Moe & Jack (collectively, the "Icahn Group"). During the three months ended March 31, 2019 and 2018, the Company purchased approximately \$12 million and \$6 million, respectively, worth of goods and services from these related parties.

Transactions and agreements between Hertz Holdings and Hertz

In June 2017, Hertz entered into a master loan agreement with Hertz Holdings for a facility size of \$425 million with an expiration in June 2018 (the "2017 Master Loan"). The interest rate is based on the U.S. Dollar LIBOR rate plus a margin.

In June 2018, upon expiration of the 2017 Master Loan, Hertz entered into a new master loan agreement with Hertz Holdings for a facility size of \$425 million with an expiration in June 2019 (the "2018 Master Loan") where amounts outstanding under the 2017 Master Loan were transferred to the 2018 Master Loan. The interest rate is based on the U.S. Dollar LIBOR rate plus a margin. As of March 31, 2019 and December 31, 2018, there was \$121 million and \$117 million, respectively, outstanding under the 2018 Master Loan representing advances and any accrued but unpaid interest. Additionally, Hertz has a due to an affiliate in the amount of \$65 million, which represents a tax-related liability to Hertz Holdings.

The net impact of the above amounts are included in stockholder's equity in the accompanying unaudited condensed consolidated balance sheets of Hertz.

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

767 Auto Leasing LLC

In January 2018, Hertz entered into a Master Motor Vehicle Lease and Management Agreement (the "767 Lease Agreement") pursuant to which Hertz granted 767 Auto Leasing LLC ("767"), an entity affiliated with the Icahn Group, the option to acquire certain vehicles from Hertz at rates aligned with the rates at which Hertz sells vehicles to third parties. Hertz leases the vehicles purchased by 767 under the 767 Lease Agreement or from third parties, under a mutually developed fleet plan and Hertz manages, services, repairs, sells and maintains those leased vehicles on behalf of 767. Hertz rents the leased vehicles to drivers of transportation network companies ("TNC"), including Lyft, Inc. drivers, from rental counters within locations leased or owned by affiliates of 767, including locations operated under a master lease agreement with The Pep Boys - Manny, Joe & Jack. The 767 Lease Agreement has an initial term of 18 months and is subject to automatic six month renewals thereafter, unless terminated by either party (with or without cause) prior to the start of any such six month renewal. 767's payment obligations under the 767 Lease Agreement are guaranteed by American Entertainment Properties Corp. ("American"), an entity affiliated with the Icahn Group.

The Company is entitled to 25% of the profit from the rental of the leased vehicles, as specified in the 767 Lease Agreement, which is variable and based primarily on the rental revenue, less certain vehicle related costs, such as depreciation, licensing and maintenance expenses. The Company has determined that it is the primary beneficiary of 767 due to its power to direct the activities of 767 that most significantly impact 767's economic performance and the Company's obligation to absorb 25% of 767's gains/losses. Accordingly, 767 is consolidated by the Company as a VIE.

Note 10—Segment Information

The Company has identified three reportable segments, which are organized based on the products and services provided by its operating segments and the geographic areas in which its operating segments conduct business, as follows:

- U.S. Rental Car ("U.S. RAC") - rental of vehicles (cars, crossovers and light trucks), as well as sales of value-added services, in the U.S. and consists of the Company's U.S. operating segment;
- International Rental Car ("International RAC") - rental and leasing of vehicles (cars, vans, crossovers and light trucks), as well as sales of value-added services, internationally and consists of the Company's Europe and Other International operating segments, which are aggregated into a reportable segment based primarily upon similar economic characteristics, products and services, customers, delivery methods and general regulatory environments;
- All Other Operations - primarily consists of the Company's Donlen business, which provides vehicle leasing and fleet management services, together with other business activities which represent less than 1% of revenues and expenses of the segment.

In addition to the above reportable segments, the Company has corporate operations ("Corporate") which includes general corporate assets and expenses and certain interest expense (including net interest on non-vehicle debt).

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

The following tables provide significant statement of operations and balance sheet information by segment for each of Hertz Global and Hertz, as well as Adjusted Pre-tax Income (Loss), the segment measure of profitability.

(In millions)	Three Months Ended	
	March 31,	
	2019	2018
Revenues		
U.S. Rental Car	\$ 1,520	\$ 1,426
International Rental Car	433	468
All Other Operations	154	169
Total Hertz Global and Hertz	\$ 2,107	\$ 2,063
Depreciation of revenue earning vehicles and lease charges		
U.S. Rental Car	\$ 386	\$ 434
International Rental Car	97	102
All Other Operations	109	125
Total Hertz Global and Hertz	\$ 592	\$ 661
Adjusted Pre-tax Income (Loss)^(a)		
U.S. Rental Car	\$ 25	\$ (48)
International Rental Car	(18)	(6)
All Other Operations	25	22
Corporate	(143)	(143)
Total Hertz Global	(111)	(175)
Corporate - Hertz	2	1
Total Hertz	\$ (109)	\$ (174)

(In millions)	March 31, 2019		December 31, 2018	
Total assets				
U.S. Rental Car	\$	16,375	\$	13,983
International Rental Car		4,590		4,057
All Other Operations		1,934		1,843
Corporate		1,131		1,499
Total Hertz Global and Hertz	\$	24,030	\$	21,382

(a) Adjusted Pre-tax Income (Loss), the Company's segment profitability measure, is calculated as income (loss) before income taxes plus non-cash acquisition accounting charges, debt-related charges relating to the amortization and write-off of debt financing costs and debt discounts and premiums, goodwill, intangible and tangible asset impairments and write downs, information technology and finance transformation costs, income or loss attributable to noncontrolling interests, and certain other miscellaneous or non-recurring items.

Reconciliations of Adjusted Pre-tax Income (Loss) by segment to consolidated amounts are summarized below.

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

Hertz Global

(In millions)	Three Months Ended March 31,	
	2019	2018
Adjusted Pre-tax Income (Loss):		
U.S. Rental Car	\$ 25	\$ (48)
International Rental Car	(18)	(6)
All Other Operations	25	22
Total reportable segments	32	(32)
Corporate ⁽¹⁾	(143)	(143)
Adjusted Pre-tax Income (Loss)	(111)	(175)
Adjustments:		
Acquisition accounting ⁽²⁾	(14)	(15)
Debt-related charges ⁽³⁾	(14)	(16)
Restructuring and restructuring related charges ⁽⁴⁾	(7)	(4)
Information technology and finance transformation costs ⁽⁵⁾	(23)	(23)
Other ⁽⁶⁾	20	2
Income (loss) before income taxes	\$ (149)	\$ (231)

Hertz

(In millions)	Three Months Ended March 31,	
	2019	2018
Adjusted Pre-tax Income (Loss):		
U.S. Rental Car	\$ 25	\$ (48)
International Rental Car	(18)	(6)
All Other Operations	25	22
Total reportable segments	32	(32)
Corporate ⁽¹⁾	(141)	(142)
Adjusted Pre-tax Income (Loss)	(109)	(174)
Adjustments:		
Acquisition accounting ⁽²⁾	(14)	(15)
Debt-related charges ⁽³⁾	(14)	(16)
Restructuring and restructuring related charges ⁽⁴⁾	(7)	(4)
Information technology and finance transformation costs ⁽⁵⁾	(23)	(23)
Other ⁽⁶⁾	20	2
Income (loss) before income taxes	\$ (147)	\$ (230)

(1) Represents general corporate expenses, non-vehicle interest expense, as well as other business activities.

(2) Represents incremental expense associated with amortization of other intangible assets and depreciation of property and equipment relating to acquisition accounting.

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

(4) Represents charges incurred under restructuring actions as defined in U.S. GAAP, excluding impairments and asset write-downs. Also includes restructuring related charges such as incremental costs incurred directly supporting business transformation initiatives. Such costs include transition costs incurred in connection with business process outsourcing arrangements and incremental costs incurred to facilitate business process re-engineering initiatives that involve significant organization redesign and extensive operational process changes. In 2018, also includes consulting costs, legal fees, and other expenses related to the previously disclosed accounting review and investigation.

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

- (5) Represents costs associated with the Company's information technology and finance transformation programs, both of which are multi-year initiatives to upgrade and modernize the Company's systems and processes.
- (6) Represents miscellaneous or non-recurring items, and includes amounts attributable to noncontrolling interests. In 2019, also includes an \$11 million gain on marketable securities, and an \$8 million gain on the sale of non-vehicle capital assets.

Note 11—Guarantor and Non-Guarantor Condensed Consolidating Financial Information - Hertz

The following tables present the Condensed Consolidating Balance Sheets as of March 31, 2019 and December 31, 2018, the Condensed Consolidating Statements of Operations and Comprehensive Income (Loss) for the three months ended March 31, 2019 and 2018 and the Condensed Consolidating Statements of Cash Flows for the three months ended March 31, 2019 and 2018 of (a) The Hertz Corporation, ("Parent"); (b) the Parent's subsidiaries that guarantee the Senior Notes issued by the Parent ("Guarantor Subsidiaries"); (c) the Parent's subsidiaries that do not guarantee the Senior Notes issued by the Parent ("Non-Guarantor Subsidiaries"); (d) elimination entries necessary to consolidate the Parent with the Guarantor Subsidiaries and Non-Guarantor Subsidiaries ("Eliminations"); and (e) Hertz on a consolidated basis.

Investments in subsidiaries are accounted for using the equity method for purposes of the consolidating presentation. The principal elimination entries relate to investments in subsidiaries and intercompany balances and transactions. The Guarantor Subsidiaries are 100% owned by the Parent and all guarantees are full and unconditional and joint and several. Additionally, substantially all of the assets of the Guarantor Subsidiaries are pledged under the Senior Facilities and Senior Second Priority Secured Notes, and consequently will not be available to satisfy the claims of Hertz general creditors. In lieu of providing separate unaudited financial statements for the Guarantor Subsidiaries, Hertz has included the accompanying condensed consolidating financial statements based on Rule 3-10 of the SEC's Regulation S-X. Management of Hertz does not believe that separate financial statements of the Guarantor Subsidiaries are material to Hertz's investors; therefore, separate financial statements and other disclosures concerning the Guarantor Subsidiaries are not presented.

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

THE HERTZ CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATING BALANCE SHEET
March 31, 2019
(In millions)

	Parent (The Hertz Corporation)	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	The Hertz Corporation & Subsidiaries
ASSETS					
Cash and cash equivalents	\$ 173	\$ 3	\$ 378	\$ —	\$ 554
Restricted cash and cash equivalents	130	11	311	—	452
Total cash, cash equivalents, restricted cash and restricted cash equivalents	303	14	689	—	1,006
Receivables, net of allowance	461	167	935	—	1,563
Due from affiliates	3,224	4,138	7,505	(14,867)	—
Prepaid expenses and other assets	5,085	28	300	(4,306)	1,107
Revenue earning vehicles, net	268	—	13,500	—	13,768
Property and equipment, net	611	62	98	—	771
Operating lease right-of-use assets	943	198	373	—	1,514
Investment in subsidiaries, net	7,569	1,560	—	(9,129)	—
Intangible assets, net	188	3,026	4	—	3,218
Goodwill	102	943	38	—	1,083
Total assets	\$ 18,754	\$ 10,136	\$ 23,442	\$ (28,302)	\$ 24,030
LIABILITIES AND STOCKHOLDER'S EQUITY					
Due to affiliates	\$ 10,833	\$ 990	\$ 3,044	\$ (14,867)	\$ —
Accounts payable	395	112	772	—	1,279
Accrued liabilities	824	50	456	—	1,330
Accrued taxes, net	81	17	2,389	(2,341)	146
Debt	4,575	—	12,682	—	17,257
Operating lease liabilities	940	199	374	—	1,513
Public liability and property damage	186	41	184	—	411
Deferred income taxes, net	—	1,732	1,324	(1,965)	1,091
Total liabilities	17,834	3,141	21,225	(19,173)	23,027
Stockholder's equity:					
Total stockholder's equity attributable to Hertz	920	6,995	2,134	(9,129)	920
Noncontrolling interests	—	—	83	—	83
Total stockholder's equity	920	6,995	2,217	(9,129)	1,003
Total liabilities and stockholder's equity	\$ 18,754	\$ 10,136	\$ 23,442	\$ (28,302)	\$ 24,030

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

THE HERTZ CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATING BALANCE SHEET
December 31, 2018
(In millions)

	Parent (The Hertz Corporation)	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	The Hertz Corporation & Subsidiaries
ASSETS					
Cash and cash equivalents	\$ 576	\$ 3	\$ 548	\$ —	\$ 1,127
Restricted cash and cash equivalents	137	8	138	—	283
Total cash, cash equivalents, restricted cash and restricted cash equivalents	713	11	686	—	1,410
Receivables, net of allowance	421	174	992	—	1,587
Due from affiliates	3,522	5,312	9,101	(17,935)	—
Prepaid expenses and other assets	4,863	34	269	(4,264)	902
Revenue earning vehicles, net	421	1	11,997	—	12,419
Property and equipment, net	590	64	124	—	778
Investment in subsidiaries, net	7,648	1,526	—	(9,174)	—
Intangible assets, net	160	3,039	4	—	3,203
Goodwill	102	943	38	—	1,083
Total assets	<u>\$ 18,440</u>	<u>\$ 11,104</u>	<u>\$ 23,211</u>	<u>\$ (31,373)</u>	<u>\$ 21,382</u>
LIABILITIES AND STOCKHOLDER'S EQUITY					
Due to affiliates	\$ 11,351	\$ 2,306	\$ 4,278	\$ (17,935)	\$ —
Accounts payable	388	97	503	—	988
Accrued liabilities	823	69	412	—	1,304
Accrued taxes, net	67	15	2,359	(2,305)	136
Debt	4,567	—	11,757	—	16,324
Public liability and property damage	185	41	192	—	418
Deferred income taxes, net	—	1,729	1,324	(1,959)	1,094
Total liabilities	<u>17,381</u>	<u>4,257</u>	<u>20,825</u>	<u>(22,199)</u>	<u>20,264</u>
Stockholder's equity:					
Total stockholder's equity attributable to Hertz	1,059	6,847	2,327	(9,174)	1,059
Noncontrolling interests	—	—	59	—	59
Total stockholder's equity	<u>1,059</u>	<u>6,847</u>	<u>2,386</u>	<u>(9,174)</u>	<u>1,118</u>
Total liabilities and stockholder's equity	<u>\$ 18,440</u>	<u>\$ 11,104</u>	<u>\$ 23,211</u>	<u>\$ (31,373)</u>	<u>\$ 21,382</u>

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

THE HERTZ CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATING STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
For the Three Months Ended March 31, 2019
(In millions)

	Parent (The Hertz Corporation)	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	The Hertz Corporation & Subsidiaries
Total revenues	\$ 1,151	\$ 320	\$ 2,074	\$ (1,438)	\$ 2,107
Expenses:					
Direct vehicle and operating	812	157	297	—	1,266
Depreciation of revenue earning vehicles and lease charges	1,394	74	562	(1,438)	592
Selling, general and administrative	157	16	61	—	234
Interest (income) expense, net	107	(46)	120	—	181
Other (income) expense, net	(19)	—	—	—	(19)
Total expenses	2,451	201	1,040	(1,438)	2,254
Income (loss) before income taxes and equity in earnings (losses) of subsidiaries	(1,300)	119	1,034	—	(147)
Income tax (provision) benefit	42	(4)	(37)	—	1
Equity in earnings (losses) of subsidiaries, net of tax	1,112	25	—	(1,137)	—
Net income (loss)	(146)	140	997	(1,137)	(146)
Net (income) loss attributable to noncontrolling interests	—	—	1	—	1
Net income (loss) attributable to Hertz	(146)	140	998	(1,137)	(145)
Total other comprehensive income (loss), net of tax	8	2	6	(9)	7
Comprehensive income (loss) attributable to Hertz	\$ (138)	\$ 142	\$ 1,004	\$ (1,146)	\$ (138)

For the Three Months Ended March 31, 2018
(In millions)

	Parent (The Hertz Corporation)	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	The Hertz Corporation & Subsidiaries
Total revenues	\$ 1,056	\$ 319	\$ 1,489	\$ (801)	\$ 2,063
Expenses:					
Direct vehicle and operating	751	172	313	—	1,236
Depreciation of revenue earning vehicles and lease charges	766	84	612	(801)	661
Selling, general and administrative	161	12	61	—	234
Interest (income) expense, net	102	(33)	96	—	165
Other (income) expense, net	(2)	—	(1)	—	(3)
Total expenses	1,778	235	1,081	(801)	2,293
Income (loss) before income taxes and equity in earnings (losses) of subsidiaries	(722)	84	408	—	(230)
Income tax (provision) benefit	122	(14)	(79)	—	29
Equity in earnings (losses) of subsidiaries, net of tax	399	25	—	(424)	—
Net income (loss)	(201)	95	329	(424)	(201)
Total other comprehensive income (loss), net of tax	(3)	(2)	(3)	5	(3)
Comprehensive income (loss)	\$ (204)	\$ 93	\$ 326	\$ (419)	\$ (204)

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

THE HERTZ CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the Three Months Ended March 31, 2019
(In millions)

	Parent (The Hertz Corporation)	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	The Hertz Corporation & Subsidiaries
Net cash provided by (used in) operating activities	\$ 83	\$ 5	\$ 1,421	\$ (993)	\$ 516
Cash flows from investing activities:					
Revenue earning vehicles expenditures	(102)	—	(3,871)	—	(3,973)
Proceeds from disposal of revenue earning vehicles	48	—	2,105	—	2,153
Capital asset expenditures, non-vehicle	(45)	(2)	(7)	—	(54)
Proceeds from property and other equipment disposed of or to be disposed of	17	—	2	—	19
Capital contributions to subsidiaries	(376)	—	—	376	—
Return of capital from subsidiaries	406	—	—	(406)	—
Proceeds from/repayments of intercompany loan	—	—	434	(434)	—
Net cash provided by (used in) investing activities	(52)	(2)	(1,337)	(464)	(1,855)
Cash flows from financing activities:					
Proceeds from issuance of vehicle debt	195	—	3,472	—	3,667
Repayments of vehicle debt	(195)	—	(2,541)	—	(2,736)
Proceeds from issuance of non-vehicle debt	341	—	—	—	341
Repayments of non-vehicle debt	(344)	—	—	—	(344)
Payment of financing costs	—	—	(12)	—	(12)
Advances to Hertz Holdings	(4)	—	—	—	(4)
Contributions from noncontrolling interests	—	—	25	—	25
Capital contributions received from parent	—	—	376	(376)	—
Payment of dividends and return of capital	—	—	(1,399)	1,399	—
Proceeds from/repayments of intercompany loan	(434)	—	—	434	—
Net cash provided by (used in) financing activities	(441)	—	(79)	1,457	937
Effect of foreign currency exchange rate changes on cash, cash equivalents, restricted cash and restricted cash equivalents	—	—	(2)	—	(2)
Net increase (decrease) in cash, cash equivalents, restricted cash and restricted cash equivalents during the period	(410)	3	3	—	(404)
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of period	713	11	686	—	1,410
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of period	\$ 303	\$ 14	\$ 689	\$ —	\$ 1,006

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

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

Unaudited

THE HERTZ CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATING STATEMENT OF CASH FLOWS
For the Three Months Ended March 31, 2018
(In millions)

	Parent (The Hertz Corporation)	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	The Hertz Corporation & Subsidiaries
Net cash provided by (used in) operating activities	\$ (221)	\$ 7	\$ 957	\$ (341)	\$ 402
Cash flows from investing activities:					
Revenue earning vehicles expenditures	(129)	—	(3,436)	—	(3,565)
Proceeds from disposal of revenue earning vehicles	48	—	1,734	—	1,782
Capital asset expenditures, non-vehicle	(28)	(3)	(13)	—	(44)
Proceeds from property and other equipment disposed of or to be disposed of	—	—	4	—	4
Other	(24)	—	(3)	—	(27)
Capital contributions to subsidiaries	(877)	—	—	877	—
Return of capital from subsidiaries	1,307	—	—	(1,307)	—
Proceeds from/repayments of intercompany loan	—	—	235	(235)	—
Net cash provided by (used in) investing activities	297	(3)	(1,479)	(665)	(1,850)
Cash flows from financing activities:					
Proceeds from issuance of vehicle debt	554	—	4,627	—	5,181
Repayments of vehicle debt	(607)	—	(2,676)	—	(3,283)
Proceeds from issuance of non-vehicle debt	127	—	—	—	127
Repayments of non-vehicle debt	(131)	—	—	—	(131)
Payment of financing costs	(1)	—	(18)	—	(19)
Advances to Hertz Holdings	(4)	—	—	—	(4)
Contributions from noncontrolling interests	—	—	5	—	5
Capital contributions received from parent	—	—	877	(877)	—
Payment of dividends and return of capital	—	—	(1,648)	1,648	—
Proceeds from/repayments of intercompany loan	(235)	—	—	235	—
Net cash provided by (used in) financing activities	(297)	—	1,167	1,006	1,876
Effect of foreign currency exchange rate changes on cash, cash equivalents, restricted cash and restricted cash equivalents	—	—	8	—	8
Net increase (decrease) in cash, cash equivalents, restricted cash and restricted cash equivalents during the period	(221)	4	653	—	436
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of period	911	16	577	—	1,504
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of period	\$ 690	\$ 20	\$ 1,230	\$ —	\$ 1,940

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

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

Hertz Global Holdings, Inc. (together with its consolidated subsidiaries and variable interest entities, "Hertz Global") is a holding company and its principal, wholly owned subsidiary is The Hertz Corporation (together with its consolidated subsidiaries and variable interest entities, "Hertz"). 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 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.

This MD&A should be read in conjunction with the MD&A presented in our 2018 Form 10-K and the unaudited condensed consolidated financial statements and accompanying notes included in Part I, Item 1 of this Report on Form 10-Q for the quarterly period ended March 31, 2019 (this "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 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 certain key metrics and non-GAAP measures, including the following:

- *Adjusted Pre-tax Income (Loss)* - important 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 them to assess our operational performance on the same basis that management uses internally.
- *Depreciation Per Unit Per Month* - important to management and investors as depreciation of revenue earning vehicles and lease charges is one of our largest expenses for the vehicle rental business and is driven by the number of vehicles, expected residual values at the expected time of disposal and expected hold period of the vehicles. Depreciation Per Unit Per Month is reflective of how we are managing the costs of our vehicles and facilitates a comparison with other participants in the vehicle rental industry.
- *Total Revenue Per Transaction Day ("Total RPD," also referred to as "pricing")* - important 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 to management and investors as it provides a measure of revenue productivity relative to the total number of vehicles in our fleet whether owned or leased ("Average Vehicles" or "fleet capacity").
- *Transaction Days* - important to management and investors as it represents the number of revenue generating days ("volume"). It is used as a component to measure Total RPD and Vehicle Utilization. Transaction Days represent the total number of 24-hour periods, with any partial period counted as one Transaction Day, that vehicles were on rent (the period between when a rental contract is opened and closed) in a given period. Thus, it is possible for a vehicle to attain more than one Transaction Day in a 24-hour period.
- *Vehicle Utilization* - important to management and investors because it is the measurement of the proportion of our vehicles that are being used to generate revenues relative to fleet capacity. Higher Vehicle Utilization means more vehicles are being utilized to generate revenue.

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

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

Key metrics and non-GAAP measures 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 key metrics and non-GAAP measures are defined, and the non-GAAP measures are reconciled to their 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 primarily through the Hertz, Dollar and Thrifty brands from approximately 10,200 company-owned, licensee and franchisee locations in North America, Europe, Latin America, Africa, Asia, Australia, the Caribbean, the Middle East and New Zealand. We are one of the largest worldwide vehicle rental companies and our Hertz brand name is one of the most recognized globally, signifying leadership in quality rental services and products. We have an extensive network of airport and off airport rental locations in the U.S. and in all major European markets. We are also a provider of integrated vehicle leasing and fleet management solutions through our Donlen subsidiary.

OVERVIEW OF OUR BUSINESS AND OPERATING ENVIRONMENT

We are engaged principally in the business of renting vehicles primarily through our Hertz, Dollar and Thrifty brands. In addition to vehicle rental, we provide, integrated vehicle leasing and fleet management solutions through our Donlen subsidiary. We have a diversified revenue base and a highly variable cost structure and are able to adjust fleet capacity, the most significant determinant of our costs, over time to meet expectations of market demand. 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 consequently we require substantial liquidity to finance such expenditures. See "Liquidity and Capital Resources" below.

Our strategy includes optimization of our vehicle rental operations, disciplined performance management and evaluation of all locations and the pursuit of same-store sales growth.

Our total revenues primarily are derived from rental and related charges and consist of:

- Worldwide vehicle rental revenues - revenues from all company-operated vehicle rental operations, including charges to customers for the reimbursement of costs incurred relating to airport concession fees and vehicle license fees, the fueling of vehicles and revenues associated with value-added services, including the sale of loss or collision damage waivers, liability insurance coverage, parking and other products and fees. Also included are ancillary revenues associated with retail vehicle sales and certain royalty fees from our franchisees (such fees are less than 2% of total revenues each period); and
- All other operations revenues - revenues from vehicle leasing and fleet management services by our Donlen business and other business activities.

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

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

Our expenses primarily consist of:

- Direct vehicle and operating expense ("DOE") (primarily wages and related benefits; commissions and concession fees paid to airport authorities, travel agents and others; facility, self-insurance and reservation costs; and other costs relating to the operation and rental of revenue earning vehicles, such as damage, maintenance and fuel costs);
- Depreciation expense and lease charges relating to revenue earning vehicles;
- Selling, general and administrative expense ("SG&A"), which includes costs for information technology and finance transformation programs; and
- Interest expense, net.

Our Business Segments

We have identified three reportable segments, which are organized based on the products and services provided by our operating segments and the geographic areas in which our operating segments conduct business, as follows:

- U.S. RAC - Rental of vehicles, as well as sales of value-added services, in the U.S.;
- International RAC - Rental and leasing of vehicles, as well as sales of value-added services, internationally; and
- All Other Operations - Comprised primarily of our Donlen business, which provides vehicle leasing and fleet management services, and other business activities.

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

Revenue Earning Vehicles

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

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

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

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

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

We dispose of our non-program vehicles via auction, dealer-direct and our retail locations. Non-program vehicles disposed of through our retail outlets allow us the opportunity for value-added revenue, such as warranty, financing and title fees. We periodically review and adjust the mix between program and non-program vehicles in our fleet based on contract negotiations and the economic environment pertaining to our industry in an effort to optimize the mix of vehicles.

Seasonality

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 peak ("our peak season") for the majority of countries where we generate our revenues. To accommodate increased demand, we increase our available fleet and staff during the second and third quarters of the year. As business demand declines, vehicles and staff are decreased accordingly. A number of our other major operating costs, including airport concession fees, commissions and vehicle liability expenses, are directly related to revenues or transaction volumes. In addition, our management expects to utilize enhanced process improvements, including utilization initiatives and the use of our information technology systems, to help manage our variable costs. Generally, between 70% and 75% of our annual operating costs represent variable costs, while the remaining costs are fixed or semi-fixed. We also maintain a flexible workforce, with a significant number of part-time and seasonal workers. Certain operating expenses, including real estate taxes, rent, insurance, utilities, maintenance and other facility-related expenses, the costs of operating our information technology systems and minimum staffing costs, remain fixed and cannot be adjusted for seasonal demand.

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

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

Adoption of the new Lease Standard

Effective January 1, 2019, we adopted the new lease standard, Topic 842 which did not have a significant impact to our results of operations for the three months ended March 31, 2019. See the section in Note 2, "Basis of Presentation and Recently Issued Accounting Pronouncements" for further information.

2019 Operating Overview

The following provides an overview of our business and financial performance and key factors influencing our results:

- U.S. RAC
 - 1Q 2019 versus 1Q 2018:
 - Total revenues increased \$94 million, or 7%
 - Total RPD and Total RPU increased 2%
 - Transaction Days increased 4%
 - Depreciation of revenue earning vehicles and lease charges decreased 11% to \$386 million
 - Depreciation Per Unit Per Month decreased 15% to \$256
 - Vehicle Utilization was comparable at 79%
 - DOE as a percentage of total revenues decreased 80 bps (64% versus 65%)
 - SG&A as a percentage of total revenues increased 100 bps (8% versus 7%)

- International RAC
 - 1Q 2019 versus 1Q 2018:
 - Total revenues decreased \$35 million, or 7%, and were flat, excluding the impact of foreign currency exchange at average rates ("fx")
 - Total RPD decreased 2%, and Total RPU decreased 3%
 - Transaction Days increased 2%
 - Depreciation of revenue earning vehicles and lease charges decreased 5% to \$97 million, and increased \$3 million, or 3%, excluding fx
 - Depreciation Per Unit Per Month was comparable (\$212 versus \$211)
 - Vehicle Utilization decreased 90 bps (74% versus 75%)
 - DOE as a percentage of total revenues increased 150 bps (66% versus 64%).
 - SG&A as a percentage of total revenues decreased 40 bps (12% versus 13%)

- Recorded \$23 million in expenses during the first quarter of 2019 and 2018 associated with our information technology and finance transformation programs, both of which are multi-year initiatives to upgrade and modernize the company's systems and processes.

For more information on the above, see the discussion of our results on a consolidated basis and by segment that follows herein.

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

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

CONSOLIDATED RESULTS OF OPERATIONS - HERTZ

(\$ in millions)	Three Months Ended March 31,		Percent Increase/(Decrease)
	2019	2018	
Total revenues	\$ 2,107	\$ 2,063	2 %
Direct vehicle and operating expenses	1,266	1,236	2
Depreciation of revenue earning vehicles and lease charges	592	661	(10)
Selling, general and administrative expenses	234	234	—
Interest expense, net:			
Vehicle	112	94	19
Non-vehicle	69	71	(3)
Interest expense, net	181	165	10
Other (income) expense, net	(19)	(3)	NM
Income (loss) before income taxes	(147)	(230)	(36)
Income tax (provision) benefit	1	29	(97)
Net income (loss)	(146)	(201)	(27)
Net (income) loss attributable to noncontrolling interests	1	—	—
Net income (loss) attributable to Hertz	\$ (145)	\$ (201)	(28)
Adjusted Pre-tax Income (Loss) ^(a)	\$ (109)	\$ (174)	(37)

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 March 31, 2019 Compared with Three Months Ended March 31, 2018

Total revenues increased \$44 million, or 2%, in the first quarter of 2019 compared to 2018 primarily due to an increase of \$94 million in our U.S. RAC segment, partially offset by a decrease of \$35 million and \$15 million in our International RAC and All Other Operations segments, respectively. U.S. RAC revenues increased due to higher volume and Total RPD. Revenues for the International RAC segment decreased primarily due to the impact of fx.

DOE increased \$30 million, or 2%, in the first quarter of 2019 compared to 2018 primarily due to an increase of \$49 million in our U.S. RAC segment, partially offset by a decrease of \$16 million in our International RAC segment. The increase in our U.S. RAC segment was partly due to volume growth. Excluding a \$23 million fx impact, DOE for International RAC increased \$7 million.

Depreciation of revenue earning vehicles and lease charges decreased \$69 million, or 10%, in the first quarter of 2019 compared to 2018 primarily due to a \$48 million decrease in our U.S. RAC segment and a \$16 million decrease in our All Other Operations segment. The decrease in our U.S. RAC segment resulted from continued strength in residual values and increases in dispositions through higher-yielding dealer direct and retail sales channels.

SG&A was down slightly due to decreased incentive compensation charges in our Corporate operations and the impact of fx in our International RAC segment, mostly offset by increased advertising and restructuring related expenses in our U.S. RAC segment.

Vehicle interest expense, net increased \$18 million, or 19%, in the first quarter of 2019 compared to 2018 due to an increase in debt levels resulting from higher average fleet and higher market interest rates.

Non-vehicle interest expense, net in the first quarter of 2019 was comparable to the prior year quarter.

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

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

We had other income of \$19 million for the first quarter of 2019 compared to \$3 million in the first quarter of 2018. Other income in 2019 was primarily comprised of an \$11 million gain on marketable securities and an \$8 million gain on the sale of non-vehicle capital assets.

The effective tax rate in the first quarter of 2019 was 1% compared to 13% in the first quarter of 2018. We recorded a tax benefit of \$1 million in the first quarter of 2019 compared to \$29 million in the first quarter of 2018. The effective income tax rate and related tax benefit were lower driven by overall improvement in our results of operations, primarily due to lower losses in the U.S. where an income tax benefit was recognized, and the impact of the composition of earnings by jurisdiction.

Adjusted Pre-tax Loss was \$109 million in the first quarter of 2019 compared to \$174 million in the first quarter of 2018. See footnote (a) in the "Footnotes to the Results of Operations and Selected Operating Data by Segment Tables" for a summary and description of reconciling adjustments on a consolidated basis.

CONSOLIDATED RESULTS OF OPERATIONS - HERTZ GLOBAL

The above discussion for Hertz also applies to Hertz Global.

Hertz Global had \$2 million and \$1 million of interest expense, net for the first quarter of 2019 and 2018, respectively that was incremental to the amounts shown for Hertz. This amount represents interest associated with amounts outstanding under a master loan agreement between the companies. Hertz includes this amount as interest income in its statement of operations, but this amount is eliminated in consolidation for purposes of presenting Hertz Global.

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

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

RESULTS OF OPERATIONS AND SELECTED OPERATING DATA BY SEGMENT

U.S. Rental Car

(\$ in millions, except as noted)	Three Months Ended March 31,		Percent Increase/(Decrease)
	2019	2018	
Total revenues	\$ 1,520	\$ 1,426	7 %
Depreciation of revenue earning vehicles and lease charges	\$ 386	\$ 434	(11)%
Direct vehicle and operating expenses	\$ 976	\$ 927	5
Selling, general and administrative expenses	\$ 121	\$ 99	22
Income (loss) before income taxes	\$ 14	\$ (68)	NM
Adjusted Pre-tax Income (Loss) ^(a)	\$ 25	\$ (48)	NM
Transaction Days (in thousands) ^(b)	35,582	34,203	4
Average Vehicles (in whole units) ^(c)	501,767	478,600	5
Vehicle Utilization ^(c)	79%	79%	(60) bps
Total RPD (in whole dollars) ^(d)	\$ 41.90	\$ 40.93	2
Total RPU Per Month (in whole dollars) ^(e)	\$ 990	\$ 975	2
Depreciation Per Unit Per Month (in whole dollars) ^(f)	\$ 256	\$ 302	(15)
Percentage of program vehicles at period end	9%	9%	(90) bps

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 March 31, 2019 Compared with Three Months Ended March 31, 2018

Total U.S. RAC revenues increased \$94 million from the first quarter of 2018 due to higher volume and pricing. The 4% increase in Transaction Days was driven by growth in TNC rentals. The 2% increase in Total RPD was driven by leisure and TNC rentals. Off airport revenues comprised 33% of total revenues for the segment in the first quarter of 2019 as compared to 31% in the first quarter of 2018.

Depreciation of revenue earning vehicles and lease charges for U.S. RAC decreased by \$48 million in the first quarter of 2019 compared to 2018 primarily due to continued strength in residual values and more dispositions through higher-yielding dealer direct and retail sales channels. Depreciation Per Unit Per Month decreased to \$256 in the first quarter of 2019 compared to \$302 in the first quarter of 2018.

DOE for U.S. RAC increased \$49 million of which \$28 million was driven by growth in TNC rentals, \$28 million due to increased other vehicle operating expenses, and \$7 million due to increased commissions and other personnel related expenses. The above were partially offset by a \$20 million decrease in facility and other charges.

SG&A increased \$22 million primarily due to advertising and restructuring related charges.

There was income before income taxes for U.S. RAC of \$14 million in the first quarter of 2019 compared to loss before income taxes of \$68 million in the first quarter of 2018. The \$82 million year over year favorable variance was primarily due to the impact of increased revenues and decreased depreciation expense on our revenue earning vehicles. The favorable variance was partially offset by the increase in DOE and SG&A and a \$12 million increase in vehicle related interest expense due to an increase in debt levels resulting from higher average fleet and higher market interest rates.

Adjusted Pre-tax Income for U.S. RAC was \$25 million in the first quarter of 2019 compared to Adjusted Pre-tax Loss of \$48 million in the first quarter of 2018. See footnote (a) in the "Footnotes to the Results of Operations and Selected Operating Data by Segment Tables" for a summary and description of reconciling adjustments on a consolidated basis.

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

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

International Rental Car

(\$ in millions, except as noted)	Three Months Ended March 31,		Percent Increase/(Decrease)	
	2019	2018		
Total revenues	\$ 433	\$ 468	(7)%	
Depreciation of revenue earning vehicles and lease charges	\$ 97	\$ 102	(5)	
Direct vehicle and operating expenses	\$ 284	\$ 300	(5)	
Selling, general and administrative expenses	\$ 54	\$ 60	(10)	
Income (loss) before income taxes	\$ (24)	\$ (12)	100	
Adjusted Pre-tax Income (loss) ^(a)	\$ (18)	\$ (6)	200	
Transaction Days (in thousands) ^(b)	10,127	9,974	2	
Average Vehicles (in whole units) ^(c)	152,747	148,700	3	
Vehicle Utilization ^(c)	74%	75%	(90)	bps
Total RPD (in whole dollars) ^(d)	\$ 42.56	\$ 43.41	(2)	
Total RPU Per Month (in whole dollars) ^(e)	\$ 941	\$ 971	(3)	
Depreciation Per Unit Per Month (in whole dollars) ^(f)	\$ 212	\$ 211	—	
Percentage of program vehicles at period end	39%	41%	(250)	bps

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.

Three Months Ended March 31, 2019 Compared with Three Months Ended March 31, 2018

Total revenues for International RAC decreased \$35 million in the first quarter of 2019 compared to 2018. Excluding a \$33 million fx impact, revenues were flat due to a 2% increase in Transaction Days primarily driven by growth in both leisure and business customer segments during the summer peak season in the Asia Pacific region, offset by a 2% decrease in Total RPD due in part to the impact of the timing of the Easter holiday in 2019 versus 2018.

Depreciation of revenue earning vehicles and lease charges for International RAC decreased \$5 million in the first quarter of 2019 compared to 2018 largely due to an \$8 million fx impact. Depreciation Per Unit Per Month for International RAC was comparable for the first quarter of 2019 versus 2018.

DOE for International RAC decreased \$16 million in the first quarter of 2019 compared to the first quarter of 2018. Excluding a \$23 million fx impact, DOE increased \$7 million, or 3%, compared to the first quarter of 2018 primarily driven by higher field compensation and other vehicle operating expenses due in part to higher volumes, partially offset by a decrease in public liability and property damage expense.

SG&A decreased \$6 million in the first quarter of 2019 compared to the first quarter of 2018 largely due to a \$5 million fx impact.

Loss before income taxes for International RAC was \$24 million in the first quarter of 2019 compared to \$12 million in the first quarter of 2018. The \$12 million year over year unfavorable variance was primarily due to the decrease in revenues, partially offset by the decrease in DOE, SG&A and depreciation expense on our revenue earning vehicles.

Adjusted Pre-tax Loss for International RAC was \$18 million in the first quarter of 2019 compared to \$6 million in the first quarter of 2018. See footnote (a) in the "Footnotes to the Results of Operations and Selected Operating Data by Segment Tables" for a summary and description of reconciling adjustments on a consolidated basis.

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

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

All Other Operations

The All Other Operations segment is primarily comprised of our Donlen business and, as such, our discussion is limited to Donlen.

Results of operations for this segment are as follows:

(\$ in millions)	Three Months Ended March 31,		Percent Increase/(Decrease)
	2019	2018	
Total revenues	\$ 154	\$ 169	(9)%
Depreciation of revenue earning vehicles and lease charges	\$ 109	\$ 125	(13)
Direct vehicle and operating expenses	\$ 6	\$ 9	(33)
Selling, general and administrative expenses	\$ 7	\$ 10	(30)
Income (loss) before income taxes	\$ 24	\$ 19	26
Adjusted Pre-tax Income (Loss) ^(a)	\$ 25	\$ 22	14
Average Vehicles - Donlen	192,799	191,600	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.

Lower year-over-year revenue and depreciation of revenue earning vehicles and lease charges were driven by the impact of a change in presentation for certain leased vehicles in the first quarter of 2019 versus 2018.

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

(a) Adjusted Pre-tax Income (Loss) is calculated as income (loss) before income taxes plus non-cash acquisition accounting charges, debt-related charges relating to the amortization and write-off of debt financing costs and debt discounts and premiums, goodwill, intangible and tangible asset impairments and write downs, information technology and finance transformation costs, net income or loss attributable to noncontrolling interests, and certain other miscellaneous or non-recurring items. Adjusted Pre-tax Income (Loss) is important because it allows management to assess operational performance of our business, exclusive of the items mentioned above. It also 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 them to assess our operational performance on the same basis that management uses internally. When evaluating our operating performance, investors should not consider Adjusted Pre-tax Income (Loss) in isolation of, or as a substitute for, measures of our financial performance, such as net income (loss) or income (loss) before income taxes. The contribution of our reportable segments to Adjusted Pre-tax Income (Loss) and reconciliation to the most comparable consolidated U.S. GAAP measure are presented below:

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

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

Hertz

(In millions)	Three Months Ended March 31,	
	2019	2018
Adjusted Pre-tax Income (Loss):		
U.S. Rental Car	\$ 25	\$ (48)
International Rental Car	(18)	(6)
All Other Operations	25	22
Total reportable segments	32	(32)
Corporate ⁽¹⁾	(141)	(142)
Adjusted Pre-tax Income (Loss)	(109)	(174)
Adjustments:		
Acquisition accounting ⁽²⁾	(14)	(15)
Debt-related charges ⁽³⁾	(14)	(16)
Restructuring and restructuring related charges ⁽⁴⁾	(7)	(4)
Information technology and finance transformation costs ⁽⁵⁾	(23)	(23)
Other ⁽⁶⁾	20	2
Income (loss) before income taxes	\$ (147)	\$ (230)

Hertz Global

(In millions)	Three Months Ended March 31,	
	2019	2018
Adjusted Pre-tax Income (Loss):		
U.S. Rental Car	\$ 25	\$ (48)
International Rental Car	(18)	(6)
All Other Operations	25	22
Total reportable segments	32	(32)
Corporate ⁽¹⁾	(143)	(143)
Adjusted Pre-tax Income (Loss)	(111)	(175)
Adjustments:		
Acquisition accounting ⁽²⁾	(14)	(15)
Debt-related charges ⁽³⁾	(14)	(16)
Restructuring and restructuring related charges ⁽⁴⁾	(7)	(4)
Information technology and finance transformation costs ⁽⁵⁾	(23)	(23)
Other ⁽⁶⁾	20	2
Income (loss) before income taxes	\$ (149)	\$ (231)

(1) Represents general corporate expenses, non-vehicle interest expense, as well as other business activities.

(2) Represents incremental expense associated with amortization of other intangible assets and depreciation of property and equipment relating to acquisition accounting.

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

(4) Represents charges incurred under restructuring actions as defined in U.S. GAAP, excluding impairments and asset write-downs. Also includes restructuring related charges such as incremental costs incurred directly supporting business transformation initiatives. Such costs include transition costs incurred in connection with business process outsourcing arrangements and incremental costs incurred to facilitate business process re-engineering initiatives that involve significant organization redesign and extensive operational process changes. In 2018, also includes consulting costs, legal fees, and other expenses related to the previously disclosed accounting review and investigation.

(5) Represents costs associated with our information technology and finance transformation programs, both of which are multi-year initiatives to upgrade and modernize our systems and processes.

(6) Represents miscellaneous or non-recurring items, and includes amounts attributable to noncontrolling interests. In 2019, also includes an \$11 million gain on marketable securities, and an \$8 million gain on the sale of non-vehicle capital assets.

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

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

(b) Transaction Days represent the total number of 24-hour periods, with any partial period counted as one Transaction Day, that vehicles were on rent (the period between when a rental contract is opened and closed) in a given period. Thus, it is possible for a vehicle to attain more than one Transaction Day in a 24-hour period.

(c) Average Vehicles are determined using a simple average of the number of vehicles at the beginning and end of a given period. Among other things, Average Vehicles is used to calculate our Vehicle Utilization which represents the portion of our vehicles that are being utilized to generate revenue. Vehicle Utilization is calculated by dividing total Transaction Days by Available Car Days. The calculation of Vehicle Utilization is shown in the table below:

	U.S. Rental Car		International Rental Car	
	Three Months Ended March 31,			
	2019	2018	2019	2018
Transaction Days (in thousands)	35,582	34,203	10,127	9,974
Average Vehicles	501,767	478,600	152,747	148,700
Number of days in period	90	90	90	90
Available Car Days (in thousands)	45,159	43,074	13,747	13,383
Vehicle Utilization	79%	79%	74%	75%

(d) Total RPD is calculated as total revenue less ancillary retail vehicle sales revenue, with all periods adjusted to eliminate the effect of fluctuations in foreign currency exchange rates ("Total Rental Revenue"), 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:

	U.S. Rental Car		International Rental Car	
	Three Months Ended March 31,			
	2019	2018	2019	2018
(\$ in millions, except as noted)				
Revenues	\$ 1,520	\$ 1,426	\$ 433	\$ 468
Ancillary retail vehicle sales revenue	(29)	(26)	—	—
Foreign currency adjustment ⁽¹⁾	—	—	(2)	(35)
Total Rental Revenue	\$ 1,491	\$ 1,400	\$ 431	\$ 433
Transaction Days (in thousands)	35,582	34,203	10,127	9,974
Total RPD (in whole dollars)	\$ 41.90	\$ 40.93	\$ 42.56	\$ 43.41

(1) Based on December 31, 2018 foreign currency exchange rates for all periods presented.

(e) Total RPU is calculated as Total Rental Revenue divided by the Average Vehicles in each period and then divided by the number of months in the period reported. The calculation of Total RPU is shown below:

	U.S. Rental Car		International Rental Car	
	Three Months Ended March 31,			
	2019	2018	2019	2018
(\$ in millions, except as noted)				
Total Rental Revenue	\$ 1,491	\$ 1,400	\$ 431	\$ 433
Average Vehicles	501,767	478,600	152,747	148,700
Total revenue per unit (in whole dollars)	\$ 2,971	\$ 2,925	\$ 2,822	\$ 2,912
Number of months in period	3	3	3	3
Total RPU Per Month (in whole dollars)	\$ 990	\$ 975	\$ 941	\$ 971

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

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

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

(\$ in millions, except as noted)	U.S. Rental Car		International Rental Car	
	Three Months Ended March 31,			
	2019	2018	2019	2018
Depreciation of revenue earning vehicles and lease charges	\$ 386	\$ 434	\$ 97	\$ 102
Foreign currency adjustment ⁽¹⁾	—	—	—	(8)
Adjusted depreciation of revenue earning vehicles and lease charges	\$ 386	\$ 434	\$ 97	\$ 94
Average Vehicles	501,767	478,600	152,747	148,700
Adjusted depreciation of revenue earning vehicles and lease charges divided by Average Vehicles (in whole dollars)	\$ 769	\$ 907	\$ 635	\$ 632
Number of months in period	3	3	3	3
Depreciation Per Unit Per Month (in whole dollars)	\$ 256	\$ 302	\$ 212	\$ 211

(1) Based on December 31, 2018 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.

As of March 31, 2019, we had \$554 million of cash and cash equivalents and \$452 million of restricted cash. Of these amounts as of March 31, 2019, \$261 million of cash and cash equivalents and \$163 million of restricted cash was held by our subsidiaries outside of the U.S. If not in the form of loan repayments, repatriation of some of these funds under current regulatory and tax law for use in domestic operations could expose us to additional taxes.

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 operating requirements for the next twelve months.

Cash Flows - Hertz

As of March 31, 2019, Hertz had cash, cash equivalents, restricted cash and restricted cash equivalents of \$1.0 billion as compared to \$1.4 billion as of December 31, 2018. The following table summarizes the net change in cash, cash equivalents, restricted cash and restricted cash equivalents for the periods shown:

(In millions)	Three Months Ended March 31,		
	2019	2018	\$ Change
Cash provided by (used in):			
Operating activities	\$ 516	\$ 402	\$ 114
Investing activities	(1,855)	(1,850)	(5)
Financing activities	937	1,876	(939)
Effect of exchange rate changes	(2)	8	(10)
Net change in cash, cash equivalents, restricted cash and restricted cash equivalents	\$ (404)	\$ 436	\$ (840)

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

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

During the first quarter of 2019, there was a \$60 million increase in cash flows from certain asset and liability accounts period over period and an increase in cash flows of \$54 million from net income (loss), excluding non-cash and non-operating items. Excluding the net cash flow impact from operating leases, the change from certain asset and liability accounts was due to a \$115 million increase in cash due in part to value-added tax receivables in our International RAC segment, partially offset by a \$51 million decrease in cash due in part to the previously disclosed SEC investigation payment.

Our primary investing activities relate to the acquisition and disposal of revenue earning vehicles. Net fleet acquisitions were comparable year over year.

Net financing cash inflows were \$937 million in the first quarter of 2019 compared to \$1.9 billion in the first quarter of 2018. The variance was primarily driven by the issuance of \$1.0 billion HVF II Series 2018-1 Notes and €500 million HHN BV 5.50% Senior Notes in the first quarter of 2018, partially offset by the issuance of \$700 million HVF II Series 2019-1 Notes in the first quarter of 2019.

Cash Flows - Hertz Global

As of March 31, 2019, Hertz Global had cash, cash equivalents, restricted cash and restricted cash equivalents of \$1.0 billion as compared to \$1.4 billion as of December 31, 2018. The following table summarizes the net change in cash, cash equivalents, restricted cash and restricted cash equivalents for the periods shown:

<u>(In millions)</u>	Three Months Ended March 31,		<u>\$ Change</u>
	2019	2018	
Cash provided by (used in):			
Operating activities	\$ 514	\$ 401	\$ 113
Investing activities	(1,855)	(1,850)	(5)
Financing activities	939	1,877	(938)
Effect of exchange rate changes	(2)	8	(10)
Net change in cash, cash equivalents, restricted cash and restricted cash equivalents	\$ (404)	\$ 436	\$ (840)

Fluctuations in operating, investing and financing cash flows from period to period are due to the same factors as those disclosed for Hertz above, with the exception of any cash inflows or outflows related to the master loan agreement between Hertz and Hertz Global.

Financing

Substantially all of our revenue earning vehicles and certain related assets are owned by special purpose entities, or are encumbered in favor of our lenders under our various credit facilities, other secured financings and asset-backed securities programs. None of such assets are available to satisfy the claims of our general creditors.

We are highly leveraged, and a substantial portion of our liquidity requirements arise from servicing our indebtedness, funding our operations, including purchases of revenue earning vehicles, and funding non-vehicle capital expenditures. Our practice is to maintain sufficient liquidity through cash from operations, credit facilities and other financing arrangements, to mitigate any adverse effect on operations resulting from adverse financial market conditions.

Refer to Part I, Item 1, Note 3, "Debt," to the Notes to our unaudited condensed consolidated financial statements included in this Quarterly Report on Form 10-Q for information on our outstanding debt obligations and our borrowing capacity and availability under our revolving credit facilities as of March 31, 2019. Cash paid for interest during the first quarter of 2019 was \$29 million for interest on non-vehicle debt and \$87 million for interest on vehicle debt. Cash paid for interest during the first quarter of 2018 was \$28 million for interest on non-vehicle debt and \$82 million for interest on vehicle debt.

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

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

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

(In millions)	March 31, 2019	December 31, 2018
Cash and cash equivalents	\$ 554	\$ 1,127
Availability under the Senior RCF	459	496
Corporate liquidity	<u>\$ 1,013</u>	<u>\$ 1,623</u>

Approximately \$19 million of non-vehicle debt and \$2.6 billion of vehicle debt will mature during the twelve months following the issuance of this Report ("the next twelve months") and we will need to refinance a portion of these obligations. We have reviewed the maturing debt obligations and determined that it is probable that we will be able, and have the intent, to repay or refinance these facilities at such times as we deem appropriate prior to their maturities.

Covenants

The indentures for the Senior Notes and the Senior Second Priority Secured Notes contain covenants that, among other things, limit or restrict the ability of the Hertz credit group to incur additional indebtedness, incur guarantee obligations, prepay certain indebtedness, make certain restricted payments (including paying dividends, redeeming stock or making other distributions to parent entities of Hertz and other persons outside of the Hertz credit group), make investments, create liens, transfer or sell assets, merge or consolidate, and enter into certain transactions with Hertz's affiliates that are not members of the Hertz credit group.

Certain of our other debt instruments and credit facilities (including the Senior Facilities and the Letter of Credit Facility) contain a number of covenants that, among other things, limit or restrict the ability of the borrowers and the guarantors to dispose of assets, incur additional indebtedness, incur guarantee obligations, prepay certain indebtedness, make certain restricted payments (including paying dividends, share repurchases or making other distributions), create liens, make investments, make acquisitions, engage in mergers, fundamentally change the nature of their business, make capital expenditures, or engage in certain transactions with certain affiliates.

The Senior RCF and the Letter of Credit Facility contain a financial maintenance covenant applicable to such facilities. Such covenant provides that Hertz's consolidated first lien net leverage ratio, as defined in the credit agreements governing such facilities (together, the "Senior Credit Agreement"), as of the last day of any fiscal quarter, may not exceed a ratio of 3.00 to 1.00 (the "Covenant Leverage Ratio").

As of March 31, 2019, Hertz was in compliance with the Covenant Leverage Ratio with a ratio of 1.21 to 1.00, as calculated in accordance with the Senior Credit Agreement. Consolidated EBITDA, as defined in the Senior Credit Agreement, is a component of the calculation of the Covenant Leverage Ratio and is a non-GAAP financial measure that is not a measure of operating results, but instead is a measure used to determine compliance with the Covenant Leverage Ratio under the Senior Credit Agreement. Consolidated EBITDA is generally defined in the Senior Credit Agreement as consolidated net income plus the sum of income taxes, non-vehicle interest expense, non-vehicle depreciation and amortization expense, and non-cash charges or losses, as further adjusted for certain other items permitted in calculating covenant compliance under the Senior RCF and the Letter of Credit Facility, including add-backs for non-recurring, unusual or extraordinary charges, business optimization expenses or other restructuring charges or reserves.

Based on available liquidity from our expected operating results, the Senior RCF and other financing arrangements, Hertz expects to continue to be in compliance with the Covenant Leverage Ratio for at least the next twelve months.

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

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

Capital Expenditures

Revenue Earning Vehicles Expenditures

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

<u>Cash inflow (cash outflow)</u>	Revenue Earning Vehicles		
	Capital Expenditures	Disposal Proceeds	Net Capital Expenditures
(In millions)			
2019			
First Quarter	\$ (3,973)	\$ 2,153	\$ (1,820)
2018			
First Quarter	\$ (3,565)	\$ 1,782	\$ (1,783)

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

<u>Cash inflow (cash outflow)</u>	Three Months Ended March 31,			
	2019	2018	\$ Change	% Change
(\$ in millions)				
U.S. Rental Car	\$ (1,696)	\$ (1,790)	\$ 94	(5)%
International Rental Car	58	149	(91)	(61)
All Other Operations	(182)	(142)	(40)	28
Total	\$ (1,820)	\$ (1,783)	\$ (37)	2

Capital Assets, Non-Vehicle

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

<u>Cash inflow (cash outflow)</u>	Capital Assets, Non-Vehicle		
	Capital Expenditures	Disposal Proceeds	Net Capital Expenditures
(In millions)			
2019			
First Quarter	\$ (54)	\$ 19	\$ (35)
2018			
First Quarter	\$ (44)	\$ 4	\$ (40)

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

<u>Cash inflow (cash outflow)</u>	Three Months Ended March 31,			
	2019	2018	\$ Change	% Change
(\$ in millions)				
U.S. Rental Car	\$ (9)	\$ (24)	\$ 15	(63)%
International Rental Car	(4)	(4)	—	—
All Other Operations	(1)	(1)	—	—
Corporate	(21)	(11)	(10)	91
Total	\$ (35)	\$ (40)	\$ 5	(13)

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

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

CONTRACTUAL OBLIGATIONS

As of March 31, 2019, there have been no material changes outside of the ordinary course of business to our known contractual obligations as set forth in the table included in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our 2018 Form 10-K. Changes to our aggregate indebtedness, including related interest and terms for new issuances, are described in Part I, Item 1, Note 3, "Debt," to the Notes to our unaudited condensed consolidated financial statements included in this Report.

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 16, "Contingencies and Off-Balance Sheet Commitments" of the Notes to our consolidated financial statements included in our 2018 Form 10-K under the caption Item 8, "Financial Statements and Supplementary Data."

We regularly evaluate the probability of having to incur costs associated with indemnification obligations and will accrue for expected losses when they are probable and estimable.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

For a discussion of recent accounting pronouncements, see Note 2, "Basis of Presentation and Recently Issued Accounting Pronouncements," to the Notes to our unaudited condensed consolidated financial statements included in this Report.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained or incorporated by reference in this Report on Form 10-Q and in reports we subsequently file with the SEC on Forms 10-K and 10-Q and file or furnish on Form 8-K, and in related comments by our management, include "forward-looking statements." Forward-looking statements include information concerning our liquidity and our possible or assumed future results of operations, including descriptions of our business strategies. These statements often include words such as "believe," "expect," "project," "potential," "anticipate," "intend," "plan," "estimate," "seek," "will," "may," "would," "should," "could," "forecasts" or similar expressions. 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 in these circumstances. We believe these judgments are reasonable, but you should understand that these statements are not guarantees of 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, that may be revised or supplemented in subsequent reports on Forms 10-K, 10-Q and 8-K.

Important factors that could affect our actual results and cause them to differ materially from those expressed in forward-looking statements include, among others, those that may be disclosed from time to time in subsequent reports filed with the SEC, those described under "Item 1A—Risk Factors" included in our 2018 Form 10-K and the following, which were derived in part from the risks set forth in "Item 1A—Risk Factors" of our 2018 Form 10-K:

- *levels of travel demand, particularly with respect to airline passenger traffic in the United States and in global markets;*
- *the effect of our separation of our vehicle and equipment rental businesses, any failure by Herc Holdings Inc. to comply with the agreements entered into in connection with the separation and our ability to obtain the expected benefits of the separation;*
- *significant changes in the competitive environment and the effect of competition in our markets on rental volume and pricing, including on our pricing policies or use of incentives;*
- *occurrences that disrupt rental activity during our peak periods;*

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

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

- *our ability to accurately estimate future levels of rental activity and adjust the number and mix of vehicles used in our rental operations accordingly;*
- *increased vehicle costs due to declines in the value of our non-program vehicles;*
- *our ability to maintain sufficient liquidity and the availability to us of additional or continued sources of financing for our revenue earning vehicles and to refinance our existing indebtedness;*
- *our ability to purchase adequate supplies of competitively priced vehicles and risks relating to increases in the cost of the vehicles we purchase;*
- *our ability to adequately respond to changes in technology and customer demands;*
- *our ability to retain customer loyalty and market share;*
- *our recognition of previously deferred tax gains on the disposition of revenue earning vehicles;*
- *an increase in our vehicle costs or disruption to our rental activity, particularly during our peak periods, due to safety recalls by the manufacturers of our vehicles;*
- *our access to third-party distribution channels and related prices, commission structures and transaction volumes;*
- *our ability to execute a business continuity plan;*
- *a major disruption in our communication or centralized information networks;*
- *a failure to maintain, upgrade and consolidate our information technology networks;*
- *financial instability of the manufacturers of our vehicles;*
- *any impact on us from the actions of our franchisees, dealers and independent contractors;*
- *our ability to sustain operations during adverse economic cycles and unfavorable external events (including war, terrorist acts, natural disasters and epidemic disease);*
- *shortages of fuel and increases or volatility in fuel costs;*
- *our ability to maintain favorable brand recognition and a coordinated branding and portfolio strategy;*
- *our ability to maintain an effective employee retention and talent management strategy and resulting changes in personnel and employee relations;*
- *costs and risks associated with litigation and investigations;*
- *risks related to our indebtedness, including our substantial amount of debt, our ability to incur substantially more debt, the fact that substantially all of our consolidated assets secure certain of our outstanding indebtedness and increases in interest rates or in our borrowing margins;*
- *our ability to meet the financial and other covenants contained in our senior credit facilities and letter of credit facility, our outstanding unsecured senior notes, our outstanding senior second priority secured notes and certain asset-backed and asset-based arrangements;*
- *changes in accounting principles, or their application or interpretation, and our ability to make accurate estimates and the assumptions underlying the estimates, which could have an effect on operating results;*
- *risks associated with operating in many different countries, including the risk of a violation or alleged violation of applicable anticorruption or antibribery laws and our ability to repatriate cash from non-U.S. affiliates without adverse tax consequences;*
- *our ability to prevent the misuse or theft of information we possess, including as a result of cyber security breaches and other security threats;*

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

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

- *changes in the existing, or the adoption of new laws, regulations, policies or other activities of governments, agencies and similar organizations, such as the adoption of new regulations under the Tax Cuts and Jobs Act, where such actions may affect our operations, the cost thereof or applicable tax rates;*
- *risks relating to our deferred tax assets, including the risk of an "ownership change" under the Internal Revenue Code of 1986, as amended;*
- *our exposure to uninsured claims in excess of historical levels;*
- *fluctuations in interest rates and commodity prices;*
- *our exposure to fluctuations in foreign currency exchange rates; and*
- *other risks and uncertainties described from time to time in periodic and current reports that we file with the SEC.*

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 made, and we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

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

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, "Quantitative and Qualitative Disclosures About Market Risk," included in our 2018 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 on Form 10-Q. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of March 31, 2019, our disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

During the three months ended March 31, 2019, management implemented control activities related to the adoption and ongoing accounting for Topic 842 at the appropriate level to address the risks of material misstatement, which constituted a material change in a component of our internal control over financial reporting.

There have been no other changes in our internal controls that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting during the three months ended March 31, 2019.

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 on Form 10-Q. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of March 31, 2019, our disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

During the three months ended March 31, 2019, management implemented control activities related to the adoption and ongoing accounting for Topic 842 at the appropriate level to address the risks of material misstatement, which constituted a material change in a component of our internal control over financial reporting.

There have been no other changes in our internal controls that have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting during the three months ended March 31, 2019.

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

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

For a description of certain pending legal proceedings see Part I, Item 1, Note 8, "Contingencies and Off-Balance Sheet Commitments," to the Notes to our unaudited condensed consolidated financial statements included in this Report.

ITEM 1A. RISK FACTORS

There are no material amendments or additions to the information reported under Part I, Item 1A "Risk Factors" contained in our 2018 Form 10-K.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 5. OTHER INFORMATION

None.

ITEM 6. EXHIBITS

(a) Exhibits:

The attached list of exhibits in the "Exhibit Index" immediately following the signature page to this Report is filed as part of this Form 10-Q and is incorporated herein by reference in response to this item.

**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: May 7, 2019

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

By: /s/ JAMERE JACKSON

Jamere Jackson
Executive Vice President and Chief Financial Officer

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

EXHIBIT INDEX

Exhibit Number	Description
10.1	Hertz Holdings Hertz Form of Employee Stock Option Agreement under the 2016 Omnibus Incentive Plan*
10.2	Hertz Holdings Hertz Form of Performance Stock Unit Agreement under the 2016 Omnibus Incentive Plan*
10.3	Hertz Holdings Hertz Form of Restricted Stock Unit Agreement under the 2016 Omnibus Incentive Plan (3-Year Pro Rata Vesting)*
10.4	Hertz Holdings Hertz Form of Restricted Stock Unit Agreement under the 2016 Omnibus Incentive Plan (3-Year Pro Rata Vesting, 1 Year Revenue)*
10.5	Hertz Holdings Hertz Amendment to the Offer Letter between Jamere Jackson and The Hertz Corporation (Incorporated by reference 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 31, 2018).
10.6	Hertz Holdings Hertz Offer Letter, signed on February 28, 2018, between Paul E. Stone and The Hertz Corporation.*
10.7	Hertz Holdings Hertz Offer Letter, signed on August 23, 2017, between Murali Kuppuswamy and The Hertz Corporation.*
10.8	Hertz Holdings Hertz Offer Letter, signed on August 23, 2017, between Jodi J. Allen and The Hertz Corporation.*
10.9	Hertz Holdings Hertz Settlement Agreement, dated as of March 4, 2019, between Michel M. Taride and Hertz Europe Limited (Incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001- 37665) and The Hertz Corporation (File No. 001-07541), as filed on March 7, 2019).
10.10	Hertz Holdings Hertz Offer Letter, signed on April 9, 2014, between Robin C. Kramer and The Hertz Corporation.*
10.11	Hertz Holdings Hertz Retention Letter, signed on January 23, 2018, between Robin C. Kramer and The Hertz Corporation.*
10.12	Hertz Holdings Hertz Separation Agreement, dated as of March 22, 2019, by and between Richard J. Frecker, Hertz Global Holdings, Inc. and The Hertz Corporation (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 March 25, 2019).
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 XBRL Instance Document*
101.SCH	Hertz Holdings Hertz XBRL Taxonomy Extension Schema Document*
101.CAL	Hertz Holdings Hertz XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	Hertz Holdings Hertz XBRL Taxonomy Extension Definition Linkbase Document*
101.LAB	Hertz Holdings Hertz XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	Hertz Holdings Hertz XBRL Taxonomy Extension Presentation Linkbase Document*

*Furnished herewith

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

Note: Certain instruments with respect to various additional obligations, which could be considered as long-term debt, have not been filed as exhibits to this Report because the total amount of securities authorized under any such instrument does not exceed 10% of our total assets on a consolidated basis. We agree to furnish to the SEC upon request a copy of any such instrument defining the rights of the holders of such long-term debt.

EMPLOYEE STOCK OPTION AGREEMENT

THIS EMPLOYEE STOCK OPTION AGREEMENT (the “Agreement”) is entered into by and between Hertz Global Holdings, Inc., a Delaware corporation (the “Company”), and the Participant (defined hereafter) pursuant to the Hertz Global Holdings, Inc. 2016 Omnibus Incentive Plan, as amended from time to time (the “Plan”), in combination with a 2019 Long Term Incentive Award Summary (or applicable portion thereof) (the “Award Summary”). The Award Summary, which identifies the person to whom the options are granted (the “Participant”) and specifies the date of grant of this Award (the “Grant Date”) and other details of this Award, and the electronic acceptance of this Agreement, are incorporated herein by reference.

1. Grant and Acceptance of Options.

(a) Confirmation of Grant. The Company hereby evidences and confirms, effective as of the Grant Date, its grant to the Participant of options to purchase the number of shares of Common Stock specified on the Award Summary and which shall be subject to the terms and conditions of the Plan and this Agreement (the “Options”). The Options are not intended to be incentive stock options under the Code. The Participant must accept this Award within ninety (90) days after notification that the Award is available for acceptance and in accordance with the instructions provided by the Company. The Award may be rescinded upon the action of the Company, in its sole discretion, if the Award is not accepted within ninety (90) days after notification is sent to the Participant indicating availability for acceptance.

This Agreement is subordinate to, and the terms and conditions of the Options granted hereunder are subject to, the terms and conditions of the Plan, which are incorporated by reference herein. If there is any inconsistency between the terms of this Agreement and the terms of the Plan, except as expressly provided herein, the terms of the Plan shall govern. If there is any inconsistency between the terms of this Agreement and the terms of the Award Summary, the terms of this Agreement shall govern. Any capitalized terms used herein without definition shall have the meanings set forth in the Plan.

(b) Option Price. Each share covered by an Option may be purchased for the price specified on the Award Summary and which shall be subject to the terms and conditions of the Plan and this Agreement (the “Option Price”). The Option Price per share of Common Stock is equal to the Fair Market Value of a share of Common Stock on the Grant Date.

2. Vesting and Exercisability.

(a) Vesting Generally. Except as otherwise provided in Sections 2(b), 3, or 5 of this Agreement, the Options shall become vested, if at all, in equal one-fourth increments on the first, second, third and fourth anniversaries of the Grant Date (each, a “Vesting Date”), subject to the continuous employment of the Participant with the Company or any Subsidiary thereof through the applicable Vesting Date.

(b) Discretionary Acceleration. The Committee, in its sole discretion, may accelerate the vesting or exercisability of all or a portion of the Options, at any time and from time to time.

(c) Exercise. Once vested in accordance with the provisions of this Agreement, the Options may be exercised at any time and from time to time prior to the date the Options terminate pursuant to Section 3. The Options may only be exercised with respect to whole shares of Common Stock and must be exercised in accordance with Section 4.

3. Termination of Options.

(a) Normal Termination Date. Unless earlier terminated pursuant to Section 3(b) or Section 5, the Options shall terminate on the seventh anniversary of the Grant Date (the "Normal Termination Date"), if not exercised prior to such date.

(b) Termination of Employment.

(i) Death or Disability. If the Participant's employment terminates due to death or Disability, all unvested Options held by the Participant shall vest and all the Participant's Options shall remain outstanding until the first to occur of: (A) the first anniversary of the Participant's termination of employment, or, if later, the first anniversary of the expiration of any blackout period in effect that is applicable to the Participant with respect to such Options (for the avoidance of doubt, including any period during which the Form S-8 on file with respect to the Plan is not effective), (B) the Normal Termination Date and (C) the cancellation or termination of the Options pursuant to Sections 5(a) and 5(b), after which any unexercised Options shall immediately terminate.

(ii) Retirement. If the Participant's employment terminates due to the Participant's Retirement, then:

(A) a portion of the unvested Options shall vest, with such portion vesting equal to the number of unvested Options that would have vested on the next following Vesting Date (assuming the Participant's employment had continued through such Vesting Date) multiplied by a fraction, the numerator of which is the number of full completed months elapsed since the Tranche Beginning Date (as defined below), and the denominator of which is 12, provided, however, no vesting shall occur if the Participant retires prior to the first Vesting Date unless otherwise determined by the Committee in compliance with the terms of the Plan.

(B) the unvested Options (after giving effect to the prior clause (A)) held by the Participant on the date of his or her Retirement shall be immediately forfeited and canceled, effective as of the date of the Participant's Retirement; and

(C) vested Options held by the Participant on the date of his or her Retirement shall remain outstanding and exercisable until the first to occur of: (X) the first anniversary of the Participant's Retirement, or, if later, the first anniversary of the expiration of any blackout period in effect that is applicable to the Participant with respect to such Options (for the avoidance of doubt, including any period during which the Form S-8 on file with respect to the Plan is not effective), (Y) the Normal Termination Date and (Z) the cancellation or termination of the Options pursuant to Sections 5(a) and 5(b), after which any unexercised Options shall immediately terminate.

The "Tranche Beginning Date" shall be (X) the Grant Date, if the termination of employment occurs prior to the first Vesting Date, or (Y) the most recent prior Vesting Date, if the termination of employment occurs after the first Vesting Date.

(iii) Termination for Cause. If the Participant's employment terminates for Cause, all Options, whether vested or unvested, shall be immediately forfeited and canceled, effective as of the date of the Participant's termination.

(iv) Termination for Any Other Reason. If the Participant's employment terminates for any reason other than death or Disability in accordance with Section 3(b)(i), Cause in accordance with Section 3(b)(iii) or Retirement in accordance with Section 3(b)(ii), any unvested Options held by the Participant shall immediately be forfeited and canceled as of the date of termination.

If the Participant's employment is terminated by the Company other than for Cause, vested Options shall remain outstanding and exercisable until the first to occur of: (A) the 90th day following the Participant's termination, or, if later, the 90th day following expiration of any blackout period in effect that is applicable to the Participant with respect to such Options (for the avoidance of doubt, including any period during which the Form S-8 on file with respect to the Plan is not effective), (B) the Normal Termination Date and (C) the cancellation or termination of the Options pursuant to Sections 5(a) and 5(b), after which any unexercised Options shall immediately terminate.

If the Participant's employment is terminated by the Participant other than by reason of death, Disability or Retirement, all vested Options shall remain exercisable until the first to occur of (A) the 30th day following the effective date of the Participant's termination of employment, or, if later, the 30th day following expiration of any blackout period in effect that is applicable to the Participant with respect to such Options (for the avoidance of doubt, including any period during which the Form S-8 on file with respect to the Plan is not effective), (B) the Normal Termination Date and (C) the cancellation or termination of the Options pursuant to Sections 5(a) and 5(b), after which any unexercised Options shall immediately be forfeited and canceled.

4. Manner of Exercise; Forfeiture.

(a) General. The exercise of vested Options by the Participant shall be pursuant to procedures established by the Company from time to time and shall include the Participant specifying the proposed date on which the Participant desires to exercise a vested Option (the "Exercise Date"), the number of whole shares with respect to which the Options are being exercised (the "Exercise Shares") and the aggregate Option Price for such Exercise Shares (the "Exercise Price"), or such other or different requirements as may be specified by the Company. Unless otherwise determined by the Committee, (i) on or before the Exercise Date the Participant shall deliver to the Company full payment for the Exercise Shares in United States dollars in cash, or cash equivalents satisfactory to the Company, in an amount equal to the Exercise Price plus (if applicable) any required withholding taxes or other similar taxes, charges or fees, or, pursuant to a broker-assisted exercise program established by the Company, the Participant may exercise vested Options by an exercise and sell procedure (cashless exercise) in which the Exercise Price (together with any required withholding taxes or other similar taxes, charges or fees) is deducted from the proceeds of the exercise of an Option and (ii) the Company shall register the issuance of the Exercise Shares on its records (or direct such issuance to be registered by the Company's transfer agent). The Company may require the Participant to furnish or execute such other documents as the Company shall deem necessary (i) to evidence such exercise or (ii) to comply with or satisfy the requirements of the Securities Act of 1933, as amended, applicable state or non-U.S. securities laws or any other law.

(b) Restrictions on Exercise. Notwithstanding any other provision of this Agreement, the Options may not be exercised in whole or in part, (i) unless (A) all requisite approvals and consents of any governmental authority of any kind shall have been secured, (B) the purchase of the Exercise Shares shall be exempt from registration under applicable U.S. federal and state securities laws, and applicable non-U.S. securities laws, or the Exercise Shares shall have been registered under such laws, and (C) all applicable U.S. federal, state and local and non-U.S. tax withholding requirements shall have been satisfied or (ii) if such exercise would result in a violation of the terms or provisions of or a default or an event of default under, any of the financing or credit agreements of the Company or any Subsidiary. The Company shall use its commercially reasonable efforts to obtain any consents or approvals referred to in clause (i)(A) of the preceding sentence, but shall otherwise have no obligations to take any steps to prevent or remove any impediment to exercise described in such sentence. For the avoidance of doubt, the Options may not be exercised any period during which the Form S-8 on file with respect to the Plan is not effective.

(c) Issuance of Shares. The shares of Common Stock issued upon exercise of the Options shall be registered in the Participant's name, or, if applicable, in the names of the Participant's heirs or estate. In the Company's discretion, such shares may be issued either in certificated form or in uncertificated, book entry form. The certificate or book entry account shall bear such restrictive legends or restrictions as the Company, in its sole discretion, shall require. If delivered in certificate form, the Company may deliver a share certificate to the Participant or to the Participant's designated broker on the Participant's behalf. If the Participant is deceased (or if Disabled and if necessary) at the time that a delivery of share certificates is to be made, the certificates shall be delivered to the Participant's estate, executor, administrator, legally authorized guardian or personal representative (as applicable).

(d) Other. The Company may postpone the issuance and delivery of any shares of Common Stock provided for under this Agreement for so long as the Company determines to be necessary or advisable to satisfy the following: (i) the completion or amendment of any registration of such shares or satisfaction of any exemption from registration under any securities law, rule, or regulation; (ii) compliance with any requests for representations; and (iii) receipt of proof satisfactory to the Company that a person seeking such shares on the Participant's behalf upon the Participant's Disability (if necessary), or upon the Participant's estate's behalf after the death of the Participant, is appropriately authorized.

(e) Wrongful Conduct. Notwithstanding anything in the Plan or this Agreement to the contrary, if, during the Covered Period, the Participant engages in Wrongful Conduct, then any unexercised Options, whether vested or unvested, shall automatically be forfeited and canceled effective as of the date on which the Participant first engaged in such Wrongful Conduct. If the Participant engages in Wrongful Conduct or if the Participant's employment is terminated for Cause, the Participant shall pay to the Company in cash any Option/SAR Financial Gain the Participant realized from exercising all or a portion of the Options within the Wrongful Conduct Period. By entering into this Agreement, the Participant hereby consents to and authorizes the Company and the Subsidiaries to deduct from any amounts payable by such entities to the Participant any amounts the Participant owes to the Company under this Section 4(e) to the extent permitted by law. This right of set-off is in addition to any other remedies the Company may have against the Participant for the Participant's breach of this Section 4(e). The Participant's obligations under this Section 4(e) shall be cumulative of any similar obligations the Participant has under the Plan, this Agreement, any Company policy, standard or code or any clawback plan or policy (including, without limitation, the Company's Standards of Business Conduct), or any other agreement with the Company or any Subsidiary, including, without limitation, an individual employment agreement or restrictive covenant agreement.

(f) Financial Restatements. In addition to any actions under any clawback policy or compensation recovery policy or such other similar policy of the Company in effect from time to time, to the extent applicable, in the event that the Participant commits misconduct, fraud or gross negligence (whether or not such misconduct, fraud or gross negligence is deemed or could be deemed to be an event constituting Cause) and as a result of, or in connection with, such misconduct, fraud or gross negligence, the Company restates any of its financial statements, then the Committee may require any or all of the following:

(i) that the Participant forfeit some or all of the Options subject to this Agreement held by the Participant at the time of such restatement;

(ii) that the Participant forfeit (or pay or return to the Company) some or all of the shares of Common Stock or cash (net of the aggregate Option Price paid therefore) held by the Participant at the time of such restatement that had been received in respect of the Options that have been exercised during the three-year period prior to the date that the Company is required to prepare a financial restatement; and

(iii) that the Participant pay to the Company in cash all or a portion of the proceeds that the Participant realized from the sale of shares of Common Stock that had

been received (net of the aggregate Option Price paid therefore) in respect any Options that had been exercised by the Participant within the three-year period prior to date that the Company is required to prepare a the financial restatement.

Notwithstanding the foregoing, in the event that the Committee determines that the rules and regulations implementing Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act require a longer or different clawback time period than the three-year period contemplated by Sections 4(f)(ii) and (iii), or terms and conditions other than those reflected in this Section 4(f), such three-year period shall be deemed extended (but not reduced), and/or such other terms and conditions modified, to the extent necessary to be consistent with such rules and regulations.

5. Change in Control.

(a) In General. Subject to Sections 5(a) and (c), in the event of a Change in Control, any unvested Options shall vest and become exercisable, provided that the Committee (as constituted immediately prior to the Change in Control) may determine that all then-outstanding Options (whether vested or unvested) shall be canceled in exchange for a payment having a value equal to the excess, if any, of (i) the product of the Change in Control Price multiplied by the aggregate number of shares covered by all such Options immediately prior to the Change in Control over (ii) the aggregate Option Price for all such shares, to be paid as soon as reasonably practicable, but in no event later than 30 days following the Change in Control.

(b) Termination. Notwithstanding Section 5(a), in the event of a Change in Control, the Committee may, in its discretion, terminate any outstanding Options if either (i) the Company provides the Participant with reasonable advance notice to exercise the outstanding and unexercised Options, or (ii) the Committee reasonably determines that the Change in Control Price is equal to or less than the Option Price.

(c) Alternative Awards. Notwithstanding Section 5(a), no cancellation, termination, acceleration of exercisability or vesting, or settlement or other payment shall occur with respect to the Options if the Committee (as constituted immediately prior to the Change in Control) reasonably determines prior to the Change in Control that the Options shall be honored or assumed or new rights substituted therefor by an Alternative Award, in accordance with the terms of Section 9.2 of the Plan; provided, however, notwithstanding anything in the Plan to the contrary, any such Alternative Award shall vest in full if the Participant's employment is terminated by the Company without Cause within two years following a Change in Control.

(d) Definitions. For purposes of this Agreement, and notwithstanding anything in the Plan to the contrary, "Change in Control" means the first occurrence of any of the following events after the Grant Date:

(i) the acquisition by any person, entity or "group" (as defined in Section 13(d) of the Exchange Act), other than the Company, the Subsidiaries, any employee benefit plan of the Company or the Subsidiaries, or any Permitted Holder, of

50% or more of the combined voting power of the Company's then outstanding voting securities;

(ii) within any 24-month period, the Incumbent Directors shall cease to constitute at least a majority of the Board or the board of directors of any successor to the Company; provided that any director elected to the Board, or nominated for election, by a majority of the Incumbent Directors then still in office shall be deemed to be an Incumbent Director for purposes of this clause (ii);

(iii) the merger or consolidation of the Company as a result of which persons who were owners of the voting securities of the Company immediately prior to such merger or consolidation, together with any Permitted Holder, do not, immediately thereafter, own, directly or indirectly, more than 50% of the combined voting power entitled to vote generally in the election of directors of the merged or consolidated company;

(iv) the approval by the Company's shareholders of the liquidation or dissolution of the Company other than a liquidation of the Company into any Subsidiary or a liquidation a result of which persons who were stockholders of the Company immediately prior to such liquidation, together with any Permitted Holder, own, directly or indirectly, more than 50% of the combined voting power entitled to vote generally in the election of directors of the entity that holds substantially all of the assets of the Company following such event; or

(v) the sale, transfer or other disposition of all or substantially all of the assets of the Company to one or more persons or entities that are not, immediately prior to such sale, transfer or other disposition, affiliates of the Company or any Permitted Holder.

Notwithstanding the foregoing, (i) a "Change in Control" for purposes of this Agreement shall not be deemed to occur if the Company files for bankruptcy, liquidation or reorganization under the United States Bankruptcy Code and (ii) with respect to any Award that is subject to Section 409A of the Code, "Change in Control" shall have a meaning consistent with Section 1.409A-3(i)(5) of the U.S. Treasury Regulations.

For purposes of the foregoing:

(i) "Permitted Holder" means the Related Parties and any group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act or any successor provision) of which any of the foregoing are members.

(ii) "Principal" means Carl Icahn.

(iii) "Related Party" or "Related Parties" means (A) the Principal and his siblings, his and their respective spouses and descendants (including stepchildren and adopted children) and the spouses of such descendants (including stepchildren and

adopted children) (collectively, the “Family Group”); (B) any trust, estate, partnership, corporation, company, limited liability company or unincorporated association or organization (each an “Entity” and collectively “Entities”) controlled by (to be interpreted consistent with the definition of “Affiliate”) one or more members of the Family Group; (C) any Entity over which one or more members of the Family Group, directly or indirectly, have rights that legally enable them to make or veto significant management decisions with respect to such Entity, whether pursuant to the constituent documents of such Entity, by contract, through representation on a board of directors or other governing body of such Entity or in any other manner (such rights hereinafter referred to as “Veto Power”); (D) the estate of any member of the Family Group; (E) any trust created (in whole or in part) by any one or more members of the Family Group; (F) any individual or Entity who receives an interest in any estate or trust listed in clauses (D) or (E), to the extent of such interest; (G) any trust or estate, substantially all the beneficiaries of which (other than charitable organizations or foundations) consist of one or more members of the Family Group; (H) any organization described in Section 501(c) of the Code, over which any one or more members of the Family Group and the trusts and estates listed in clauses (D), (E) and (G) have direct or indirect Veto Power, or to which they are substantial contributors (as such term is defined in Section 507 of the Code); (I) any organization described in Section 501(c) of the Code of which a member of the Family Group is an officer, director or trustee; or (J) any Entity, directly or indirectly (i) owned or controlled by (to be interpreted consistent with the definition of “Affiliate”) or (ii) a majority of the economic interests in which are owned by, or are for or accrue to the benefit of, in either case, any Person or Persons identified in clauses (A) through (I) above.

6. Miscellaneous.

(a) Withholding. The Company or one of its Subsidiaries may require the Participant to remit to the Company an amount in cash sufficient to satisfy any applicable U.S. federal, state and local and non-U.S. tax withholding or other similar charges or fees that may arise in connection with the grant, vesting, exercise or purchase of the Options.

(b) Authorization to Share Personal Data. The Participant authorizes any Affiliate of the Company that employs the Participant or that otherwise has or lawfully obtains personal data relating to the Participant to divulge or transfer such personal data to the Company or to a third party, in each case in any jurisdiction, if and to the extent appropriate in connection with this Agreement or the administration of the Plan.

(c) No Rights as Stockholder; No Voting Rights. The Participant shall have no rights as a stockholder of the Company with respect to any shares of Common Stock covered by the Options until the exercise of the Options and delivery of the Common Stock. Subject to Section 4.4 of the Plan, no adjustment shall be made for dividends or other rights for which the record date is prior to the delivery of the Common Stock.

(d) No Right to Continued Employment. Nothing in this Agreement shall be deemed to confer on the Participant any right to continue in the employ of the Company or any

Subsidiary, or to interfere with or limit in any way the right of the Company or any Subsidiary to terminate such employment at any time (regardless of whether such termination results in (i) the failure of any Award to vest; (ii) the forfeiture of any unvested or vested portion of any Award; and/or (iii) any other adverse effect on the individual's interests under the Plan). Nothing in the Plan or this Agreement shall confer on the Participant the right to receive any future Awards under the Plan.

(e) Non-Transferability of Options. The Options may be exercised only by the Participant (or, if the Participant is Disabled and if necessary, the Participant's legally authorized guardian or personal representative) during Participant's lifetime. The Options are not assignable or transferable, in whole or in part, and they may not, directly or indirectly, be offered, transferred, sold, pledged, assigned, alienated, hypothecated or otherwise disposed of or encumbered (including, but not limited to, by gift, operation of law or otherwise) other than by will or by the laws of descent and distribution to the estate of the Participant upon the Participant's death or with the Company's consent. The Company shall not be required to recognize on its books any action taken in contravention of these restrictions.

(f) Notices. All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or sent by certified or express mail, return receipt requested, postage prepaid, or by any recognized international equivalent of such delivery, to the Company or the Participant, as the case may be, at the following addresses or to such other address as the Company or the Participant, as the case may be, shall specify by notice to the other:

(i) if to the Company, to it at:

Hertz Global Holdings, Inc.
8501 Williams Road
Estero, Florida 33928
Attention: General Counsel
Fax: (239) 301-6906

(ii) if to the Participant, to the Participant at his or her most recent address as shown on the books and records of the Company or Subsidiary employing the Participant.

All such notices and communications shall be deemed to have been received on the date of delivery if delivered personally or on the third business day after the mailing thereof.

(g) Binding Effect; Benefits. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

(h) Waiver; Amendment.

(i) Waiver. Any party hereto or beneficiary hereof may by written notice to the other parties (A) extend the time for the performance of any of the obligations or other actions of the other parties under this Agreement, (B) waive compliance with any of the conditions or covenants of the other parties contained in this Agreement or (C) waive or modify performance of any of the obligations of the other parties under this Agreement. Except as provided in the preceding sentence, no action taken pursuant to this Agreement, including, without limitation, any investigation by or on behalf of any party or beneficiary, shall be deemed to constitute a waiver by the party or beneficiary taking such action of compliance with any representations, warranties, covenants or agreements contained herein. The waiver by any party hereto or beneficiary hereof of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any preceding or succeeding breach and no failure by a party or beneficiary to exercise any right or privilege hereunder shall be deemed a waiver of such party's or beneficiary's rights or privileges hereunder or shall be deemed a waiver of such party's or beneficiary's rights to exercise the same at any subsequent time or times hereunder.

(ii) Amendment. This Agreement may be amended from time to time by the Committee in its discretion; provided, however, that this Agreement may not be modified in a manner that would have a material adverse effect on the Options as determined in the discretion of the Committee, except as provided in the Plan, or with the consent of the Participant. This Agreement may not be amended, modified or supplemented orally.

(i) Assignability. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by the Company or the Participant without the prior written consent of the other party, for the avoidance of doubt, in the case of the Company, subject to Section 4.4 and Article IX of the Plan.

(j) Interpretation. The Committee shall have full power and discretion to construe and interpret the Plan (and any rules and regulations issued thereunder) and this Award. Any determination or interpretation by the Committee under or pursuant to the Plan or this Award shall be final and binding and conclusive on all persons affected hereby.

(k) Limitation on Rights; No Right to Future Grants; Extraordinary Item of Compensation. By entering into this Agreement and accepting the Options evidenced hereby, the Participant acknowledges: (i) that the Plan is discretionary in nature and may be suspended or terminated by the Company at any time; (ii) that the Award does not create any contractual or other right to receive future grants of Awards; (iii) that participation in the Plan is voluntary; (iv) that the value of the Options is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; and (v) that the future value of the Common Stock is unknown and cannot be predicted with certainty.

(l) Consent to Electronic Delivery. By entering into this Agreement and accepting the Options evidenced hereby, the Participant hereby consents to the delivery of information

(including, without limitation, information required to be delivered to the Participant pursuant to applicable securities laws) regarding the Company and the Subsidiaries, the Plan, this Agreement and the Options via Company web site or other electronic delivery.

(m) Clawback or Compensation Recovery Policy. Without limiting any other provision of this Agreement, and to the extent applicable, the Options granted hereunder shall be subject to any clawback policy or compensation recovery policy or such other similar policy of the Company in effect from time to time.

(n) Company Rights. The existence of the Options does not affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, including that of its Affiliates, or any merger or consolidation of the Company or any Affiliate, or any issue of bonds, debentures, preferred or other stocks with preference ahead of or convertible into, or otherwise affecting the Common Stock or the rights thereof, or the dissolution or liquidation of the Company or any Affiliate, or any sale or transfer of all or any part of the Company's or any Affiliate's assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

(o) Severability. If a court of competent jurisdiction determines that any portion of this Agreement is in violation of any statute or public policy, then only the portions of this Agreement which violate such statute or public policy shall be stricken, and all portions of this Agreement which do not violate any statute or public policy shall continue in full force and effect. Further, it is the parties' intent that any court order striking any portion of this Agreement should modify the terms as narrowly as possible to give as much effect as possible to the intentions of the parties' under this Agreement.

(p) Further Assurances. The Participant agrees to use his or her reasonable and diligent best efforts to proceed promptly with the transactions contemplated herein, to fulfill the conditions precedent for the Participant's benefit or to cause the same to be fulfilled and to execute such further documents and other papers and perform such further acts as may be reasonably required or desirable to carry out the provisions hereof and the transactions contemplated herein.

(q) Applicable Law. This Agreement shall be governed by and construed in accordance with the law of the State of Delaware regardless of the application of rules of conflict of law that would apply the laws of any other jurisdiction.

(r) Section and Other Headings, etc. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

(s) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank]

PERFORMANCE STOCK UNIT AGREEMENT

THIS PERFORMANCE STOCK UNIT AGREEMENT (the "Agreement") is entered into by and between Hertz Global Holdings, Inc., a Delaware corporation (the "Company"), and the Participant (defined hereafter) pursuant to the Hertz Global Holdings, Inc. 2016 Omnibus Incentive Plan, as amended from time to time (the "Plan"), in combination with a 2019 Long Term Incentive Award Summary (or applicable portion thereof) (the "Award Summary"). The Award Summary, which identifies the person to whom the performance stock units are granted (the "Participant") and specifies the date of grant of this Award (the "Grant Date") and other details of this Award, and the electronic acceptance of this Agreement, are incorporated herein by reference.

1. Grant and Acceptance of Performance Stock Units. The Company hereby evidences and confirms its grant to the Participant, effective as of the Grant Date, of the target number of performance stock units (the "Performance Stock Units") set forth on the Award Summary (the "Grant Target Number") and which shall be subject to the terms and conditions of the Plan and this Agreement, including the adjustments as provided in this Agreement (including, without limitation, Section 2(c)(ii)). The Participant must accept this Award within ninety (90) days after notification that the Award is available for acceptance and in accordance with the instructions provided by the Company. The Award may be rescinded upon the action of the Company, in its sole discretion, if the Award is not accepted within ninety (90) days after notification is sent to the Participant indicating availability for acceptance.

This Agreement is subordinate to, and the terms and conditions of the Performance Stock Units granted hereunder are subject to, the terms and conditions of the Plan, which are incorporated by reference herein. If there is any inconsistency between the terms of this Agreement and the terms of the Plan, except as expressly provided herein, the terms of the Plan shall govern. If there is any inconsistency between the terms of this Agreement and the terms of the Award Summary, the terms of this Agreement shall govern. Any capitalized terms used herein without definition shall have the meanings set forth in the Plan.

2. Vesting of Performance Stock Units.

(a) Generally. Except as otherwise provided in this Section 2, the Restriction Period applicable to the Performance Stock Units shall lapse, if at all, as to the target number of Performance Stock Units subject to this Agreement (as specified on the Award Summary and as may have been modified by this Agreement (including, without limitation, Section 2(c)(ii))) multiplied by the Final Target Adjustment Percentage (as defined in Exhibit A), as of the later of the Certification Date (as defined in Section 3(a)) and the third anniversary of the Grant Date (the "Vesting Date"), subject to (X) the continued employment of the Participant by the Company or any Subsidiary thereof through the third anniversary of the Grant Date (except as otherwise provided under Section (2)(c)(ii)), (Y) the achievement of the performance criteria established by the Committee pursuant to the Plan for the Performance Stock Units for the applicable Performance Periods (as defined in Exhibit A) and set forth at the end of this Agreement (the "Performance Criteria") and (Z) the Committee's certification of the

achievement of the Performance Criteria and Final Target Adjustment Percentage in accordance with Section 3(a).

Performance Stock Units that cease to be subject to the Restriction Period in accordance with the prior paragraph shall be settled as provided in Section 3. To the extent the Restriction Period of any Performance Stock Units subject to this Agreement does not lapse as of the Vesting Date as provided above, such Performance Stock Units shall immediately be forfeited and canceled.

(b) Forfeiture Due to Performance Criteria Non-Achievement. If the Committee certifies on the Certification Date that the Performance Criteria have not been achieved and/or the Final Target Adjustment Percentage is 0%, all Performance Stock Units subject to this Agreement shall immediately be forfeited and canceled.

(c) Termination of Employment.

(i) Death or Disability. If the Participant's employment is terminated due to death or Disability prior to the third anniversary of the Grant Date, the Restriction Period shall lapse immediately upon such termination with respect to a portion of the Performance Stock Units subject to this Agreement equal to the Grant Target Number multiplied by a fraction, the numerator of which is the number of full completed months elapsed since the Grant Date, and the denominator of which is 36. Such Performance Stock Units shall be settled as provided in Section 3. Any Performance Stock Units still subject to restriction after giving effect to the preceding sentences shall immediately be forfeited and canceled effective as of the date of the Participant's termination.

(ii) Retirement. If the Participant's employment is terminated due to Retirement prior to the third anniversary of the Grant Date, then a portion of the Performance Stock Units subject to this Agreement shall be retained, with such portion being retained equal to the Grant Target Number multiplied by a fraction, the numerator of which is the number of full completed months elapsed since the Grant Date, and the denominator of which is 36, provided, however, no vesting shall occur if the Participant retires prior to the first anniversary of the Grant Date unless otherwise determined by the Committee in compliance with the terms of the Plan. Such portion retained shall be the target number of Performance Stock Units under this Agreement thereafter, and the remaining portion of Performance Stock Units shall be forfeited and cancelled as of the date of the Participant's termination. The retained portion of Performance Stock Units shall remain subject to the other terms of this Agreement (including, without limitation, the provisions of Sections 2(a) and 2(b)); provided, however, such Participant shall be deemed to meet the requirements of clause (X) of Section 2(a).

(iii) Any Other Reason. If the Participant's employment terminates (whether by the Participant or by the Company or a Subsidiary) for any reason other than death or Disability prior to the third anniversary of the Grant Date, and subject to Section 2(c)(ii), any outstanding Performance Stock Units shall immediately be forfeited and canceled effective as of the date of the Participant's termination.

(d) Change in Control.

(i) In General. Subject to Section 2(d)(ii), in the event of a Change in Control, the Restriction Period applicable to any outstanding Performance Stock Units shall lapse immediately prior to such Change in Control with respect to a portion of the Performance Stock Units subject to this Agreement equal to the number of Performance Stock Units that would vest based upon the actual level of achievement of the Performance Criteria compared against applicable pro rata performance targets related to the Performance Period, as determined by the Committee, measured as of the date of the Change in Control, multiplied by a fraction, the numerator of which is the number of full completed months in the Performance Period elapsed as of the date of the Change in Control, and the denominator of which is 36. The Performance Stock Units shall be settled as set forth in Section 3.

(ii) Alternative Awards. Notwithstanding Section 2(d)(i), no cancellation, termination, lapse of Restriction Period or settlement or other payment shall occur with respect to the Performance Stock Units if the Committee (as constituted immediately prior to the Change in Control) reasonably determines prior to the Change in Control that the Performance Stock Units shall be honored or assumed or new rights substituted therefor by an Alternative Award, in accordance with the terms of Section 9.2 of the Plan; provided, however, notwithstanding anything in the Plan to the contrary, any such Alternative Award shall vest in full (with any Performance Criteria to be satisfied based on actual level of achievement of the Performance Criteria as of the Participant's date of termination of employment) if the Participant's employment is terminated by the Company without Cause within two years following a Change in Control.

(iii) Definitions. For purposes of this Agreement, and notwithstanding anything in the Plan to the contrary, "Change in Control" means the first occurrence of any of the following events after the Grant Date:

- A) the acquisition by any person, entity or "group" (as defined in Section 13(d) of the Exchange Act), other than the Company, the Subsidiaries, any employee benefit plan of the Company or the Subsidiaries, or any Permitted Holder, of 50% or more of the combined voting power of the Company's then outstanding voting securities;
- B) within any 24-month period, the Incumbent Directors shall cease to constitute at least a majority of the Board or the board of directors of any successor to the Company; provided that any director elected to the Board, or nominated for election, by a majority of the Incumbent Directors then still in office shall be deemed to be an Incumbent Director for purposes of this clause (B);
- C) the merger or consolidation of the Company as a result of which persons who were owners of the voting securities of the Company

immediately prior to such merger or consolidation, together with any Permitted Holder, do not, immediately thereafter, own, directly or indirectly, more than 50% of the combined voting power entitled to vote generally in the election of directors of the merged or consolidated company;

- D) the approval by the Company's shareholders of the liquidation or dissolution of the Company other than a liquidation of the Company into any Subsidiary or a liquidation a result of which persons who were stockholders of the Company immediately prior to such liquidation, together with any Permitted Holder, own, directly or indirectly, more than 50% of the combined voting power entitled to vote generally in the election of directors of the entity that holds substantially all of the assets of the Company following such event; or
- E) the sale, transfer or other disposition of all or substantially all of the assets of the Company to one or more persons or entities that are not, immediately prior to such sale, transfer or other disposition, affiliates of the Company or any Permitted Holder.

Notwithstanding the foregoing, (i) a "Change in Control" for purposes of this Agreement shall not be deemed to occur if the Company files for bankruptcy, liquidation or reorganization under the United States Bankruptcy Code and (ii) with respect to any Award that is subject to Section 409A of the Code, "Change in Control" shall have a meaning consistent with Section 1.409A-3(i)(5) of the U.S. Treasury Regulations.

For purposes of the foregoing:

- A) "Permitted Holder" means the Related Parties and any group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act or any successor provision) of which any of the foregoing are members.
- B) "Principal" means Carl Icahn.
- C) "Related Party" or "Related Parties" means (1) the Principal and his siblings, his and their respective spouses and descendants (including stepchildren and adopted children) and the spouses of such descendants (including stepchildren and adopted children) (collectively, the "Family Group"); (2) any trust, estate, partnership, corporation, company, limited liability company or unincorporated association or organization (each an "Entity" and collectively "Entities") controlled by (to be interpreted consistent with the definition of "Affiliate") one or more members of the Family Group; (3) any Entity over which one or more members of the Family Group, directly or indirectly, have rights that legally enable them

to make or veto significant management decisions with respect to such Entity, whether pursuant to the constituent documents of such Entity, by contract, through representation on a board of directors or other governing body of such Entity or in any other manner (such rights hereinafter referred to as “Veto Power”); (4) the estate of any member of the Family Group; (5) any trust created (in whole or in part) by any one or more members of the Family Group; (6) any individual or Entity who receives an interest in any estate or trust listed in clauses (4) or (5), to the extent of such interest; (7) any trust or estate, substantially all the beneficiaries of which (other than charitable organizations or foundations) consist of one or more members of the Family Group; (8) any organization described in Section 501(c) of the Code, over which any one or more members of the Family Group and the trusts and estates listed in clauses (4), (5) and (7) have direct or indirect Veto Power, or to which they are substantial contributors (as such term is defined in Section 507 of the Code); (9) any organization described in Section 501(c) of the Code of which a member of the Family Group is an officer, director or trustee; or (10) any Entity, directly or indirectly (i) owned or controlled by (to be interpreted consistent with the definition of “Affiliate”) or (ii) a majority of the economic interests in which are owned by, or are for or accrue to the benefit of, in either case, any Person or Persons identified in clauses (1) through (9) above.

3. Certification and Settlement of Performance Stock Units.

(a) Certification. As soon as administratively feasible in the calendar year after the end of the Three Year Performance Period (as defined in Exhibit A), the Committee shall certify, in writing, whether or not, and to what extent, the Performance Criteria have been achieved and the Final Target Adjustment Percentage. The date on which the Committee makes such certification is referred to herein as the “Certification Date”.

(b) Settlement. Subject to the following sentence, not later than the 30th day following the date on which the lapse of the Restriction Period occurs with respect to any Performance Stock Units, the Company shall issue to the Participant one share of Common Stock underlying each Performance Stock Unit as to which the Restriction Period has lapsed (or, if determined by the Committee in its sole discretion, cash equal to the Fair Market Value of such shares of Common Stock or any combination of shares of Common Stock and cash having an aggregate Fair Market Value equal to such number of shares of Common Stock). Notwithstanding the preceding sentence, if the Restriction Period applicable to any Performance Stock Units which constitutes “deferred compensation” subject to Section 409A of the Code lapses as a result of a Change in Control that does not qualify as a “change in the ownership or effective control” of the Company or “in the ownership of a substantial portion of the assets” of the Company within the meaning of Section 409A of the Code, then the Company shall not settle such Performance Stock Units until the 30th day following the earlier of (i) the Participant’s termination of employment and (ii) the originally scheduled Vesting Date of such Performance

Stock Units. For the avoidance of doubt, the preceding two sentences are subject to Section 8(g) of this Agreement and Section 11.9 of the Plan. Upon issuance, such shares of Common Stock may be sold, transferred, pledged, assigned or otherwise alienated or hypothecated in compliance with all applicable law, this Agreement and any other agreement to which such shares are subject. The Participant's settlement rights pursuant to this Agreement shall be no greater than the right of any unsecured general creditor of the Company.

4. Forfeiture. Notwithstanding anything in the Plan or this Agreement to the contrary, if, during the Covered Period, the Participant engages in Wrongful Conduct, then any Performance Stock Units for which the Restriction Period has not then lapsed shall automatically be forfeited and cancelled effective as of the date on which the Participant first engaged in such Wrongful Conduct. If the Participant engages in Wrongful Conduct or if the Participant's employment is terminated for Cause, the Participant shall pay to the Company in cash any Performance-Based Financial Gain the Participant realized from the lapse of the Restriction Period applicable to all or a portion of the Performance Stock Units with respect to which the Restriction Period lapsed within the Wrongful Conduct Period. By entering into this Agreement, the Participant hereby consents to and authorizes the Company and the Subsidiaries to deduct from any amounts payable by such entities to the Participant any amounts the Participant owes to the Company under this Section 4 to the extent permitted by law. This right of set-off is in addition to any other remedies the Company may have against the Participant for the Participant's breach of this Section 4. The Participant's obligations under this Section 4 shall be cumulative of any similar obligations the Participant has under the Plan, this Agreement, any Company policy, standard or code or clawback plan or policy (including, without limitation, the Company's Standards of Business Conduct), or any other agreement with the Company or any Subsidiary, including, without limitation, an individual employment agreement or restrictive covenant agreement.

5. Effect of Financial Restatements. In addition to any actions under any clawback policy or compensation recovery policy or such other similar policy of the Company in effect from time to time, to the extent applicable, in the event that the Participant commits misconduct, fraud or gross negligence (whether or not such misconduct, fraud or gross negligence is deemed or could be deemed to be an event constituting Cause) and as a result of, or in connection with, such misconduct, fraud or gross negligence, the Company restates any of its financial statements, then the Committee may require any or all of the following:

(a) that the Participant forfeit some or all of the Performance Stock Units subject to this Agreement held by the Participant at the time of such restatement,

(b) that the Participant forfeit (or pay or return to the Company) some or all of the cash or the shares of Common Stock held by the Participant at the time of such restatement that had been received within the three-year period prior to the date that the Company is required to prepare a financial restatement in settlement of any Performance Stock Units subject to this Agreement, and

(c) that the Participant pay to the Company in cash all or a portion of the proceeds that the Participant realized from the sale of shares of Common Stock that had been received

within the three-year period prior to the date that the Company is required to prepare a financial restatement in settlement of any Performance Stock Units subject to this Agreement.

Notwithstanding the foregoing, in the event that the Committee determines that the rules and regulations implementing Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act require a longer or different clawback time period than the three-year period contemplated by Sections 5(b) and (c), or terms and conditions other than those reflected in this Section 5, such three-year period shall be deemed extended (but not reduced), and/or such other terms and conditions modified, to the extent necessary to be consistent with such rules and regulations.

6. Issuance of Shares.

(a) Notwithstanding any other provision of this Agreement, the Participant may not sell or transfer the shares of Common Stock acquired upon settlement of the Performance Stock Units except in compliance with all applicable laws and regulations.

(b) The shares of Common Stock issued in settlement of the Performance Stock Units shall be registered in the Participant's name, or, if applicable, in the names of the Participant's heirs or estate. In the Company's discretion, such shares may be issued either in certificated form or in uncertificated, book entry form. The certificate or book entry account shall bear such restrictive legends or restrictions as the Company, in its sole discretion, shall require. If delivered in certificated form, the Company may deliver a share certificate to the Participant or to the Participant's designated broker on the Participant's behalf. If the Participant is deceased (or if Disabled and if necessary) at the time that a delivery of share certificates is to be made, the certificates shall be delivered to the Participant's estate, executor, administrator, legally authorized guardian or personal representative (as applicable).

(c) To the extent permitted by Section 409A of the Code, the grant of the Performance Stock Units and issuance of shares of Common Stock upon settlement of the Performance Stock Units shall be subject to and in compliance with all applicable requirements of federal, state or foreign law with respect to such securities. No shares of Common Stock may be issued hereunder if the issuance of such shares would constitute a violation of any applicable federal, state or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Common Stock may then be listed. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance of any shares subject to the Performance Stock Units shall relieve the Company of any liability in respect of the failure to issue such shares as to which such requisite authority shall not have been obtained. To the extent permitted by Section 409A of the Code, as a condition to the settlement of the Performance Stock Units, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect thereto as may be requested by the Company.

(d) The Company shall not be required to issue fractional shares of Common Stock upon settlement of the Performance Stock Units.

(e) To the extent permitted by Section 409A of the Code, the Company may postpone the issuance and delivery of any shares of Common Stock provided for under this Agreement for so long as the Company determines to be necessary or advisable to satisfy the following: (1) the completion or amendment of any registration of such shares or satisfaction of any exemption from registration under any securities law, rule, or regulation; (2) compliance with any requests for representations; and (3) receipt of proof satisfactory to the Company that a person seeking such shares on the Participant's behalf upon the Participant's Disability (if necessary), or upon the Participant's estate's behalf after the death of the Participant, is appropriately authorized.

7. Participant's Rights with Respect to the Performance Stock Units.

(a) Restrictions on Transferability. The Performance Stock Units granted hereby may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated other than with the consent of the Company or by will or by the laws of descent and distribution to the estate of the Participant upon the Participant's death; provided that any such permitted transferee shall acknowledge and agree in writing, in a form reasonably acceptable to the Company, to be bound by the provisions of this Agreement and the Plan as if such beneficiary or the estate were the Participant. Any attempt by the Participant, directly or indirectly, to offer, transfer, sell, pledge, hypothecate or otherwise dispose of any Performance Stock Units or any interest therein or any rights relating thereto without complying with the provisions of the Plan and this Agreement, including this Section 7(a), shall be void and of no effect. The Company shall not be required to recognize on its books any action taken in contravention of these restrictions.

(b) No Rights as Stockholder. The Participant shall not have any rights as a stockholder of the Company with respect to any shares of Common Stock corresponding to the Performance Stock Units granted hereby unless and until shares of Common Stock are issued to the Participant in respect thereof.

8. Miscellaneous.

(a) Binding Effect; Benefits. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

(b) Assignability. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by the Company or the Participant without the prior written consent of the other party, for the avoidance of doubt, in the case of the Company, subject to Section 4.4 and Article IX of the Plan.

(c) No Right to Continued Employment. Nothing in the Plan or this Agreement shall interfere with or limit in any way the right of the Company or any of its Subsidiaries to terminate

the Participant's employment at any time, or confer upon the Participant any right to continue in the employ of the Company or any of its Subsidiaries (regardless of whether such termination results in (i) the failure of any Award to vest; (ii) the forfeiture of any unvested or vested portion of any Award; and/or (iii) any other adverse effect on the individual's interests under the Plan). Nothing in the Plan or this Agreement shall confer on the Participant the right to receive any future Awards under the Plan.

(d) Notices. All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or sent by certified or express mail, return receipt requested, postage prepaid, or by any recognized international equivalent of such delivery, to the Company or the Participant, as the case may be, at the following addresses or to such other address as the Company or the Participant, as the case may be, shall specify by notice to the other:

If to the Company, to it at:

Hertz Global Holdings, Inc.
8501 Williams Road
Estero, Florida 33928
Attention: General Counsel
Fax: (239) 301-6906

If to the Participant, to the Participant at his or her most recent address as shown on the books and records of the Company or Subsidiary employing the Participant.

All such notices and communications shall be deemed to have been received on the date of delivery if delivered personally or on the third business day after the mailing thereof.

(e) Amendment. This Agreement may be amended from time to time by the Committee in its discretion; provided, however, that this Agreement may not be modified in a manner that would have a material adverse effect on the Performance Stock Units as determined in the discretion of the Committee, except as provided in the Plan, or with the consent of the Participant. This Agreement may not be amended, modified or supplemented orally.

(f) Interpretation. The Committee shall have full power and discretion to construe and interpret the Plan (and any rules and regulations issued thereunder) and this Award. Any determination or interpretation by the Committee under or pursuant to the Plan or this Award shall be final and binding and conclusive on all persons affected hereby.

(g) Tax Withholding; Section 409A.

(i) The Company shall have the right and power to deduct from all amounts paid to the Participant in cash or shares (whether under the Plan or otherwise) or to require the Participant to remit to the Company promptly upon notification of the amount due, an amount (which may include shares of Common Stock) to satisfy the minimum

federal, state or local or foreign taxes or other obligations required by law to be withheld with respect to the Performance Stock Units. No shares of Common Stock shall be issued unless and until arrangements satisfactory to the Committee shall have been made to satisfy the statutory minimum withholding tax obligations applicable with respect to such Performance Stock Units. To the extent permitted by Section 409A of the Code, the Company may defer payments of cash or issuance or delivery of Common Stock until such requirements are satisfied. Without limiting the generality of the foregoing, the Participant may elect to tender shares of Common Stock (including shares of Common Stock issuable in respect of the Performance Stock Units) to satisfy, in whole or in part, the amount required to be withheld (provided that such amount shall not be in excess of the minimum amount required to satisfy the statutory withholding tax obligations).

(ii) It is intended that the provisions of this Agreement comply with Section 409A of the Code to the extent applicable, and all provisions of this Agreement shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A and any similar state or local law.

(h) Applicable Law. This Agreement shall be governed by and construed in accordance with the law of the State of Delaware regardless of the application of rules of conflict of law that would apply the laws of any other jurisdiction.

(i) Limitation on Rights; No Right to Future Grants; Extraordinary Item of Compensation. By entering into this Agreement and accepting the Performance Stock Units evidenced hereby, the Participant acknowledges: (i) that the Plan is discretionary in nature and may be suspended or terminated by the Company at any time; (ii) that the Award does not create any contractual or other right to receive future grants of Awards; (iii) that participation in the Plan is voluntary; (iv) that the value of the Performance Stock Units is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; and (v) that the future value of the Common Stock is unknown and cannot be predicted with certainty.

(j) Employee Data Privacy. The Participant authorizes any Affiliate of the Company that employs the Participant or that otherwise has or lawfully obtains personal data relating to the Participant to divulge or transfer such personal data to the Company or to a third party, in each case in any jurisdiction, if and to the extent appropriate in connection with this Agreement or the administration of the Plan.

(k) Consent to Electronic Delivery. By entering into this Agreement and accepting the Performance Stock Units evidenced hereby, the Participant hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Participant pursuant to applicable securities laws) regarding the Company and the Subsidiaries, the Plan, this Agreement and the Performance Stock Units via Company web site or other electronic delivery.

(l) Clawback or Compensation Recovery Policy. Without limiting any other provision of this Agreement, and to the extent applicable, the Performance Stock Units granted

hereunder shall be subject to any clawback policy or compensation recovery policy or such other similar policy of the Company in effect from time to time.

(m) Company Rights. The existence of the Performance Stock Units does not affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company’s capital structure or its business, including that of its Affiliates, or any merger or consolidation of the Company or any Affiliate, or any issue of bonds, debentures, preferred or other stocks with preference ahead of or convertible into, or otherwise affecting the Common Stock or the rights thereof, or the dissolution or liquidation of the Company or any Affiliate, or any sale or transfer of all or any part of the Company’s or any Affiliate’s assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

(n) Severability. If a court of competent jurisdiction determines that any portion of this Agreement is in violation of any statute or public policy, then only the portions of this Agreement which violate such statute or public policy shall be stricken, and all portions of this Agreement which do not violate any statute or public policy shall continue in full force and effect. Further, it is the parties’ intent that any court order striking any portion of this Agreement should modify the terms as narrowly as possible to give as much effect as possible to the intentions of the parties’ under this Agreement.

(o) Further Assurances. The Participant agrees to use his or her reasonable and diligent best efforts to proceed promptly with the transactions contemplated herein, to fulfill the conditions precedent for the Participant’s benefit or to cause the same to be fulfilled and to execute such further documents and other papers and perform such further acts as may be reasonably required or desirable to carry out the provisions hereof and the transactions contemplated herein.

(p) Headings and Captions. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

(q) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank]

One Year Performance Period:	January 1, 2019 through December 31, 2019
One Year Performance Criteria:	2019 Corporate EBITDA*
Two Year Performance Period:	January 1, 2019 through December 31, 2020
Two Year Performance Criteria:	2019 & 2020 Corporate EBITDA*
Three Year Performance Period:	January 1, 2019 through December 31, 2021
Three Year Performance Criteria:	2019, 2020 & 2021 Corporate EBITDA*

One Year Performance Determination. Based on the One Year Performance Period and One Year Performance Criteria, the “One Year Adjustment Percentage” shall equal 25% multiplied by the One Year Multiplier below:

	<u>Description (\$MM)</u>	<u>One Year Multiplier</u>
Threshold	\$	50%
Target	\$	100%

Two Year Performance Determination. Based on the Two Year Performance Period and Two Year Performance Criteria, the “Two Year Adjustment Percentage” shall equal 50% multiplied by the Two Year Multiplier below (provided, however, that the Two Year Adjustment Percentage shall in no event be lower than the One Year Adjustment Percentage):

	<u>Description (\$MM)</u>	<u>Two Year Multiplier</u>
Threshold	\$	50%
Target	\$	100%

Three Year Performance Determination. Based on the Three Year Performance Period and Three Year Performance Criteria, the “Final Target Adjustment Percentage” shall equal the Three Year Multiplier below (provided, however, that the Final Target

Adjustment Percentage shall in no event be lower than the Two Year Adjustment Percentage; provided, further, that the Committee may, at the time of certification, reduce the Final Target Adjustment Percentage to such percentage as the Committee may determine in its sole discretion):

	<u>Description (\$MM)</u>	<u>Three Year Multiplier</u>
Threshold	\$	50%
Target	\$	100%
Maximum	\$	125%

General Rules to the Above Determinations. For performance below the level described in the threshold, the applicable multiplier shall be 0%. For performance above the level described in the target in the case of the One Year Performance Determination and the Two Year Performance Determination, the applicable multiplier remains the same as provided above with respect to the target. For performance above the level described in the maximum in the case of the Three Year Performance Determination, the applicable multiplier remains the same as provided above with respect to the maximum. Linear interpolation will be used to determine the applicable multiplier for all intermediary points. The Performance Stock Units remain subject to all other provisions (including, without limitation, any applicable adjustment, vesting and settlement provisions) of this Agreement and the Plan.

The One Year Performance Period, Two Year Performance Period, and Three Year Performance Period are generally referred to herein as the “Performance Periods”.

* Corporate EBITDA generally refers to Adjusted Corporate EBITDA as disclosed by the Company with respect to the car rental business of the Company, it being understood and agreed that the car rental business of the Company consists of the U.S. Rental Car, International Rental Car and All Other Operations segments of the Company; provided, however, for these purposes, that the determination of the Corporate EBITDA shall exclude the financial effects (including related revenue streams) from the Company’s development activities from new business ventures originating after January 1, 2019 from businesses that are not core to the Company’s traditional rental car business.

Adjustments. Notwithstanding the foregoing, in the event of (i) material acquisitions or dispositions during any Performance Period or (ii) currency fluctuations affecting U.S. dollar denominated Adjusted Corporate EBITDA by 5% or more from January 1, 2019 through the end of the applicable Performance Period, the performance incentive threshold, target and maximum criteria, if and as applicable, and/or the determination of Corporate EBITDA, shall be adjusted in an equitable and proportionate manner as determined by the Committee and in accordance with any applicable provisions of the Plan; provided, further, in the event of any other extraordinary transactions and items during any Performance Period, such criteria and/or the Corporate EBITDA determination may be adjusted by the Committee in accordance with any applicable provisions of the Plan.

RESTRICTED STOCK UNIT AGREEMENT

THIS RESTRICTED STOCK UNIT AGREEMENT (the “Agreement”) is entered into by and between Hertz Global Holdings, Inc., a Delaware corporation (the “Company”), and the Participant (defined hereafter) pursuant to the Hertz Global Holdings, Inc. 2016 Omnibus Incentive Plan, as amended from time to time (the “Plan”), in combination with a 2019 Long Term Incentive Award Summary (or applicable portion thereof) (the “Award Summary”). The Award Summary, which identifies the person to whom the restricted stock units are granted (the “Participant”) and specifies the date of grant of this Award (the “Grant Date”) and other details of this Award, and the electronic acceptance of this Agreement, are incorporated herein by reference.

1. Grant and Acceptance of Restricted Stock Units. The Company hereby evidences and confirms its grant to the Participant, effective as of the Grant Date, of the number of restricted stock units (the “Restricted Stock Units”) set forth on the Award Summary and which shall be subject to the terms and conditions of the Plan and this Agreement. The Participant must accept this Award within ninety (90) days after notification that the Award is available for acceptance and in accordance with the instructions provided by the Company. The Award may be rescinded upon the action of the Company, in its sole discretion, if the Award is not accepted within ninety (90) days after notification is sent to the Participant indicating availability for acceptance.

This Agreement is subordinate to, and the terms and conditions of the Restricted Stock Units granted hereunder are subject to, the terms and conditions of the Plan, which are incorporated by reference herein. If there is any inconsistency between the terms of this Agreement and the terms of the Plan, except as expressly provided herein, the terms of the Plan shall govern. If there is any inconsistency between the terms of this Agreement and the terms of the Award Summary, the terms of this Agreement shall govern. Any capitalized terms used herein without definition shall have the meanings set forth in the Plan.

2. Vesting of Restricted Stock Units.

(a) Generally. Except as otherwise provided in this Section 2, the Restriction Period applicable to the Restricted Stock Units shall lapse, if at all, in equal one-third increments on the first, second and third anniversaries of the Grant Date (each, a “Vesting Date”), subject to the continued employment of the Participant by the Company or any Subsidiary thereof through the applicable Vesting Date.

(b) Termination of Employment.

(i) Death, Disability or Retirement. If the Participant's employment is terminated due to death, Disability or Retirement, the Restriction Period shall lapse immediately upon such termination with respect to a portion of the Restricted Stock Units equal to the number of Restricted Stock Units that would have vested on the next following Vesting Date (assuming the Participant's employment had continued through such Vesting Date) multiplied by a fraction, the numerator of which is the number of full completed months elapsed since the Tranche Beginning Date (as defined below), and the denominator of which is 12, provided, however, no vesting shall occur if the Participant retires prior to the first Vesting Date unless otherwise determined by the Committee in compliance with the terms of the Plan. Such Restricted Stock Units shall be settled as provided in Section 3. Any Restricted Stock Units still subject to restriction after giving effect to the preceding sentences shall immediately be forfeited and canceled effective as of the date of the Participant's termination. The "Tranche Beginning Date" shall be (X) the Grant Date, if the termination of employment occurs prior to the first Vesting Date, or (Y) the most recent prior Vesting Date, if the termination of employment occurs after the first Vesting Date.

(ii) Any Other Reason. If the Participant's employment terminates (whether by the Participant or by the Company or a Subsidiary) for any reason other than death, Disability or Retirement, any outstanding Restricted Stock Units shall immediately be forfeited and canceled effective as of the date of the Participant's termination.

(c) Change in Control.

(i) In General. Subject to Section 2(c)(ii), in the event of a Change in Control, the Restriction Period applicable to any outstanding Restricted Stock Units shall lapse immediately prior to such Change in Control and shall be settled as set forth in Section 3.

(ii) Alternative Awards. Notwithstanding Section 2(c)(i), no cancellation, termination, lapse of Restriction Period or settlement or other payment shall occur with respect to the Restricted Stock Units if the Committee (as constituted immediately prior to the Change in Control) reasonably determines prior to the Change in Control that the Restricted Stock Units shall be honored or assumed or new rights substituted therefor by an Alternative Award, in accordance with the terms of Section 9.2 of the Plan; provided, however, notwithstanding anything in the Plan to the contrary, any such Alternative Award shall vest in full if the Participant's employment is terminated by the Company without Cause within two years following a Change in Control.

(iii) Definitions. For purposes of this Agreement, and notwithstanding anything in the Plan to the contrary, “Change in Control” means the first occurrence of any of the following events after the Grant Date:

- (A) the acquisition by any person, entity or “group” (as defined in Section 13(d) of the Exchange Act), other than the Company, the Subsidiaries, any employee benefit plan of the Company or the Subsidiaries, or any Permitted Holder, of 50% or more of the combined voting power of the Company’s then outstanding voting securities;
- (B) within any 24-month period, the Incumbent Directors shall cease to constitute at least a majority of the Board or the board of directors of any successor to the Company; provided that any director elected to the Board, or nominated for election, by a majority of the Incumbent Directors then still in office shall be deemed to be an Incumbent Director for purposes of this clause (B);
- (C) the merger or consolidation of the Company as a result of which persons who were owners of the voting securities of the Company immediately prior to such merger or consolidation, together with any Permitted Holder, do not, immediately thereafter, own, directly or indirectly, more than 50% of the combined voting power entitled to vote generally in the election of directors of the merged or consolidated company;
- (D) the approval by the Company’s shareholders of the liquidation or dissolution of the Company other than a liquidation of the Company into any Subsidiary or a liquidation a result of which persons who were stockholders of the Company immediately prior to such liquidation, together with any Permitted Holder, own, directly or indirectly, more than 50% of the combined voting power entitled to vote generally in the election of directors of the entity that holds substantially all of the assets of the Company following such event; or
- (E) the sale, transfer or other disposition of all or substantially all of the assets of the Company to one or more persons or entities that are not, immediately prior to such sale, transfer or other disposition, affiliates of the Company or any Permitted Holder.

Notwithstanding the foregoing, (i) a “Change in Control” for purposes of this Agreement shall not be deemed to occur if the Company files for bankruptcy, liquidation or reorganization under the United States Bankruptcy Code and (ii) with respect to any Award that is subject to Section 409A of the Code, “Change in Control” shall have a meaning consistent with Section 1.409A-3(i)(5) of the U.S. Treasury Regulations.

For purposes of the foregoing:

(A) “Permitted Holder” means the Related Parties and any group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act or any successor provision) of which any of the foregoing are members.

(B) “Principal” means Carl Icahn.

(C) “Related Party” or “Related Parties” means (1) the Principal and his siblings, his and their respective spouses and descendants (including stepchildren and adopted children) and the spouses of such descendants (including stepchildren and adopted children) (collectively, the “Family Group”); (2) any trust, estate, partnership, corporation, company, limited liability company or unincorporated association or organization (each an “Entity” and collectively “Entities”) controlled by (to be interpreted consistent with the definition of “Affiliate”) one or more members of the Family Group; (3) any Entity over which one or more members of the Family Group, directly or indirectly, have rights that legally enable them to make or veto significant management decisions with respect to such Entity, whether pursuant to the constituent documents of such Entity, by contract, through representation on a board of directors or other governing body of such Entity or in any other manner (such rights hereinafter referred to as “Veto Power”); (4) the estate of any member of the Family Group; (5) any trust created (in whole or in part) by any one or more members of the Family Group; (6) any individual or Entity who receives an interest in any estate or trust listed in clauses (4) or (5), to the extent of such interest; (7) any trust or estate, substantially all the beneficiaries of which (other than charitable organizations or foundations) consist of one or more members of the Family Group; (8) any organization described in Section 501(c) of the Code, over which any one or more members of the Family Group and the trusts and estates listed in clauses (4), (5) and (7) have direct or

indirect Veto Power, or to which they are substantial contributors (as such term is defined in Section 507 of the Code); (9) any organization described in Section 501(c) of the Code of which a member of the Family Group is an officer, director or trustee; or (10) any Entity, directly or indirectly (i) owned or controlled by (to be interpreted consistent with the definition of “Affiliate”) or (ii) a majority of the economic interests in which are owned by, or are for or accrue to the benefit of, in either case, any Person or Persons identified in clauses (1) through (9) above.

(d) Committee Discretion. Notwithstanding anything contained in this Agreement to the contrary, and subject to Section 8(g) of this Agreement and Section 11.9 of the Plan, the Committee, in its sole discretion, may accelerate the vesting with respect to any Restricted Stock Units under this Agreement, at such times and upon such terms and conditions as the Committee shall determine.

3. Settlement. Subject to the following sentence, not later than the 30th day following the date on which the lapse of the Restriction Period occurs with respect to any Restricted Stock Units, the Company shall issue to the Participant one share of Common Stock underlying each Restricted Stock Unit as to which the Restriction Period has lapsed (or, if determined by the Committee in its sole discretion, cash equal to the Fair Market Value of such shares of Common Stock or any combination of shares of Common Stock and cash having an aggregate Fair Market Value equal to such number of shares of Common Stock). Notwithstanding the preceding sentence, if the Restriction Period applicable to any Restricted Stock Units which constitutes “deferred compensation” subject to Code Section 409A lapses as a result of a Change in Control that does not qualify as a “change in the ownership or effective control” of the Company or “in the ownership of a substantial portion of the assets” of the Company within the meaning of Section 409A of the Code, then the Company shall not settle such Restricted Stock Units until the 30th day following the earlier of (i) the Participant’s termination of employment and (ii) the originally scheduled Vesting Date of such Restricted Stock Units. For the avoidance of doubt, the preceding two sentences are subject to Section 8(g) of this Agreement and Section 11.9 of the Plan. Upon issuance, such shares of Common Stock may be sold, transferred, pledged, assigned or otherwise alienated or hypothecated in compliance with all applicable law, this Agreement and any other agreement to which such shares are subject. The Participant’s settlement rights pursuant to this Agreement shall be no greater than the right of any unsecured general creditor of the Company.

4. Forfeiture. Notwithstanding anything in the Plan or this Agreement to the contrary, if, during the Covered Period, the Participant engages in Wrongful Conduct, then any Restricted Stock Units for which the Restriction Period has not then lapsed shall automatically be forfeited and cancelled effective as of the date on which the Participant

first engaged in such Wrongful Conduct. If the Participant engages in Wrongful Conduct or if the Participant's employment is terminated for Cause, the Participant shall pay to the Company in cash any Restriction-Based Financial Gain the Participant realized from the lapse of the Restriction Period applicable to all or a portion of the Restricted Stock Units with respect to which the Restriction Period lapsed within the Wrongful Conduct Period. By entering into this Agreement, the Participant hereby consents to and authorizes the Company and the Subsidiaries to deduct from any amounts payable by such entities to the Participant any amounts the Participant owes to the Company under this Section 4 to the extent permitted by law. This right of set-off is in addition to any other remedies the Company may have against the Participant for the Participant's breach of this Section 4. The Participant's obligations under this Section 4 shall be cumulative of any similar obligations the Participant has under the Plan, this Agreement, any Company policy, standard or code or any clawback plan or policy (including, without limitation, the Company's Standards of Business Conduct), or any other agreement with the Company or any Subsidiary, including, without limitation, an individual employment agreement or restrictive covenant agreement.

5. Effect of Financial Restatements. In addition to any actions under any clawback policy or compensation recovery policy or such other similar policy of the Company in effect from time to time, to the extent applicable, in the event that the Participant commits misconduct, fraud or gross negligence (whether or not such misconduct, fraud or gross negligence is deemed or could be deemed to be an event constituting Cause) and as a result of, or in connection with, such misconduct, fraud or gross negligence, the Company restates any of its financial statements, then the Committee may require any or all of the following:

- (a) that the Participant forfeit some or all of the Restricted Stock Units subject to this Agreement held by the Participant at the time of such restatement,
- (b) that the Participant forfeit (or pay or return to the Company) some or all of the cash or the shares of Common Stock held by the Participant at the time of such restatement that had been received within the three-year period prior to the date that the Company is required to prepare a financial restatement in settlement of Restricted Stock Units subject to this Agreement, and
- (c) that the Participant pay to the Company in cash all or a portion of the proceeds that the Participant realized from the sale of shares of Common Stock that had been received within the three-year period prior to the date that the Company is required to prepare a financial restatement in settlement of any Restricted Stock Units subject to this Agreement.

Notwithstanding the foregoing, in the event that the Committee determines that the rules and regulations implementing Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act require a longer or different clawback time period than the three-year period contemplated by Sections 5(b) and (c), or terms and conditions other than those reflected in this Section 5, such three-year period shall be deemed extended (but not reduced), and/or such other terms and conditions modified, to the extent necessary to be consistent with such rules and regulations.

6. Issuance of Shares.

(a) Notwithstanding any other provision of this Agreement, the Participant may not sell or transfer the shares of Common Stock acquired upon settlement of the Restricted Stock Units except in compliance with all applicable laws and regulations.

(b) The shares of Common Stock issued in settlement of the Restricted Stock Units shall be registered in the Participant's name, or, if applicable, in the names of the Participant's heirs or estate. In the Company's discretion, such shares may be issued either in certificated form or in uncertificated, book entry form. The certificate or book entry account shall bear such restrictive legends or restrictions as the Company, in its sole discretion, shall require. If delivered in certificated form, the Company may deliver a share certificate to the Participant or to the Participant's designated broker on the Participant's behalf. If the Participant is deceased (or if Disabled and if necessary) at the time that a delivery of share certificates is to be made, the certificates shall be delivered to the Participant's estate, executor, administrator, legally authorized guardian or personal representative (as applicable).

(c) To the extent permitted by Section 409A of the Code, the grant of the Restricted Stock Units and issuance of shares of Common Stock upon settlement of the Restricted Stock Units shall be subject to and in compliance with all applicable requirements of federal, state or foreign law with respect to such securities. No shares of Common Stock may be issued hereunder if the issuance of such shares would constitute a violation of any applicable federal, state or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Common Stock may then be listed. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance of any shares subject to the Restricted Stock Units shall relieve the Company of any liability in respect of the failure to issue such shares as to which such requisite authority shall not have been obtained. To the extent permitted by Section 409A of the Code, as a condition to the settlement of the Restricted Stock Units, the Company may require the Participant to satisfy any qualifications that

may be necessary or appropriate, to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect thereto as may be requested by the Company.

(d) The Company shall not be required to issue fractional shares of Common Stock upon settlement of the Restricted Stock Units.

(e) To the extent permitted by Section 409A of the Code, the Company may postpone the issuance and delivery of any shares of Common Stock provided for under this Agreement for so long as the Company determines to be necessary or advisable to satisfy the following: (1) the completion or amendment of any registration of such shares or satisfaction of any exemption from registration under any securities law, rule, or regulation; (2) compliance with any requests for representations; and (3) receipt of proof satisfactory to the Company that a person seeking such shares on the Participant's behalf upon the Participant's Disability (if necessary), or upon the Participant's estate's behalf after the death of the Participant, is appropriately authorized.

7. Participant's Rights with Respect to the Restricted Stock Units.

(a) Restrictions on Transferability. The Restricted Stock Units granted hereby may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated other than with the consent of the Company or by will or by the laws of descent and distribution to the estate of the Participant upon the Participant's death; provided that any such permitted transferee shall acknowledge and agree in writing, in a form reasonably acceptable to the Company, to be bound by the provisions of this Agreement and the Plan as if such beneficiary or the estate were the Participant. Any attempt by the Participant, directly or indirectly, to offer, transfer, sell, pledge, hypothecate or otherwise dispose of any Restricted Stock Units or any interest therein or any rights relating thereto without complying with the provisions of the Plan and this Agreement, including this Section 7(a), shall be void and of no effect. The Company shall not be required to recognize on its books any action taken in contravention of these restrictions.

(b) No Rights as Stockholder. The Participant shall not have any rights as a stockholder of the Company with respect to any shares of Common Stock corresponding to the Restricted Stock Units granted hereby unless and until shares of Common Stock are issued to the Participant in respect thereof.

8. Miscellaneous.

(a) Binding Effect; Benefits. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

(b) Assignability. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by the Company or the Participant without the prior written consent of the other party, for the avoidance of doubt, in the case of the Company, subject to Section 4.4 and Article IX of the Plan.

(c) No Right to Continued Employment. Nothing in the Plan or this Agreement shall interfere with or limit in any way the right of the Company or any of its Subsidiaries to terminate the Participant's employment at any time, or confer upon the Participant any right to continue in the employ of the Company or any of its Subsidiaries (regardless of whether such termination results in (i) the failure of any Award to vest; (ii) the forfeiture of any unvested or vested portion of any Award; and/or (iii) any other adverse effect on the individual's interests under the Plan). Nothing in the Plan or this Agreement shall confer on the Participant the right to receive any future Awards under the Plan.

(d) Notices. All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or sent by certified or express mail, return receipt requested, postage prepaid, or by any recognized international equivalent of such delivery, to the Company or the Participant, as the case may be, at the following addresses or to such other address as the Company or the Participant, as the case may be, shall specify by notice to the other:

If to the Company, to it at:

Hertz Global Holdings, Inc.
8501 Williams Road
Estero, Florida 33928
Attention: General Counsel
Fax: (239) 301-6906

If to the Participant, to the Participant at his or her most recent address as shown on the books and records of the Company or Subsidiary employing the Participant.

All such notices and communications shall be deemed to have been received on the date of delivery if delivered personally or on the third business day after the mailing thereof.

(e) Amendment. This Agreement may be amended from time to time by the Committee in its discretion; provided, however, that this Agreement may not be modified in a manner that would have a material adverse effect on the Restricted Stock Units as determined in the discretion of the Committee, except as provided in the Plan, or with the consent of the Participant. This Agreement may not be amended, modified or supplemented orally.

(f) Interpretation. The Committee shall have full power and discretion to construe and interpret the Plan (and any rules and regulations issued thereunder) and this Award. Any determination or interpretation by the Committee under or pursuant to the Plan or this Award shall be final and binding and conclusive on all persons affected hereby.

(g) Tax Withholding; Section 409A.

(i) The Company shall have the right and power to deduct from all amounts paid to the Participant in cash or shares (whether under the Plan or otherwise) or to require the Participant to remit to the Company promptly upon notification of the amount due, an amount (which may include shares of Common Stock) to satisfy the minimum federal, state or local or foreign taxes or other obligations required by law to be withheld with respect to the Restricted Stock Units. No shares of Common Stock shall be issued unless and until arrangements satisfactory to the Committee shall have been made to satisfy the statutory minimum withholding tax obligations applicable with respect to such Restricted Stock Units. To the extent permitted by Section 409A of the Code, the Company may defer payments of cash or issuance or delivery of Common Stock until such requirements are satisfied. Without limiting the generality of the foregoing, the Participant may elect to tender shares of Common Stock (including shares of Common Stock issuable in respect of the Restricted Stock Units) to satisfy, in whole or in part, the amount required to be withheld (provided that such amount shall not be in excess of the minimum amount required to satisfy the statutory withholding tax obligations).

(ii) It is intended that the provisions of this Agreement comply with Section 409A of the Code to the extent applicable, and all provisions of this Agreement shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A and any similar state or local law.

(h) Applicable Law. This Agreement shall be governed by and construed in accordance with the law of the State of Delaware regardless of the application of rules of conflict of law that would apply the laws of any other jurisdiction.

(i) Limitation on Rights; No Right to Future Grants; Extraordinary Item of Compensation. By entering into this Agreement and accepting the Restricted Stock Units evidenced hereby, the Participant acknowledges: (i) that the Plan is discretionary in nature and may be suspended or terminated by the Company at any time; (ii) that the Award does not create any contractual or other right to receive future grants of Awards; (iii) that participation in the Plan is voluntary; (iv) that the value of the Restricted Stock Units is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; and (v) that the future value of the Common Stock is unknown and cannot be predicted with certainty.

(j) Employee Data Privacy. The Participant authorizes any Affiliate of the Company that employs the Participant or that otherwise has or lawfully obtains personal data relating to the Participant to divulge or transfer such personal data to the Company or to a third party, in each case in any jurisdiction, if and to the extent appropriate in connection with this Agreement or the administration of the Plan.

(k) Consent to Electronic Delivery. By entering into this Agreement and accepting the Restricted Stock Units evidenced hereby, the Participant hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Participant pursuant to applicable securities laws) regarding the Company and the Subsidiaries, the Plan, this Agreement and the Restricted Stock Units via Company web site or other electronic delivery.

(l) Clawback or Compensation Recovery Policy. Without limiting any other provision of this Agreement, and to the extent applicable, the Restricted Stock Units granted hereunder shall be subject to any clawback policy or compensation recovery policy or such other similar policy of the Company in effect from time to time.

(m) Company Rights. The existence of the Restricted Stock Units does not affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, including that of its Affiliates, or any merger or consolidation of the Company or any Affiliate, or any issue of bonds, debentures, preferred or other stocks with preference ahead of or convertible into, or otherwise affecting the Common Stock or the rights thereof, or the dissolution or liquidation of the Company or any Affiliate, or any sale or transfer of all or any part of the Company's or any Affiliate's assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

(n) Severability. If a court of competent jurisdiction determines that any portion of this Agreement is in violation of any statute or public policy, then only the portions of this Agreement which violate such statute or public policy shall be stricken, and all portions of this Agreement which do not violate any statute or public policy shall continue in full force and effect. Further, it is the parties' intent that any court order striking any portion of this Agreement should modify the terms as narrowly as possible to give as much effect as possible to the intentions of the parties' under this Agreement.

(o) Further Assurances. The Participant agrees to use his or her reasonable and diligent best efforts to proceed promptly with the transactions contemplated herein, to fulfill the conditions precedent for the Participant's benefit or to cause the same to be fulfilled and to execute such further documents and other papers and perform such further acts as may be reasonably required or desirable to carry out the provisions hereof and the transactions contemplated herein.

(p) Headings and Captions. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

(q) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank]

RESTRICTED STOCK UNIT AGREEMENT

THIS RESTRICTED STOCK UNIT AGREEMENT (the “Agreement”) is entered into by and between Hertz Global Holdings, Inc., a Delaware corporation (the “Company”), and the Participant (defined hereafter) pursuant to the Hertz Global Holdings, Inc. 2016 Omnibus Incentive Plan, as amended from time to time (the “Plan”), in combination with a 2019 Long Term Incentive Award Summary (or applicable portion thereof) (the “Award Summary”). The Award Summary, which identifies the person to whom the restricted stock units are granted (the “Participant”) and specifies the date of grant of this Award (the “Grant Date”) and other details of this Award, and the electronic acceptance of this Agreement, are incorporated herein by reference.

1. Grant and Acceptance of Restricted Stock Units. The Company hereby evidences and confirms its grant to the Participant, effective as of the Grant Date, of the number of restricted stock units set forth on the Award Summary and which shall be subject to the terms and conditions of the Plan and this Agreement, including the adjustments as provided in this Agreement (such number of restricted stock units, as may be adjusted, referred to as the “Grant Number”) (the “Restricted Stock Units”). The Participant must accept this Award within ninety (90) days after notification that the Award is available for acceptance and in accordance with the instructions provided by the Company. The Award may be rescinded upon the action of the Company, in its sole discretion, if the Award is not accepted within ninety (90) days after notification is sent to the Participant indicating availability for acceptance.

This Agreement is subordinate to, and the terms and conditions of the Restricted Stock Units granted hereunder are subject to, the terms and conditions of the Plan, which are incorporated by reference herein. If there is any inconsistency between the terms of this Agreement and the terms of the Plan, except as expressly provided herein, the terms of the Plan shall govern. If there is any inconsistency between the terms of this Agreement and the terms of the Award Summary, the terms of this Agreement shall govern. Any capitalized terms used herein without definition shall have the meanings set forth in the Plan.

2. Vesting of Restricted Stock Units.

(a) Generally. Except as otherwise provided in this Section 2, the Restriction Period applicable to the Restricted Stock Units shall lapse, if at all, as follows:

(i) As to 33 $\frac{1}{3}$ % of the Grant Number of Restricted Stock Units, as of the later of the Certification Date (as defined below) and the first anniversary of the Grant Date, subject to (X) the continued employment of the Participant by the Company or any Subsidiary thereof through the first anniversary of the Grant

Date, (Y) the achievement of the performance criteria established by the Committee pursuant to the Plan for the Restricted Stock Units for the Performance Period (as defined in Exhibit A) and set forth at the end of this Agreement (the “Performance Goal”) and (Z) the Committee’s certification of the achievement of the Performance Goal in accordance with the below.

(ii) As to 33 $\frac{1}{3}$ % of the Grant Number of Restricted Stock Units, as of the second anniversary of the Grant Date, subject to (x) the continued employment of the Participant by the Company or any Subsidiary thereof through the second anniversary of the Grant Date, and (y) the Restriction Period having lapsed as to the Restricted Stock Units described in clause (i); and

(iii) As to 33 $\frac{1}{3}$ % of the Grant Number of Restricted Stock Units, as of the third anniversary of the Grant Date, subject to (x) the continued employment of the Participant by the Company or any Subsidiary thereof through the third anniversary of the Grant Date, and (y) the Restriction Period having lapsed as to the Restricted Stock Units described in clause (i).

To the extent the Restriction Period of any Restricted Stock Units subject to this Agreement does not lapse as provided herein, such Restricted Stock Units shall immediately be forfeited and canceled as of the earliest date on which vesting is no longer possible.

As soon as administratively feasible in the calendar year after the end of the Performance Period, the Committee shall certify, in writing, whether or not, the Performance Goal has been achieved. The date on which the Committee makes such certification is referred to herein as the “Certification Date”.

If the Committee certifies on the Certification Date that the Performance Goal has not been achieved, all Restricted Stock Units subject to this Agreement shall immediately be forfeited and canceled.

(b) Termination of Employment.

(i) Death, Disability or Retirement. If the Participant’s employment is terminated due to death, Disability, or Retirement prior to the third anniversary of the Grant Date, then a portion of the Restricted Stock Units subject to this Agreement shall be retained, with such portion being retained equal to 33 $\frac{1}{3}$ % of the Grant Number of Restricted Stock Units multiplied by a fraction, the numerator of which is the number of full completed months elapsed since the Tranche Beginning Date, and the denominator of which is 12 (the “Retained Award”); provided, however, no vesting shall occur if the Participant retires prior

to the first anniversary of the Grant Date unless otherwise determined by the Committee in compliance with the terms of the Plan; provided, further, that, if, as of Certification Date, the Committee determines that the Performance Goal has not been achieved, then the result of the foregoing calculation shall be reduced to zero. The remainder of the Restricted Stock Units shall be forfeited and canceled as of the date of the Participant's termination. The Restriction Period on the Retained Award shall lapse, if at all, as of the later of the Certification Date or date of termination, if the Performance Goal is achieved. Such Restricted Stock Units shall be settled as provided in Section 3.

The "Tranche Beginning Date" shall be (X) the Grant Date, if the termination of employment occurs prior to the first anniversary of the Grant Date, (Y) the first anniversary of the Grant Date if the termination of employment occurs on or after the first anniversary of the Grant Date but before the second anniversary of the Grant Date, and (Z) the second anniversary of the Grant Date if the termination of employment occurs on or after the second anniversary of the Grant Date.

(ii) Any Other Reason. If the Participant's employment terminates (whether by the Participant or by the Company or a Subsidiary) for any reason other than death, Disability, or Retirement prior to the third anniversary of the Grant Date, any outstanding Restricted Stock Units shall immediately be forfeited and canceled effective as of the date of the Participant's termination.

(c) Change in Control.

(i) In General. Subject to Section 2(c)(ii), in the event of a Change in Control, the Performance Goal shall be deemed satisfied and the Restriction Period applicable to any outstanding Restricted Stock Units shall lapse immediately prior to such Change in Control and shall be settled as set forth in Section 3.

(ii) Alternative Awards. Notwithstanding Section 2(c)(i), no cancellation, termination, lapse of Restriction Period or settlement or other payment shall occur with respect to the Restricted Stock Units if the Committee (as constituted immediately prior to the Change in Control) reasonably determines prior to the Change in Control that the Restricted Stock Units shall be honored or assumed or new rights substituted therefor by an Alternative Award, in accordance with the terms of Section 9.2 of the Plan; provided, however, notwithstanding anything in the Plan to the contrary, any such Alternative Award shall vest in full if the Participant's employment is terminated by the Company without Cause

within two years following a Change in Control. For purposes of any Alternative Award, the Performance Goal shall be deemed satisfied.

(iii) Definitions. For purposes of this Agreement, and notwithstanding anything in the Plan to the contrary, "Change in Control" means the first occurrence of any of the following events after the Grant Date:

- (A) the acquisition by any person, entity or "group" (as defined in Section 13(d) of the Exchange Act), other than the Company, the Subsidiaries, any employee benefit plan of the Company or the Subsidiaries, or any Permitted Holder, of 50% or more of the combined voting power of the Company's then outstanding voting securities;
- (B) within any 24-month period, the Incumbent Directors shall cease to constitute at least a majority of the Board or the board of directors of any successor to the Company; provided that any director elected to the Board, or nominated for election, by a majority of the Incumbent Directors then still in office shall be deemed to be an Incumbent Director for purposes of this clause (B);
- (C) the merger or consolidation of the Company as a result of which persons who were owners of the voting securities of the Company immediately prior to such merger or consolidation, together with any Permitted Holder, do not, immediately thereafter, own, directly or indirectly, more than 50% of the combined voting power entitled to vote generally in the election of directors of the merged or consolidated company;
- (D) the approval by the Company's shareholders of the liquidation or dissolution of the Company other than a liquidation of the Company into any Subsidiary or a liquidation a result of which persons who were stockholders of the Company immediately prior to such liquidation, together with any Permitted Holder, own, directly or indirectly, more than 50% of the combined voting power entitled to vote generally in the election of directors of the entity that holds substantially all of the assets of the Company following such event; or
- (E) the sale, transfer or other disposition of all or substantially all of the assets of the Company to one or more persons or entities

that are not, immediately prior to such sale, transfer or other disposition, affiliates of the Company or any Permitted Holder.

Notwithstanding the foregoing, (i) a “Change in Control” for purposes of this Agreement shall not be deemed to occur if the Company files for bankruptcy, liquidation or reorganization under the United States Bankruptcy Code and (ii) with respect to any Award that is subject to Section 409A of the Code, “Change in Control” shall have a meaning consistent with Section 1.409A-3(i)(5) of the U.S. Treasury Regulations.

For purposes of the foregoing:

(A) “Permitted Holder” means the Related Parties and any group (within the meaning of Section 13(d)(3) or Section 14(d)(2) of the Exchange Act or any successor provision) of which any of the foregoing are members.

(B) “Principal” means Carl Icahn.

(C) “Related Party” or “Related Parties” means (1) the Principal and his siblings, his and their respective spouses and descendants (including stepchildren and adopted children) and the spouses of such descendants (including stepchildren and adopted children) (collectively, the “Family Group”); (2) any trust, estate, partnership, corporation, company, limited liability company or unincorporated association or organization (each an “Entity” and collectively “Entities”) controlled by (to be interpreted consistent with the definition of “Affiliate”) one or more members of the Family Group; (3) any Entity over which one or more members of the Family Group, directly or indirectly, have rights that legally enable them to make or veto significant management decisions with respect to such Entity, whether pursuant to the constituent documents of such Entity, by contract, through representation on a board of directors or other governing body of such Entity or in any other manner (such rights hereinafter referred to as “Veto Power”); (4) the estate of any member of the Family Group; (5) any trust created (in whole or in part) by any one or more members of the Family Group; (6) any individual or Entity who receives an interest in any estate or trust listed in clauses (4) or (5), to the extent of such interest; (7) any trust or estate, substantially all the beneficiaries of which (other than charitable organizations or foundations) consist of one or more members of the Family Group;

(8) any organization described in Section 501(c) of the Code, over which any one or more members of the Family Group and the trusts and estates listed in clauses (4), (5) and (7) have direct or indirect Veto Power, or to which they are substantial contributors (as such term is defined in Section 507 of the Code); (9) any organization described in Section 501(c) of the Code of which a member of the Family Group is an officer, director or trustee; or (10) any Entity, directly or indirectly (i) owned or controlled by (to be interpreted consistent with the definition of “Affiliate”) or (ii) a majority of the economic interests in which are owned by, or are for or accrue to the benefit of, in either case, any Person or Persons identified in clauses (1) through (9) above.

3. **Settlement.** Subject to the following sentence, not later than the 30th day following the date on which the lapse of the Restriction Period occurs with respect to any Restricted Stock Units, the Company shall issue to the Participant one share of Common Stock underlying each Restricted Stock Unit as to which the Restriction Period has lapsed (or, if determined by the Committee in its sole discretion, cash equal to the Fair Market Value of such shares of Common Stock or any combination of shares of Common Stock and cash having an aggregate Fair Market Value equal to such number of shares of Common Stock). Notwithstanding the preceding sentence, if the Restriction Period applicable to any Restricted Stock Units which constitutes “deferred compensation” subject to Code Section 409A lapses as a result of a Change in Control that does not qualify as a “change in the ownership or effective control” of the Company or “in the ownership of a substantial portion of the assets” of the Company within the meaning of Section 409A of the Code, then the Company shall not settle such Restricted Stock Units until the 30th day following the earlier of (i) the Participant’s termination of employment and (ii) the originally scheduled vesting date of such Restricted Stock Units. For the avoidance of doubt, the preceding two sentences are subject to Section 8(g) of this Agreement and Section 11.9 of the Plan. Upon issuance, such shares of Common Stock may be sold, transferred, pledged, assigned or otherwise alienated or hypothecated in compliance with all applicable law, this Agreement and any other agreement to which such shares are subject. The Participant’s settlement rights pursuant to this Agreement shall be no greater than the right of any unsecured general creditor of the Company.

4. **Forfeiture.** Notwithstanding anything in the Plan or this Agreement to the contrary, if, during the Covered Period, the Participant engages in Wrongful Conduct, then any Restricted Stock Units for which the Restriction Period has not then lapsed shall automatically be forfeited and cancelled effective as of the date on which the Participant first engaged in such Wrongful Conduct. If the Participant engages in Wrongful Conduct or if the Participant’s employment is terminated for Cause, the Participant shall pay to the

Company in cash any Restriction-Based Financial Gain the Participant realized from the lapse of the Restriction Period applicable to all or a portion of the Restricted Stock Units with respect to which the Restriction Period lapsed within the Wrongful Conduct Period. By entering into this Agreement, the Participant hereby consents to and authorizes the Company and the Subsidiaries to deduct from any amounts payable by such entities to the Participant any amounts the Participant owes to the Company under this Section 4 to the extent permitted by law. This right of set-off is in addition to any other remedies the Company may have against the Participant for the Participant's breach of this Section 4. The Participant's obligations under this Section 4 shall be cumulative of any similar obligations the Participant has under the Plan, this Agreement, any Company policy, standard or code or any clawback plan or policy (including, without limitation, the Company's Standards of Business Conduct), or any other agreement with the Company or any Subsidiary, including, without limitation, an individual employment agreement or restrictive covenant agreement.

5. Effect of Financial Restatements. In addition to any actions under any clawback policy or compensation recovery policy or such other similar policy of the Company in effect from time to time, to the extent applicable, in the event that the Participant commits misconduct, fraud or gross negligence (whether or not such misconduct, fraud or gross negligence is deemed or could be deemed to be an event constituting Cause) and as a result of, or in connection with, such misconduct, fraud or gross negligence, the Company restates any of its financial statements, then the Committee may require any or all of the following:

(a) that the Participant forfeit some or all of the Restricted Stock Units subject to this Agreement held by the Participant at the time of such restatement,

(b) that the Participant forfeit (or pay or return to the Company) some or all of the cash or the shares of Common Stock held by the Participant at the time of such restatement that had been received within the three-year period prior to the date that the Company is required to prepare a financial restatement in settlement of Restricted Stock Units subject to this Agreement, and

(c) that the Participant pay to the Company in cash all or a portion of the proceeds that the Participant realized from the sale of shares of Common Stock that had been received within the three-year period prior to the date that the Company is required to prepare a financial restatement in settlement of any Restricted Stock Units subject to this Agreement.

Notwithstanding the foregoing, in the event that the Committee determines that the rules and regulations implementing Section 954 of the Dodd-Frank Wall Street Reform and Consumer Protection Act require a longer or different clawback time period than the three-year period contemplated by Sections 5(b) and (c), or terms and conditions other than those reflected in this Section 5, such three-year period shall be deemed extended (but not reduced), and/or such other terms and conditions modified, to the extent necessary to be consistent with such rules and regulations.

6. Issuance of Shares.

(a) Notwithstanding any other provision of this Agreement, the Participant may not sell or transfer the shares of Common Stock acquired upon settlement of the Restricted Stock Units except in compliance with all applicable laws and regulations.

(b) The shares of Common Stock issued in settlement of the Restricted Stock Units shall be registered in the Participant's name, or, if applicable, in the names of the Participant's heirs or estate. In the Company's discretion, such shares may be issued either in certificated form or in uncertificated, book entry form. The certificate or book entry account shall bear such restrictive legends or restrictions as the Company, in its sole discretion, shall require. If delivered in certificated form, the Company may deliver a share certificate to the Participant or to the Participant's designated broker on the Participant's behalf. If the Participant is deceased (or if Disabled and if necessary) at the time that a delivery of share certificates is to be made, the certificates shall be delivered to the Participant's estate, executor, administrator, legally authorized guardian or personal representative (as applicable).

(c) To the extent permitted by Section 409A of the Code, the grant of the Restricted Stock Units and issuance of shares of Common Stock upon settlement of the Restricted Stock Units shall be subject to and in compliance with all applicable requirements of federal, state or foreign law with respect to such securities. No shares of Common Stock may be issued hereunder if the issuance of such shares would constitute a violation of any applicable federal, state or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Common Stock may then be listed. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance of any shares subject to the Restricted Stock Units shall relieve the Company of any liability in

respect of the failure to issue such shares as to which such requisite authority shall not have been obtained. To the extent permitted by Section 409A of the Code, as a condition to the settlement of the Restricted Stock Units, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect thereto as may be requested by the Company.

(d) The Company shall not be required to issue fractional shares of Common Stock upon settlement of the Restricted Stock Units.

(e) To the extent permitted by Section 409A of the Code, the Company may postpone the issuance and delivery of any shares of Common Stock provided for under this Agreement for so long as the Company determines to be necessary or advisable to satisfy the following: (1) the completion or amendment of any registration of such shares or satisfaction of any exemption from registration under any securities law, rule, or regulation; (2) compliance with any requests for representations; and (3) receipt of proof satisfactory to the Company that a person seeking such shares on the Participant's behalf upon the Participant's Disability (if necessary), or upon the Participant's estate's behalf after the death of the Participant, is appropriately authorized.

7. Participant's Rights with Respect to the Restricted Stock Units.

(a) Restrictions on Transferability. The Restricted Stock Units granted hereby may not be sold, transferred, pledged, assigned, or otherwise alienated or hypothecated other than with the consent of the Company or by will or by the laws of descent and distribution to the estate of the Participant upon the Participant's death; provided that any such permitted transferee shall acknowledge and agree in writing, in a form reasonably acceptable to the Company, to be bound by the provisions of this Agreement and the Plan as if such beneficiary or the estate were the Participant. Any attempt by the Participant, directly or indirectly, to offer, transfer, sell, pledge, hypothecate or otherwise dispose of any Restricted Stock Units or any interest therein or any rights relating thereto without complying with the provisions of the Plan and this Agreement, including this Section 7(a), shall be void and of no effect. The Company shall not be required to recognize on its books any action taken in contravention of these restrictions.

(b) No Rights as Stockholder. The Participant shall not have any rights as a stockholder of the Company with respect to any shares of Common Stock corresponding to the Restricted Stock Units granted hereby unless and until shares of Common Stock are issued to the Participant in respect thereof.

8. Miscellaneous.

(a) Binding Effect; Benefits. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement or their respective successors or assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

(b) Assignability. Neither this Agreement nor any right, remedy, obligation or liability arising hereunder or by reason hereof shall be assignable by the Company or the Participant without the prior written consent of the other party, for the avoidance of doubt, in the case of the Company, subject to Section 4.4 and Article IX of the Plan.

(c) No Right to Continued Employment. Nothing in the Plan or this Agreement shall interfere with or limit in any way the right of the Company or any of its Subsidiaries to terminate the Participant's employment at any time, or confer upon the Participant any right to continue in the employ of the Company or any of its Subsidiaries (regardless of whether such termination results in (i) the failure of any Award to vest; (ii) the forfeiture of any unvested or vested portion of any Award; and/or (iii) any other adverse effect on the individual's interests under the Plan). Nothing in the Plan or this Agreement shall confer on the Participant the right to receive any future Awards under the Plan.

(d) Notices. All notices and other communications required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given if delivered personally or sent by certified or express mail, return receipt requested, postage prepaid, or by any recognized international equivalent of such delivery, to the Company or the Participant, as the case may be, at the following addresses or to such other address as the Company or the Participant, as the case may be, shall specify by notice to the other:

If to the Company, to it at:

Hertz Global Holdings, Inc.
8501 Williams Road
Estero, Florida 33928
Attention: General Counsel
Fax: (239) 301-6906

If to the Participant, to the Participant at his or her most recent address as shown on the books and records of the Company or Subsidiary employing the Participant.

All such notices and communications shall be deemed to have been received on the date of delivery if delivered personally or on the third business day after the mailing thereof.

(e) Amendment. This Agreement may be amended from time to time by the Committee in its discretion; provided, however, that this Agreement may not be modified in a manner that would have a material adverse effect on the Restricted Stock Units as determined in the discretion of the Committee, except as provided in the Plan, or with the consent of the Participant. This Agreement may not be amended, modified or supplemented orally.

(f) Interpretation. The Committee shall have full power and discretion to construe and interpret the Plan (and any rules and regulations issued thereunder) and this Award. Any determination or interpretation by the Committee under or pursuant to the Plan or this Award shall be final and binding and conclusive on all persons affected hereby.

(g) Tax Withholding; Section 409A.

(i) The Company shall have the right and power to deduct from all amounts paid to the Participant in cash or shares (whether under the Plan or otherwise) or to require the Participant to remit to the Company promptly upon notification of the amount due, an amount (which may include shares of Common Stock) to satisfy the minimum federal, state or local or foreign taxes or other obligations required by law to be withheld with respect to the Restricted Stock Units. No shares of Common Stock shall be issued unless and until arrangements satisfactory to the Committee shall have been made to satisfy the statutory minimum withholding tax obligations applicable with respect to such Restricted

Stock Units. To the extent permitted by Section 409A of the Code, the Company may defer payments of cash or issuance or delivery of Common Stock until such requirements are satisfied. Without limiting the generality of the foregoing, the Participant may elect to tender shares of Common Stock (including shares of Common Stock issuable in respect of the Restricted Stock Units) to satisfy, in whole or in part, the amount required to be withheld (provided that such amount shall not be in excess of the minimum amount required to satisfy the statutory withholding tax obligations).

(ii) It is intended that the provisions of this Agreement comply with Section 409A of the Code to the extent applicable, and all provisions of this Agreement shall be construed and interpreted in a manner consistent with the requirements for avoiding taxes or penalties under Section 409A and any similar state or local law.

(h) Applicable Law. This Agreement shall be governed by and construed in accordance with the law of the State of Delaware regardless of the application of rules of conflict of law that would apply the laws of any other jurisdiction.

(i) Limitation on Rights; No Right to Future Grants; Extraordinary Item of Compensation. By entering into this Agreement and accepting the Restricted Stock Units evidenced hereby, the Participant acknowledges: (i) that the Plan is discretionary in nature and may be suspended or terminated by the Company at any time; (ii) that the Award does not create any contractual or other right to receive future grants of Awards; (iii) that participation in the Plan is voluntary; (iv) that the value of the Restricted Stock Units is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits or similar payments; and (v) that the future value of the Common Stock is unknown and cannot be predicted with certainty.

(j) Employee Data Privacy. The Participant authorizes any Affiliate of the Company that employs the Participant or that otherwise has or lawfully obtains personal data relating to the Participant to divulge or transfer such personal data to the Company or to a third party, in each case in any jurisdiction, if and to the extent appropriate in connection with this Agreement or the administration of the Plan.

(k) Consent to Electronic Delivery. By entering into this Agreement and accepting the Restricted Stock Units evidenced hereby, the Participant hereby consents to the delivery of information (including, without limitation, information required to be delivered to the Participant pursuant to applicable securities laws) regarding the Company and the Subsidiaries, the Plan, this Agreement and the Restricted Stock Units via Company web site or other electronic delivery.

(l) Clawback or Compensation Recovery Policy. Without limiting any other provision of this Agreement, and to the extent applicable, the Restricted Stock Units granted hereunder shall be subject to any clawback policy or compensation recovery policy or such other similar policy of the Company in effect from time to time.

(m) Company Rights. The existence of the Restricted Stock Units does not affect in any way the right or power of the Company or its stockholders to make or authorize any or all adjustments, recapitalizations, reorganizations or other changes in the Company's capital structure or its business, including that of its Affiliates, or any merger or consolidation of the Company or any Affiliate, or any issue of bonds, debentures, preferred or other stocks with preference ahead of or convertible into, or otherwise affecting the Common Stock or the rights thereof, or the dissolution or liquidation of the Company or any Affiliate, or any sale or transfer of all or any part of the Company's or any Affiliate's assets or business, or any other corporate act or proceeding, whether of a similar character or otherwise.

(n) Severability. If a court of competent jurisdiction determines that any portion of this Agreement is in violation of any statute or public policy, then only the portions of this Agreement which violate such statute or public policy shall be stricken, and all portions of this Agreement which do not violate any statute or public policy shall continue in full force and effect. Further, it is the parties' intent that any court order striking any portion of this Agreement should modify the terms as narrowly as possible to give as much effect as possible to the intentions of the parties' under this Agreement.

(o) Further Assurances. The Participant agrees to use his or her reasonable and diligent best efforts to proceed promptly with the transactions contemplated herein, to fulfill the conditions precedent for the Participant's benefit or to cause the same to be fulfilled and to execute such further documents and other papers and perform such further acts as

may be reasonably required or desirable to carry out the provisions hereof and the transactions contemplated herein.

(p) Headings and Captions. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

(q) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument.

[Remainder of page intentionally left blank]

Exhibit A – Performance Goal

Performance Period: January 1, 2019 through December 31, 2019
Performance Goal: 2019 Revenue* equaling or exceeding \$____

If the Performance Goal is not met, all Restricted Stock Units under this Agreement shall be forfeited and canceled. The Restricted Stock Units remain subject to all other provisions (including, without limitation, any applicable adjustment, vesting and settlement provisions) of this Agreement and the Plan.

* Revenue generally refers to total revenues as disclosed by the Company with respect to the car rental business of the Company, it being understood and agreed that the car rental business of the Company consists of the U.S. Rental Car, International Rental Car and All Other Operations segments of the Company.

Adjustments. Notwithstanding the foregoing, in the event of (i) material acquisitions or dispositions during any Performance Period or (ii) currency fluctuations affecting U.S. dollar denominated Revenue by 5% or more from January 1, 2019 through the end of the Performance Period, the Performance Goal, if and as applicable, and/or the determination of Revenue, shall be adjusted in an equitable and proportionate manner as determined by the Committee and in accordance with any applicable provisions of the Plan; provided, further, in the event of any other extraordinary transactions and items during any Performance Period, such criteria and/or the Revenue determination may be adjusted by the Committee in accordance with any applicable provisions of the Plan.

February 27, 2018

Mr. Paul Stone

Dear Paul:

I am very pleased to confirm our offer of employment with The Hertz Corporation (the "Company" or "Hertz") for the position of Executive Vice President and Chief Retail Operations Officer, North America. This position will report directly to Kathryn Marinello, President and Chief Executive Officer and will be based out of the Estero, FL headquarters. Your start date will be March 6, 2018.

Your base salary, paid on a bi-weekly basis, will be \$21,153.85 which equates to an annualized salary of \$550,000. This offer is contingent upon verification of your education, previous employment, satisfactory references, passing the drug test and criminal background check, presentation of legally required documentation establishing your right to work in the United States, including compliance with Federal immigration employment law requirements, and agreement to enter into and signing an Employee Confidentiality & Non-Competition Agreement.

You will be eligible to participate in the Hertz Incentive Plan beginning in 2018 which provides for a target payment of 100% of your eligible base salary. Notwithstanding that you will join Hertz in March 2018, you will be eligible for a full payout of your target award for 2018. Actual payout is contingent upon the Company's performance and your individual performance. Details of this plan will be provided to you upon commencement of your employment. Hertz retains the right and sole discretion to amend, modify or rescind such plan at any time and for any reason.

You will receive a one-time sign-on bonus in the gross amount of \$200,000 less applicable taxes payable within 30 days of employment. Should you voluntarily end your employment or be terminated for cause within twelve months of your start date you will be required to pay back 100% of this award. Should you voluntarily end your employment or be terminated for cause between twelve and twenty-four months of your start date you will be required to pay back 50% of this award.

You will be eligible for an annual equity grant starting in 2018. Your annual target amount is \$600,000. Your actual award each year will be determined and approved by the Compensation Committee of the Hertz Board of Directors, or its designee, and is subject to its sole and exclusive discretion for all key executives and key employees. Generally, awards are based upon, or denominated as, a dollar value and may be all or partially granted in the form of Restricted Stock Units, Restricted Shares, Performance-based Restricted Stock Units, Performance Shares and stock options and are subject to the Committee's sole and exclusive discretion. 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, once employment is commenced.

You will be eligible for a company provided vehicle for your personal and professional use. The service vehicle policy will be reviewed with you and a list of vehicles to choose from will be provided upon commencement of your employment. Under the current policy, you will be eligible for a replacement vehicle every three years or 36,000 miles, whichever comes first. Hertz retains the right and sole discretion to amend, modify or rescind such plan at any time and for any reason.

You will be eligible for four weeks' vacation per the terms and conditions of The Hertz Corporation vacation policy.

You are eligible for relocation assistance according to the terms and conditions of Hertz's Employee Relocation Policy. The Company will provide reimbursement for expenses related to the sale and purchase of your primary home, temporary housing for up to eight (8) weeks in addition to movement of your household goods through a vendor selected by the Company. All relocation expenses are expected to be reasonable and customary for the area and are subject to pre-approval by the Company. This assistance will be available for twelve (12) months following the initiation of your relocation. Please note that if you voluntarily leave the employment of Hertz following the commencement of your position, you will be required to reimburse the Company for 100% of the amount of the expenditures regarding your relocation in the first year and 50% in the second year. The terms and conditions of the relocation agreement, including but not limited to any repayment obligations, will be provided for in a separate relocation agreement upon acceptance and initiation of the relocation. Prior to the initiation of the relocation as well as receiving any relocation reimbursement, you will be required to execute a separate relocation agreement. In order to be eligible for relocation benefits you must use a real estate agent that is affiliated with our relocation vendor.

Hertz provides you the opportunity to participate in a comprehensive employee benefits program. On the first day of the month following your sixty days of employment, you are eligible to enroll in the Hertz Custom Benefit Program .

This benefits program offers you numerous coverage options for:

- Medical
- Dental
- Vision
- Life Insurance
- Dependent Life Insurance
- Accidental Death and Dismemberment
- Long Term Disability
- Dependent Care Flexible Spending Account
- Health Care Flexible Spending Account
- Annual Executive Physical

You will also be eligible for reimbursement up to \$4,000 annually for Financial Planning Services with the provider of your choice.

Additionally, you will be eligible for the Hertz Income Savings Plan (401k) on August 1st 2018. Hertz matches your contributions (both before-tax and Roth after-tax contributions) dollar for

dollar on the first 3% of your Eligible Compensation (subject to IRS limits for this purpose) you contribute and 50 cents on the dollar for the next 2% of your Eligible Compensation you contribute. You are always 100% vested in the Company matching contributions and your contributions you make to the Plan and any related investment earnings.

It is a fundamental term and condition of your employment that you must execute and deliver to the undersigned the enclosed Employee Confidentiality & Non-Solicitation Agreement. Please review this document carefully and obtain independent legal advice if you wish.

It is also a fundamental term and condition of your employment that:

- (i) You represent and warrant that you have not and will not disclose any confidential information or trade secrets that you may have from any third party, including but not limited to any current or former employer.
- (ii) You represent and warrant to the Company and agree that the negotiation, entering into or performance of your employment with the Company has not resulted in and must not result in any breach by you of any agreement, duty or other obligation (including but not limited to a Confidentiality, Non-Competition and/or Non-Solicitation duty, agreement, or obligation), to any third party, including but not limited to any current or prior employer.
- (iii) You confirm and agree that you must not bring and will not transfer to the Company or use in the performance of your duties and functions with the Company any confidential material, documents of information or property, whether electronic or otherwise, of any third party, including but not limited to any current or former employer. You agree that you will not remove or possess any documents of information, whether electronic or otherwise, from such third party and you will not transfer any such documents or information to the Company at any time or otherwise use such documents or information in the scope of your employment with the Company.
- (iv) During your employment with the Company you will not engage in any activity that competes with or adversely affects the Company, nor will you begin to organize or develop any competing entity (or assist anyone else in doing).
- (v) You will not disclose at any time (except for business purposes on behalf of the Company) any confidential or proprietary material of the Company. That material shall include, but is not limited to, the names and addresses of customers, customer contacts, contracts, bidding information, business strategies, pricing information and the Company's policies and procedures.
- (vi) You agree that all documents (paper or electronic) and other information related in any way to the Company shall be the property of the Company, and will be returned to the Company upon the end of your employment with the Company.
- (vii) You agree that should a court issue injunctive relief to enforce any term of this Agreement, or if a court (or jury) determine that you breached any provision of this Agreement, you will reimburse the Company for all attorney's fees and costs incurred in enforcing the terms of the Agreement, and you will also be liable for any other damages or relief permitted by law.
- (viii) You agree that any disputes over the above terms shall be governed by Florida law, shall be resolved in a Florida Court or in a federal Court located in Florida, and that the terms of this agreement may be enforced by the Company or its successors or assigns.

The foregoing terms and conditions and representation and warranty will survive and will continue in full force and effect following the commencement of your employment with the Company. Should you at any time be in breach of the foregoing terms and conditions or should the foregoing representation and warranty be inaccurate or false, it will result in your immediate termination from the Company, and if the breach is because the amounts you certified that you forfeited with your current employer are incorrect, you will be required to repay Hertz any amount you receive based on such certification. In addition, you agree that you will indemnify and save harmless to the Company and its directors, officers, employees and agents from any and all claims and demands incurred by

any of them directly or indirectly arising from any breach of the foregoing terms or conditions or any inaccuracy or misrepresentation of the foregoing representation and warranty.

In the event your position with Hertz is eliminated or your employment is terminated for any reason other than for cause and other than your voluntary resignation, you will be paid severance in accordance with the Senior Executive Severance Plan which provides for a severance payment equal to 18 months of your salary and bonus.

Payment of any such severance shall be contingent upon the execution of a General Release including non-competition and non-disclosure provisions.

Per Hertz's standard policy, this letter is not intended nor should it be considered as an employment contract for a definite or indefinite period of time. Employment with Hertz is at will, and either your or the Company may terminate employment at any time, with or without cause. In addition, by signing this letter, you acknowledge that this letter sets forth the entire agreement between you and the Company regarding your employment with the Company, and fully supersedes any prior agreements or understandings, whether written or oral.

Paul, we are pleased you are considering joining Hertz and look forward to the opportunity to work with you.

Very truly yours,

/s/ MURALI KUPPUSWAMY

Murali Kuppuswamy
Executive Vice President and Chief Human Resources Officer

ACCEPTANCE

I, Paul Stone, have read, understand, and having had the opportunity to obtain independent legal advice hereby voluntarily accept and agree to the terms and conditions for employment as outlined in this letter and I agree to do all things and to execute all documents necessary to give effect to the terms and conditions of employment as outlined in this letter, including but not limited to my execution of the Employee Confidentiality & Non-Competition Agreement.

/s/ PAUL STONE 2-28-18

Signature Date

cc: Kathryn Marinello

The Hertz Corporation
8501 Williams Road
Estero, FL 33928

August 19, 2017

Mr. Murali Kuppuswamy

Dear Murali:

I am very pleased to confirm our offer of employment with The Hertz Corporation (the "Company" or "Hertz") for the position of Executive Vice President, Chief Human Resources Officer. This position will report directly to Kathryn Marinello, President and Chief Executive Officer and will be based out of the Estero, FL headquarters. Your start date is to be determined upon acceptance of this offer.

Your base salary, paid on a bi-weekly basis, will be \$19,807.70 which equates to an annualized salary of \$515,000. This offer is contingent upon verification of your education, previous employment, satisfactory references, passing the drug test and criminal background check, presentation of legally required documentation establishing your right to work in the United States, including compliance with Federal immigration employment law requirements, and agreement to enter into and signing an Employee Confidentiality & Non-Competition Agreement.

You will be eligible to participate in the Hertz Incentive Plan beginning in 2018 which provides for a target payment of 60% of your eligible earnings. For 2018, you will receive no less than 50% of your target bonus for the year. Actual payout may be greater based upon the Company's financial performance, your performance and active employment with Hertz on the date of payment. Details of this plan will be provided to you upon commencement of your employment. Hertz retains the right and sole discretion to amend, modify or rescind such plan at any time and for any reason.

You will be eligible for an annual equity grant starting in 2018. Your annual target amount is \$1,000,000. Your actual award each year will be determined and approved by the Compensation Committee of the Hertz Board of Directors, or its designee, and is subject to its sole and exclusive discretion for all key executives and key employees. Generally, awards are based upon, or denominated as, a dollar value and may be all or partially granted in the form of Restricted Stock Units, Restricted Shares, Performance-based Restricted Stock Units, Performance Shares and stock options and are subject to the Committee's sole and exclusive discretion. 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, once employment is commenced.

You will receive a one-time sign-on bonus in the gross amount of \$100,000 less applicable taxes payable within 30 days of employment. Should you voluntarily end your employment or be terminated for cause within twelve months of your start date you will be required to pay back 100% of this award.

You will be eligible for a company provided vehicle for your personal and professional use. The service vehicle policy will be reviewed with you and a list of vehicles to choose from will be provided upon commencement of your employment. Under the current policy, you will be eligible for a replacement vehicle every three years or 36,000 miles, whichever comes first. Hertz retains the right and sole discretion to amend, modify or rescind such plan at any time and for any reason.

You will be eligible for four weeks' vacation per the terms and conditions of The Hertz Corporation vacation policy.

You are eligible for relocation assistance according to the terms and conditions of Hertz's Employee Relocation Policy. The Company will provide reimbursement for expenses related to the sale and purchase of your primary home, temporary housing for up to eight (8) weeks in addition to movement of your household goods through a vendor selected by the Company. All relocation expenses are expected to be reasonable and customary for the area and are subject to pre-approval by the Company. This assistance will be available for twelve (12) months following the initiation of your relocation. Please note that if you voluntarily leave the employment of Hertz following the commencement of your position, you will be required to reimburse the Company for 100% of the amount of the expenditures regarding your relocation in the first year and 50% in the second year. The terms and conditions of the relocation agreement, including but not limited to any repayment obligations, will be provided for in a separate relocation agreement upon acceptance and initiation of the relocation. Prior to the initiation of the relocation as well as receiving any relocation reimbursement, you will be required to execute a separate relocation agreement. In order to be eligible for relocation benefits you must use a real estate agent that is affiliated with our relocation vendor.

Hertz provides you the opportunity to participate in a comprehensive employee benefits program. On the first day of the month following your sixty days of employment, you are eligible to enroll in the Hertz Custom Benefit Program.

This benefits program offers you numerous coverage options for:

- Medical
- Dental
- Vision
- Life Insurance
- Dependent Life Insurance
- Accidental Death and Dismemberment
- Long Term Disability
- Dependent Care Flexible Spending Account
- Health Care Flexible Spending Account
- Annual Executive Physical

You will also be eligible for reimbursement up to \$4,000 annually for Financial Planning Services with the provider of your choice.

Additionally, you will be eligible for the Hertz Income Savings Plan (401k) after you complete one-year of employment. Hertz matches your contributions (both before-tax and Roth after-tax contributions dollar for dollar on the first 3% of your Eligible Compensation you contribute and 50 cents on the dollar for the next 2% of your Eligible Compensation you contribute. You are always 100% vested in the Company matching contributions and your contributions you make to the Plan and any related investment earnings. You will also be eligible to participate in the Hertz Non-Qualified Income Savings Plan after you complete one-year of employment, which allows you to contribute up to 30% of your salary once you have reached the annual earnings cap in the qualified plan. Hertz also matches your contributions in this plan dollar for dollar on the first 3% of your Eligible Compensation you contribute and 50 cents on the dollar for the next 2% of your Eligible Compensation you contribute.

It is a fundamental term and condition of your employment that you must execute and deliver to the undersigned the enclosed Employee Confidentiality & Non-Solicitation Agreement. Please review this document carefully and obtain independent legal advice if you wish.

It is also a fundamental term and condition of your employment that:

(i) You represent and warrant that you have not and will not disclose any confidential information or trade secrets that you may have from any third party, including but not limited to any current or former employer.

(ii) You represent and warrant to the Company and agree that the negotiation, entering into or performance of your employment with the Company has not resulted in and must not result in any breach by you of any agreement, duty or other obligation (including but not limited to a Confidentiality, Non-Competition and/or Non-Solicitation duty, agreement, or obligation), to any third party, including but not limited to any current or prior employer.

(iii) You confirm and agree that you must not bring and will not transfer to the Company or use in the performance of your duties and functions with the Company any confidential material, documents of information or property, whether electronic or otherwise, of any third party, including but not limited to any current or former employer. You agree that you will not remove or possess any documents of information, whether electronic or otherwise, from such third party and you will not transfer any such documents or information to the Company at any time or otherwise use such documents or information in the scope of your employment with the Company.

(iv) During your employment with the Company you will not engage in any activity that competes with or adversely affects the Company, nor will you begin to organize or develop any competing entity (or assist anyone else in doing).

(v) You will not disclose at any time (except for business purposes on behalf of the Company) any confidential or proprietary material of the Company. That material shall include, but is not limited to, the names and

addresses of customers, customer contacts, contracts, bidding information, business strategies, pricing information and the Company's policies and procedures.

(vi) You agree that all documents (paper or electronic) and other information related in any way to the Company shall be the property of the Company, and will be returned to the Company upon the end of your employment with the Company.

(vii) You agree that should a court issue injunctive relief to enforce any term of this Agreement, or if a court (or jury) determine that you breached any provision of this Agreement, you will reimburse the Company for all attorney's fees and costs incurred in enforcing the terms of the Agreement, and you will also be liable for any other damages or relief permitted by law.

(viii) You agree that any disputes over the above terms shall be governed by Florida law, shall be resolved in a Florida Court or in a federal Court located in Florida, and that the terms of this agreement may be enforced by the Company or its successors or assigns.

The foregoing terms and conditions and representation and warranty will survive and will continue in full force and effect following the commencement of your employment with the Company. Should you at any time be in breach of the foregoing terms and conditions or should the foregoing representation and warranty be inaccurate or false, it will result in your immediate termination from the Company, and if the breach is because the amounts you certified that your forfeited with your current employer are incorrect, you will be required to repay Hertz any amount you receive based on such certification. In addition, you agree that you will indemnify and save harmless to the Company and its directors, officers, employees and agents from any and all claims and demands incurred by any of them directly or indirectly arising from any breach of the foregoing terms or conditions or any inaccuracy or misrepresentation of the foregoing representation and warranty.

In the event your position with Hertz is eliminated or your employment is terminated for any reason other than for cause and other than your voluntary resignation, you will be paid severance in accordance with the Senior Executive Severance Plan which provides for a severance payment equal to 18 months of your salary and bonus.

Payment of any such severance shall be contingent upon the execution of a General Release including non-competition and non-disclosure provisions.

Per Hertz's standard policy, this letter is not intended nor should it be considered as an employment contract for a definite or indefinite period of time. Employment with Hertz is at will, and either your or the Company may terminate employment at any time, with or without cause. In addition, by signing this letter, you acknowledge that this letter sets forth the entire agreement between you and the Company regarding your employment with the Company, and fully supersedes any prior agreements or understandings, whether written or oral.

Murali, we are pleased you are considering joining Hertz and look forward to the opportunity to work with you.

Very truly yours,

Rick Frecker
Executive Vice President, General Counsel

ACCEPTANCE

I, Murali Kuppuswamy, have read, understand, and having had the opportunity to obtain independent legal advice hereby voluntarily accept and agree to the terms and conditions for employment as outlined in this letter and I agree to do all things and to execute all documents necessary to give effect to the terms and conditions of employment as outlined in this letter, including but not limited to my execution of the Employee Confidentiality & Non Competition Agreement.

/s/ MURALI KUPPUSWAMY 8/23/2017
Signature Date

cc: Kathryn Marinello

The Hertz Corporation

8501 Williams Road
Estero, FL 33928

August 19, 2017 Ms. Jodi Allen Dear Jodi:

I am very pleased to confirm our offer of employment with The Hertz Corporation (the "Company" or "Hertz") for the position of Executive Vice President and Chief Marketing Officer. This position will report directly to Kathryn Marinello, President and Chief Executive Officer and will be based out of the Estero, FL headquarters. Your start date is to be determined upon acceptance of this offer.

Your base salary, paid on a bi-weekly basis, will be \$19,807.70 which equates to an annualized salary of \$515,000. This offer is contingent upon verification of your education, previous employment, satisfactory references, passing the drug test and criminal background check, presentation of legally required documentation establishing your right to work in the United States, including compliance with Federal immigration employment law requirements, and agreement to enter into and signing an Employee Confidentiality & Non-Competition Agreement.

You will be eligible to participate in the Hertz Incentive Plan beginning in 2018 which provides for a target payment of 60% of your eligible earnings. For 2018, you will receive no less than 50% of your target bonus for the year. Actual payout may be greater based upon the Company's financial performance, your performance and active employment with Hertz on the date of payment. Details of this plan will be provided to you upon commencement of your employment. Hertz retains the right and sole discretion to amend, modify or rescind such plan at any time and for any reason.

In consideration of forfeited equity, you will be granted on your start date 50,000 Stock Options to vest on the third anniversary of the grant date and have a seven year term assuming continued employment. Additionally, you will be granted on your start date 6,000 time based Restricted Stock Units that will vest 1/3 per year on the anniversary of the grant date assuming continued employment. These grants will be subject to the terms and conditions of the applicable award agreements and the Omnibus Incentive Plan.

You will be eligible for an annual equity grant starting in 2018. Your annual target amount is \$600,000. Your actual award each year will be determined and approved by the Compensation Committee of the Hertz Board of Directors, or its designee, and is subject to its sole and exclusive discretion for all key executives and key employees. Generally, awards are based upon, or denominated as, a dollar value and may be all or partially granted in the form of Restricted Stock Units, Restricted Shares, Performance-based Restricted Stock Units, Performance Shares and stock options and are subject to the Committee's sole and exclusive discretion. 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, once employment is commenced.

You will be eligible for a company provided vehicle for your personal and professional use. The service vehicle policy will be reviewed with you and a list of vehicles to choose from will be provided upon commencement of your employment. Under the current policy, you will be eligible for a replacement vehicle every three years or 36,000 miles, whichever comes first. Hertz retains the right and sole discretion to amend, modify or rescind such plan at any time and for any reason.

You will be eligible for four weeks' vacation per the terms and conditions of The Hertz Corporation vacation policy.

You are eligible for relocation assistance according to the terms and conditions of Hertz's Employee Relocation Policy. The Company will provide reimbursement for expenses related to the sale and purchase of your primary home, temporary housing for up to eight (8) weeks in addition to movement of your household goods through a vendor selected by the Company. All relocation expenses are expected to be reasonable and customary for the area and are subject to pre-approval by the Company. This assistance will be available for twelve (12) months following the initiation of your relocation. Please note that if you voluntarily leave the employment of Hertz following the commencement of your position, you will be required to reimburse the Company for 100% of the amount of the expenditures regarding your relocation in the first year and 50% in the second year. The terms and conditions of the relocation agreement, including but not limited to any repayment obligations, will be provided for in a separate relocation agreement upon acceptance and initiation of the relocation. Prior to the initiation of the relocation as well as receiving any relocation reimbursement, you will be required to execute a separate relocation agreement. In order to be eligible for relocation benefits you must use a real estate agent that is affiliated with our relocation vendor.

Hertz provides you the opportunity to participate in a comprehensive employee benefits program. On the first day of the month following your sixty days of employment, you are eligible to enroll in the Hertz Custom Benefit Program.

This benefits program offers you numerous coverage options for:

- Medical - Accidental Death and Dismemberment
- Dental - Long Term Disability
- Vision - Dependent Care Flexible Spending Account
- Life Insurance - Health Care Flexible Spending Account
- Dependent Life Insurance - Annual Executive Physical

You will also be eligible for reimbursement up to \$4,000 annually for Financial Planning Services with the provider of your choice.

Additionally, you will be eligible for the Hertz Income Savings Plan (401k) after you complete one-year of employment. Hertz matches your contributions (both before-tax and Roth after-tax contributions) dollar for dollar

on the first 3% of your Eligible Compensation you contribute and 50 cents on the dollar for the next 2% of your Eligible Compensation you contribute. You are always 100% vested in the Company matching contributions and your contributions you make to the Plan and any related investment earnings. You will also be eligible to participate in the Hertz Non-Qualified Income Savings Plan after you complete one-year of employment, which allows you to contribute up to 30% of your salary once you have reached the annual earnings cap in the qualified plan. Hertz also matches your contributions in this plan dollar for dollar on the first 3% of your Eligible Compensation you contribute and 50 cents on the dollar for the next 2% of your Eligible Compensation you contribute.

It is a fundamental term and condition of your employment that you must execute and deliver to the undersigned the enclosed Employee Confidentiality & Non-Solicitation Agreement. Please review this document carefully and obtain independent legal advice if you wish.

It is also a fundamental term and condition of your employment that:

- (i) You represent and warrant that you have not and will not disclose any confidential information or trade secrets that you may have from any third party, including but not limited to any current or former employer.
- (ii) You represent and warrant to the Company and agree that the negotiation, entering into or performance of your employment with the Company has not resulted in and must not result in any breach by you of any agreement, duty or other obligation (including but not limited to a Confidentiality, Non-Competition and/or Non-Solicitation duty, agreement, or obligation), to any third party, including but not limited to any current or prior employer.
- (iii) You confirm and agree that you must not bring and will not transfer to the Company or use in the performance of your duties and functions with the Company any confidential material, documents of information or property, whether electronic or otherwise, of any third party, including but not limited to any current or former employer. You agree that you will not remove or possess any documents of information, whether electronic or otherwise, from such third party and you will not transfer any such documents or information to the Company at any time or otherwise use such documents or information in the scope of your employment with the Company.
- (iv) During your employment with the Company you will not engage in any activity that competes with or adversely affects the Company, nor will you begin to organize or develop any competing entity (or assist anyone else in doing).
- (v) You will not disclose at any time (except for business purposes on behalf of the Company) any confidential or proprietary material of the Company. That material shall include, but is not limited to, the names and addresses of customers, customer contacts, contracts, bidding information, business strategies, pricing information and the Company's policies and procedures.

(vi) You agree that all documents (paper or electronic) and other information related in any way to the Company shall be the property of the Company, and will be returned to the Company upon the end of your employment with the Company.

(vii) You agree that should a court issue injunctive relief to enforce any term of this Agreement, or if a court (or jury) determine that you breached any provision of this Agreement, you will reimburse the Company for all attorney's fees and costs incurred in enforcing the terms of the Agreement, and you will also be liable for any other damages or relief permitted by law.

(viii) You agree that any disputes over the above terms shall be governed by Florida law, shall be resolved in a Florida Court or in a federal Court located in Florida, and that the terms of this agreement may be enforced by the Company or its successors or assigns.

The foregoing terms and conditions and representation and warranty will survive and will continue in full force and effect following the commencement of your employment with the Company. Should you at any time be in breach of the foregoing terms and conditions or should the foregoing representation and warranty be inaccurate or false, it will result in your immediate termination from the Company, and if the breach is because the amounts you certified that your forfeited with your current employer are incorrect, you will be required to repay Hertz any amount you receive based on such certification. In addition, you agree that you will indemnify and save harmless to the Company and its directors, officers, employees and agents from any and all claims and demands incurred by any of them directly or indirectly arising from any breach of the foregoing terms or conditions or any inaccuracy or misrepresentation of the foregoing representation and warranty.

In the event your position with Hertz is eliminated or your employment is terminated for any reason other than for cause and other than your voluntary resignation, you will be paid severance in accordance with the Senior Executive Severance Plan which provides for a severance payment equal to 18 months of your salary and bonus.

Payment of any such severance shall be contingent upon the execution of a General Release including non-competition and non-disclosure provisions.

Per Hertz's standard policy, this letter is not intended nor should it be considered as an employment contract for a definite or indefinite period of time. Employment with Hertz is at will, and either you or the Company may terminate employment at any time, with or without cause. In addition, by signing this letter, you acknowledge that this letter sets forth the entire agreement between you and the Company regarding your employment with the Company, and fully supersedes any prior agreements or understandings, whether written or oral.

Jodi, we are pleased you are considering joining Hertz and look forward to the opportunity to work with you.

Very truly yours,

Rick Frecker
Executive Vice President, General Counsel

ACCEPTANCE

I, Jodi Allen, have read, understand, and having had the opportunity to obtain independent legal advice hereby voluntarily accept and agree to the terms and conditions for employment as outlined in this letter and I agree to do all things and to execute all documents necessary to give effect to the terms and conditions of employment as outlined in this letter, including but not limited to my execution of the Employee Confidentiality & Non-Competition Agreement.

/s/ JODI ALLEN 8/23/2017
Signature Date

cc: Kathryn Marinello

The Hertz Corporation
8501 Williams Road
Estero, FL 33928

April 8, 2014

Robin Kramer
67 Waverley Avenue
Newton, MA 02458

Dear Robin:

We are pleased to confirm our offer of employment with the Hertz Corporation for the position of senior Vice President, Chief Accounting Officer. The position will be based out of the Naples, FL location. This position reports directly to Thomas Kennedy, Senior Executive Vice President and Chief Financial Officer. Your start date will be determined upon acceptance of this offer.

Your base salary, paid on a bi-weekly basis, will be \$17,307.69, which equates to an annualized salary of \$450,000. This offer is contingent upon verification of your education, previous employment, satisfactory references, passing the drug test and criminal background check, presentation of legally required documentation establishing your right to work in the United States, including compliance with Federal immigration employment law requirements, and agreement to enter into and signing an Employee Confidentiality & Non Competition Agreement.

You are eligible to participate in the Hertz Incentive Plan for 2014, which provides for a target payment of 55% of your eligible earnings. Your participation for 2014 will be pro-rated based on length of service during the performance period. Actual payout is contingent upon the Company's financial performance, your performance and your start date. Details of this plan are provided as a separate attachment to this document. Hertz retains the right and sole discretion to amend, modify or rescind such plan at any time and for any reason.

You will be eligible for an annual discretionary equity grant in 2014. Generally, equity grants are subject to approval by the Compensation Committee of the Hertz Board of Directors and are subject to its sole and exclusive discretion for all key executives and key employees. Generally awards are based upon, or denominated as, a dollar value and may be all or partially granted in the form of Restricted Stock Units, Performance-based Restricted Stock Units, and stock options and are subject to the Committee's sole and exclusive discretion.

You will be recommended for an initial equity grant of Restricted Stock Units in the gross amount of \$500,000. This award will be granted at the fair market value on the grant date and will vest over a three year period assuming continued employment. Following your commencement of employment, the grant date will be established during the next open window after quarterly earnings are announced. Materials and details regarding this plan will be sent to you under separate cover, once employment is commenced.

You are eligible for a sign-on bonus in the gross amount of \$100,000. The bonus will be payable in two increments; \$50,000 following sixty (60) days of employment and \$50,000 following twelve months of employment. Your acceptance of that amount is contingent upon you remaining with the Company for at least twelve months following the second payment date. Should you voluntarily end your employment or be terminated for cause prior to that time, you will be required to pay back the entire amount.

You will also be eligible for service vehicle privileges in this role, This privilege provides for the use of a Hertz service vehicle for personal and professional use. The service vehicle use policy will be reviewed with you upon commencement of your employment.

You will be eligible for vacation per the terms and conditions of The Hertz Corporation vacation policy.

You are eligible for relocation assistance according to the terms and conditions of Hertz's Employee Relocation Policy. The Company will provide reimbursement for expenses related to the sale and purchase of your primary home, temporary housing for up to eight (8) weeks in addition to movement of your household goods through a vendor selected by the Company. All relocation expenses are expected to be reasonable and customary for the area and are subject to pre-approval by the Company. This assistance will be available for twelve (12) months following the initiation of your relocation. Please note that if you voluntarily leave the employment of Hertz following the commencement of your position, you will be required to reimburse the Company for the entire amount of expenditures regarding your relocation. The terms and conditions of the relocation agreement, including but not limited to any repayment obligations, will be provided for in a separate relocation agreement upon acceptance and initiation of the relocation. Prior to the initiation of the relocation as well as receiving any relocation reimbursement, you will be required to execute a separate relocation agreement.

Hertz provides you the opportunity to participate in a comprehensive employee benefits program. On the first day of the month following your sixty days of employment, you are eligible to enroll in the Hertz Custom Benefit Program.

This benefits program offers you numerous coverage options for:

- Medical
- Dental
- Vision
- Life Insurance
- Dependent Life Insurance
- Accidental Death and Dismemberment
- Long Term Disability
- Dependent Care Flexible Spending Account
- Health Care Flexible Spending Account

Additionally, after one year of continuous service, you are eligible to participate in The Hertz Retirement Plan and 401(k) Savings Plan.

- **Retirement Plan**

After one year of continuous service, as defined by the Plan, you are eligible to participate in the Retirement Plan to which Hertz currently credits an amount equal to 3% of your annual pensionable pay based upon your length of service. Details of this plan will be provided to you upon commencement of your employment. In accordance with the Plan, Hertz retains the right and sole discretion to amend, modify or rescind such plan at any time and for any reason.

401(k) Savings Plan

You are eligible to contribute to the Hertz Income Savings Plan (401k) after completing three months of service. Currently, participants may contribute up to 30% (6% maximum for employees who earned over \$115,000 last year.) of their base salary on a pre-tax basis subject to IRS contribution limits. The company matches your contributions to the plan after you have completed one full year of service. For every dollar you save up to 6% of your "eligible compensation," Hertz adds 50 cents. Details of this plan will be provided to you upon commencement of your employment. In accordance with the Plan, Hertz retains the right and sole discretion to amend, modify or rescind such plan at any time and for any reason. The Company match balance will become 100% vested after three years of service.

It is a fundamental term and condition of your employment that you must execute and deliver to the undersigned the enclosed Employee Confidentiality & Non-Solicitation Agreement. Please review this document carefully and obtain independent legal advice if you wish.

It is also a fundamental term and condition of your employment that:

(i) You represent and warrant that you have not and will not disclose any confidential information or trade secrets that you may have from any third party, including but not limited to any current or former employer.

(ii) You represent and warrant to the Company and agree that the negotiation, entering into or performance of your employment with the Company has not resulted in and must not result in any breach by you of any agreement, duty or other obligation (including but not limited to a Confidentiality, Non-Competition and/or Non-Solicitation duty, agreement, or obligation), to any third party, including but not limited to any current or prior employer.

(iii) You confirm and agree that you must not bring and will not transfer to the Company or use in the performance of your duties and functions with the Company any confidential material, documents of information or property, whether electronic or otherwise, of any third party, including but not limited to any current or former employer. You agree that you will not remove or possess any documents of information, whether electronic or otherwise, from such third party and you will not transfer any such documents or information to the Company at any time or otherwise use such document or information in the scope of your employment with the Company.

(iv) During your employment with the Company you will not engage in any activity that competes with or adversely affects the Company, nor will you begin to organize or develop any competing entity (or assist anyone else in doing).

(v) You will not disclose at any time (except for business purposes on behalf of the Company) any confidential or proprietary material of the Company. That material shall include, but is not limited to, the names and addresses of customers, customer contacts, contracts, bidding information, business strategies, pricing information and the Company policies and procedures.

(vi) You agree that all documents (paper or electronic) and other information related in any way to the Company shall be the property of the Company, and will be returned to the Company upon the end of your employment with the Company.

(vii) You agree that should a court issue injunctive relief to enforce any term of this Agreement, or if a court (or jury) determine that you breached any provision of this Agreement, you will reimburse the Company for all attorney's fees and costs incurred in enforcing the terms of the Agreement, and you will also be liable for any other damages or relief permitted by law.

(viii) You agree that any disputes over the above terms shall be governed by Florida law, shall be resolved in a Florida Court or in a federal Court located in Florida, and that the terms of this agreement may be enforced by the Company or its successors or assigns.

The forgoing terms and conditions and representation and warranty will survive and will continue in full force and effect following the commencement of your employment with the Company, Should you at any time be in breach of the forgoing terms and conditions or should the forgoing representation and warranty be inaccurate or false, it will result in your immediate termination from the Company. In addition, you agree that you will indemnify and save harmless to the Company and its directors, officers, employees and agents from any and all claims and demands incurred by any of them directly or indirectly arising from any breach of the foregoing terms or conditions or any inaccuracy or misrepresentation of the forgoing representation and warranty.

In the event your position with Hertz is eliminated or your employment is terminated for any reason other than for cause and other than your voluntary resignation, after six months of employment, then you may be eligible to receive a severance payment from Hertz based on our severance policy.

Per Hertz's standard policy, this letter is not intended nor should it be considered as an employment contract for a definite or indefinite period of time. Employment with Hertz is at will, and either your or the Company may terminate employment at any time, with or without cause. In addition, by signing this letter, you acknowledge that this letter sets forth the entire agreement between you and the Company regarding your employment with the Company, and fully supersedes any prior agreements or understanding, whether written or oral.

Very truly yours,

/s/ MARY C. ORELUP

Sr. Human Resources Business Partner

ACCEPTANCE

I, Robin Kramer, have read, understand, and having had the opportunity to obtain independent legal advice hereby voluntarily accept and agree to the terms and conditions for employment as outlined in this letter and I agree to do all things and to execute all documents necessary to give effect to the terms and conditions of employment as outlined in this letter, including but not limited to my execution of the Employee Confidentiality & Non Competition Agreement.

/s/ ROBIN C. KRAMER April 9, 2014
Signature Date

Enclosures

cc: T. Kennedy

The Hertz Corporation
8501 Williams Road
Esteros, FL 33928

January 23, 2018

Robin Kramer
Esteros, FL

Dear Robin:

I am pleased to confirm your new salary in the annualized amount of \$500,000, paid bi-weekly, effective January 15, 2018.

You will continue to be eligible for an award under the terms of the Executive Incentive Compensation Plan (the "**Plan**") at a target of 55% of your base salary. The actual award is based on individual performance and the Corporation meeting certain objectives, however, your 2017 and 2018 bonus payments will be guaranteed to be no less than target. Consistent with the terms of the Plan, payment of these bonuses is subject to continued employment to the respective payment dates. In the event of involuntary termination without "Cause" (as defined below), death or "Disability" (as defined below) prior to the respective payment dates, a prorata payment will be made.

In addition, and expressly contingent on your continued employment with The Hertz Corporation (the "**Company**") through September 30, 2018 and March 31, 2019, respectively (the "**Vesting Dates**"), you shall receive a cash retention award (the "**Retention Award**") equal to Five Hundred Thousand Dollars (\$500,000), payable in two equal installments of \$250,000 on the respective Vesting Dates, less required employee payroll deductions, which shall be paid within ten (10) business days following the respective Vesting Dates.

Notwithstanding the foregoing, if your employment with the Company is terminated involuntarily by the Company without "Cause" (as defined below) prior to the respective Vesting Dates, subject to your execution (and non-revocation, if applicable) of a general release of claims in a form provided by the Company, the remaining unpaid balance of the Retention Award shall be paid within sixty (60) days following the date your employment terminates. In the event of death or "Disability" (as defined below), you will be entitled to a prorata portion of the retention payments based on completed months worked over the full retention period, subject to your estate's execution (and non-revocation, if applicable), of a general release of claims in a form provided by the Company. For purposes of this Agreement:

- a. The term "**Cause**" shall mean (i) your willful and continued failure to perform substantially your material duties with the Company (other than any such failure resulting from your incapacity as a result of physical or mental illness) after a written demand for substantial performance specifying the manner in which you have not performed such duties is delivered to you by the person or entity that supervises or manages you, (ii) your engaging in willful and serious misconduct that is injurious to the Company or any of its subsidiaries, (iii) one or more acts of fraud or personal dishonesty by you resulting in or intended to result in personal enrichment at the expense of the Company or any of its subsidiaries, (iv) your substantial abusive use of alcohol, drugs or similar substances that, in the sole judgment of the Company, impairs your job performance, (v) your material violation of any Company policy that results in harm to the Company or any of its subsidiaries or (vi) your indictment for or conviction of (or plea of guilty or nolo contendere) to a felony or of any crime (whether or not a felony) involving moral turpitude. A termination for "Cause" shall include a determination by the Company following your termination of employment for any other reason that, prior to such termination of employment, circumstances constituting Cause existed.

- b. The term "**Disability**" shall mean a physical or mental disability or infirmity that prevents or is reasonably expected to prevent the performance of your employment-related duties for a period of six (6) months or longer and, within thirty (30) days after the Company notifies you in writing that it intends to terminate your employment, you shall not have returned to the performance of your employment-related duties on a full-time basis.

If your employment with the Company is terminated by you, or by the Company for Cause, prior to the respective Vesting Dates, you shall forfeit any right to payment of any remaining unpaid balance of the Retention Award.

You acknowledge and agree that, except as may be required by law, the Retention Award shall be in addition to and separate and apart from any other payments which may be due you, including but not limited to wages, bonus payments, equity grants or severance monies and shall not be eligible for inclusion in any benefit-related calculation, including without limitation, 401(k) plan contributions and life insurance.

You acknowledge and agree that nothing in this Agreement shall constitute a contract of employment and is not intended to and shall not be construed to alter in any way the "at-will" nature of the employment relationship between you and the Company and its affiliates.

You acknowledge and agree that the existence of this Agreement (including all terms and conditions thereof) shall be kept strictly confidential, except that you may disclose the terms of this Agreement to your spouse, tax advisors or attorneys and as required by applicable law. You further agree to take all reasonable steps necessary to ensure that confidentiality is maintained by any of the individuals or entities referenced above, to whom disclosure is authorized.

This Agreement is personal to you and shall not be assignable by you without the Company's prior written consent. This Agreement shall inure to the benefit of and be binding upon the Company and its successors and assigns.

This Agreement shall constitute the full understanding of you and the Company with respect to the subject matter hereof and, except as expressly provide herein, is not intended to and shall not be construed to alter in any way the terms of any other agreement you may have with the Company. Any modifications to this Agreement may only be made in writing and must be signed by both you and the Company.

Robin, we believe that you will continue to make an outstanding contribution to the Hertz organization.

Very truly yours,

/s/ RICHARD FRECKER
Executive Vice President, General Counsel & Secretary

I understand and accept the terms and conditions of this Agreement.

/s/ ROBIN KRAMER 1/23/2018
Signature Date

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a)/15d-14(a)**

I, Kathryn V. Marinello, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended March 31, 2019 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: May 7, 2019

By: /s/ KATHRYN V. MARINELLO

Kathryn V. Marinello
President, Chief Executive Officer and Director

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a)/15d-14(a)**

I, Jamere Jackson, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended March 31, 2019 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: May 7, 2019

By: /s/ JAMERE JACKSON

Jamere Jackson

Executive Vice President and Chief Financial Officer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a)/15d-14(a)**

I, Kathryn V. Marinello, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended March 31, 2019 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: May 7, 2019

By: /s/ KATHRYN V. MARINELLO

Kathryn V. Marinello
President, Chief Executive Officer and Director

**CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a)/15d-14(a)**

I, Jamere Jackson, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended March 31, 2019 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: May 7, 2019

By: /s/ JAMERE JACKSON

Jamere Jackson
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 March 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kathryn V. Marinello, 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: May 7, 2019

By: /s/ KATHRYN V. MARINELLO

Kathryn V. Marinello
President, 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 March 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jamere Jackson, 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: May 7, 2019

By: /s/ JAMERE JACKSON

Jamere Jackson
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 March 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Kathryn V. Marinello, 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: May 7, 2019

By: /s/ KATHRYN V. MARINELLO

Kathryn V. Marinello
President, 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 March 31, 2019 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jamere Jackson, 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: May 7, 2019

By: /s/ JAMERE JACKSON _____

Jamere Jackson
Executive Vice President and Chief Financial Officer