€425,000,000

4.375% Senior Notes due 2019

The 4.375% Senior Notes due 2019 will be issued in the aggregate principal amount of €425,000,000 (the "Notes") by Hertz Holdings Netherlands B.V., a private company with limited liability incorporated under the laws of The Netherlands (the "Issuer"). The Notes will be guaranteed (each a "Guarantee" and together the "Guarantees") by The Hertz Corporation (the "Parent Guarantor"), certain U.S. subsidiaries of the Parent Guarantor (collectively, the "U.S. Subsidiary Guarantors") and certain non-U.S. subsidiaries of the Parent Guarantor (collectively, the "Non-U.S. Subsidiary Guarantors" and, together with the U.S. Subsidiary Guarantors, the "Subsidiary Guarantors," and the Subsidiary Guarantors together with the Parent Guarantor, the "Guarantors").

The Notes will mature on January 15, 2019. The Issuer will pay interest on the Notes semi-annually in arrears on January 15 and July 15 of each year, commencing on July 15, 2014. Prior to maturity, the Issuer may redeem the Notes in whole or in part at a redemption price equal to 100% of their principal amount plus the applicable "make-whole" premium set forth in this offering memorandum, plus accrued and unpaid interest and Additional Amounts (as defined herein), if any, to the date of redemption. In addition, on or before January 15, 2017 the Issuer may, on one or more occasions, apply funds equal to the proceeds from one or more equity offerings to redeem up to 35% of the aggregate principal amount of the Notes at a redemption price equal to 104.375%, plus accrued and unpaid interest and Additional Amounts, if any, to the date of redemption, so long as at least 50% of the original aggregate principal amount of the Notes issued under the indenture governing the Notes (as amended, supplemented, waived or otherwise modified, the "Indenture") remains outstanding immediately after such redemption. Additionally, the Issuer may redeem in whole, but not in part, the Notes upon the occurrence of certain changes in applicable tax law. Upon the occurrence of certain specified change of control events, the Issuer will be required to offer to repurchase the Notes at 101% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any.

The Notes will be the Issuer's senior unsecured obligations and will rank equally in right of payment with all of the Issuer's existing and future indebtedness that is not subordinated in right of payment to the Notes and will be senior in right of payment to all existing and future indebtedness of the Issuer that is subordinated in right of payment to the Notes. The Guarantees will be each Guarantor's senior unsecured obligations and will rank equally in right of payment with all of such Guarantor's existing and future indebtedness that is not subordinated in right of payment to such Guarantee and will be senior in right of payment to any and all of the existing and future indebtedness of such Guarantor that is subordinated in right of payment to such Guarantee. The Notes and the Guarantees will be effectively subordinated to all of the Issuer's and each Guarantor's existing and future secured debt, including under our Senior Credit Facilities and our European Revolving Credit Facility, as applicable, to the extent of the value of the assets securing such indebtedness, and to all existing and future debt of the Parent Guarantor's subsidiaries (other than the Issuer) that do not guarantee the Notes. A Guarantee of a Subsidiary Guarantor may be automatically released in certain circumstances as described under "Description of Notes—Guarantees and Release of Guarantors."

Currently, there is no public market for the Notes. The Issuer has applied to list the Notes on the Official List of the Luxembourg Stock Exchange for trading on the Luxembourg Stock Exchange's Euro MTF Market. The Euro MTF Market is not a regulated market pursuant to the provisions of Directive 2004/39/EC on markets in financial instruments.

Investing in the Notes involves a high degree of risk. See "Risk Factors" beginning on page 28.

The Notes will be issued in the form of one or more global notes in registered form. On or about November 20, 2013 (the "Issue Date"), the global notes will be delivered, deposited and registered in the name of a nominee of a common depositary for Euroclear SA/NV ("Euroclear") and Clearstream Banking, *société anonyme* ("Clearstream").

Price: 100%

The Notes will be issued in registered form in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.

This offering memorandum constitutes a prospectus for purposes of Luxembourg Law on prospectus securities dated July 10, 2005 as amended.

The Notes and Guarantees have not been registered under the federal securities laws of the United States or the securities laws of any other jurisdiction. Accordingly, the initial purchasers named below (the "Initial Purchasers") are offering and selling the Notes only to qualified institutional buyers ("QIBs") in reliance on Rule 144A ("Rule 144A") under the U.S. Securities Act of 1933, as amended (the "Securities Act") and to non-U.S. persons (as defined in Regulation S under the Securities Act ("Regulation S")) outside the United States in offshore transactions in compliance with Regulation S. Prospective purchasers that are QIBs are hereby notified that the sellers of the Notes and Guarantees may be relying on the exemption from the registration requirements under the Securities Act provided by Rule 144A. See "Plan of Distribution" and "Transfer Restrictions" for additional information about eligible offerees and transfer restrictions with respect to the Notes.

We expect that delivery of the Notes will be made against payment therefor on or about the 5th business day following the date of confirmation of orders with respect to the Notes (this settlement cycle being referred to as "T+5"). Under Rule 15c6-1 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes before the Notes are delivered will be required, by virtue of the fact that the Notes initially will settle in T+5, to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes before their delivery should consult their own advisor.

Joint Book-Running Managers

Barclays **Crédit Agricole CIB**

Deutsche Bank **J.P. Morgan** **Natixis** **Wells Fargo Securities**

Co-Lead Managers

BNP PARIBAS **Lloyds Bank** **RBS** **UniCredit Bank**

Offering Memorandum dated January 28, 2014

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IMPORTANT INFORMATION

This offering memorandum has been prepared by the Hertz Corporation based on information we possess or have obtained from sources we believe to be reliable. Hertz Corporation and Hertz Holdings Netherlands B.V. are responsible for this offering memorandum, and to the best of their knowledge except as otherwise noted, the information contained in this offering memorandum is in accordance with the facts and does not omit anything likely to affect the import of this offering memorandum. Summaries of documents contained in this offering memorandum may not be complete. Copies of documents referred to herein will be made available to prospective investors upon request to us or the Initial Purchasers or at the specified offices of the listing agent in Luxembourg. Neither we nor the initial purchasers named on the cover of this offering memorandum (the "Initial Purchasers") represent that the information in this offering memorandum is complete. The information set forth in this offering memorandum is current only as of the date hereof, and the information contained in the documents incorporated by reference in this offering memorandum is accurate only as of the respective dates of those documents. Our business, financial condition and results of operations may have changed after such dates or may change (together with any other information included in this offering memorandum) after the date of this offering memorandum. You should consult your own legal, tax and business advisors regarding an investment in the Notes. Information in this offering memorandum is not legal, tax or business advice.

You should base your decision to invest in the Notes solely on information contained or incorporated by reference in this offering memorandum. Neither we nor the Initial Purchasers have authorized anyone to provide you with any different information.

We are offering the Notes in reliance on an exemption from registration under the Securities Act for an offer and sale of securities that does not involve a public offering. If you purchase the Notes, you will be deemed to have made certain acknowledgments, representations and warranties as detailed under "Transfer Restrictions." You may be required to bear the financial risk of an investment in the Notes for an indefinite period. Neither we nor the Initial Purchasers are making an offer to sell the Notes in any jurisdiction where the offer and sale of the Notes is prohibited. We do not make any representation to you that the Notes are a legal investment for you.

The Issuer has applied to list the Notes on the Official List of the Luxembourg Stock Exchange for trading on the Euro MTF Market, and has submitted this offering memorandum in connection with the listing application. In the course of any review by the Luxembourg Stock Exchange, the Issuer may be requested to make changes to the financial and other information included in this offering memorandum.

By receiving this offering memorandum, you acknowledge that you have had an opportunity to request from the Issuer for review, and that you have received, all additional information you deem necessary to verify the accuracy and completeness of the information contained in this offering memorandum. You also acknowledge that you have not relied on the Initial Purchasers in connection with your investigation of the accuracy of this information or your decision whether to invest in the Notes.

No person is authorized in connection with any offering made by this offering memorandum to give any information or to make any representation not contained in this offering memorandum and, if given or made, any other information or representation must not be relied upon as having been authorized by the Issuer, the Guarantors or the Initial Purchasers. The information contained in this offering memorandum is accurate as of the date hereof. Neither the delivery of this offering memorandum at any time nor any subsequent commitment to purchase the Notes shall, under any circumstances, create any implication that there has been no change in the information set forth in this offering memorandum or in the business of the Issuer or the Guarantors since the date of this offering memorandum.

The information set out in those sections of this offering memorandum describing clearing and settlement is subject to any change or reinterpretation of the rules, regulations and procedures of Euroclear and Clearstream currently in effect. Investors wishing to use these clearing systems are advised to confirm the continued applicability of their rules, regulations and procedures. None of the Issuer or the Guarantors will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, book-entry interests held through the facilities of any clearing system or for maintaining, supervising or reviewing any records relating to such book- entry interests.

NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "SEC") NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THE NOTES OR DETERMINED IF THIS OFFERING MEMORANDUM IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY COULD BE A CRIMINAL OFFENSE IN CERTAIN COUNTRIES.

We have prepared this offering memorandum solely for use in connection with the offer of the Notes to QIBs under Rule 144A and to non-U.S. persons outside the United States under Regulation S. You agree that you will hold the information contained in this offering memorandum and the transactions contemplated hereby in confidence. You may not distribute this offering memorandum to any person, other than a person retained to advise you in connection with the purchase of the Notes. The Issuer reserves the right to withdraw this offering at any time. The Issuer is making this offering subject to the terms described in this offering memorandum and the purchase agreement relating to the Notes among the Issuer, the Parent Guarantor and Barclays Bank PLC, as the representative of the Initial Purchasers. We and the Initial Purchasers may reject any offer to purchase the Notes in whole or in part, sell less than the entire principal amount of the Notes offered hereby or allocate to any purchaser less than all of the Notes for which it has subscribed.

The distribution of this offering memorandum and the offer and sale of the Notes are restricted by law in some jurisdictions. This offering memorandum does not constitute an offer to sell or an invitation to subscribe for or purchase any of the Notes in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such an offer or invitation. Each prospective offeree or purchaser of the Notes must comply with all applicable laws and regulations in force in any jurisdiction in which it purchases, offers or sells the Notes or possesses or distributes this offering memorandum, and must obtain any consent, approval or permission required under any regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales, and neither the Issuer nor the Initial Purchasers shall have any responsibility therefor.

THE NOTES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND APPLICABLE SECURITIES LAWS PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. PROSPECTIVE PURCHASERS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

STABILIZATION

In connection with the offering of the Notes, the Initial Purchasers (or persons acting on behalf of the Initial Purchasers) may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Initial Purchasers (or persons acting on behalf of the Initial Purchasers) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offering of the Notes is made and, if begun, may be ended at any time, but it must end no later than 30 days after the date on which the Issuer received the proceeds of the issue, or no later than 60 days after the date of the allotment of the Notes, whichever is the earlier.

NOTICE TO PROSPECTIVE INVESTORS

This offering is being made in the United States in reliance upon an exemption from registration under the Securities Act for an offer and sale of the Notes which does not involve a public offering. In making your purchase, you will be deemed to have made certain acknowledgments, representations and agreements.

This offering memorandum is being provided (*i*) to United States investors that we reasonably believe to be QIBs under Rule 144A for informational use solely in connection with their consideration of the purchase of the Notes and (*ii*) to investors outside the United States who are not U.S. persons in connection with offshore transactions complying with Rule 903 or Rule 904 of Regulation S. The Notes described in this offering memorandum have not been registered with, recommended by or approved by the SEC, any state securities commission in the United States or any other securities commission or regulatory authority in any jurisdiction, nor has the SEC, any state securities commission in the United States or any other securities commission or authority in any jurisdiction passed upon the accuracy or adequacy of this offering memorandum. Any representation to the contrary could be a criminal offense in certain countries.

See also "Plan of Distribution" for additional notices and selling restrictions for investors in the European Economic Area, Switzerland, The Netherlands, Ireland, Hong Kong, Singapore, Japan and New Zealand.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ANNOTATED, 1955, AS AMENDED ("RSA 421-B"), WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

ENFORCEABILITY OF CIVIL LIABILITIES

The Issuer is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands. Certain persons named or referred to in this offering memorandum reside outside the United States and all or a significant portion of the assets of the directors and officers and certain other persons named or referred to in this offering memorandum are located outside the United States. As a result, it may not be possible for you to effect service of process within the United States upon such persons or to enforce against them judgments obtained in U.S. courts, including judgments predicated upon civil liability under U.S. securities laws or any such persons in the courts of a foreign jurisdiction.

The agreements entered into with respect to the issuance of the Notes are governed by the laws of the State of New York. The United States and The Netherlands currently do not have a treaty providing for the reciprocal recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters. Consequently, a final and conclusive judgment for the payment of money rendered by any federal or state court in the United States which is enforceable in the United States, whether or not predicated solely upon U.S. federal securities laws, would not automatically be recognized or enforceable in The Netherlands. In order to obtain a judgment which is enforceable in The Netherlands, the party in whose favor a final and conclusive judgment of the U.S. court has been rendered will be required to file its claim with a court of competent jurisdiction in The Netherlands. Such party may submit to the Dutch court the final judgment rendered by the U.S. court. The Dutch court will have discretion to attach such weight to this final judgment as it deems appropriate. The Dutch court can be expected to give conclusive effect to such judgment, in respect of its contractual obligations thereunder, to the extent (i) proper service of process has been given, (ii) the proceedings before such court have complied with the principles of proper procedure (*behoorlijke rechtspleging*) and (iii) such judgment is not contrary to the public policy of The Netherlands. The enforcement in a Dutch court of judgments rendered by a court in the United States is subject to Dutch rules of civil procedure.

Subject to the foregoing and service of process in accordance with applicable treaties, investors may be able to enforce in The Netherlands judgments in civil and commercial matters obtained from U.S. federal or state courts. However, no assurance can be given that those judgments will be enforceable. In addition, it is doubtful whether a Dutch court would accept jurisdiction and impose civil liability in an original action commenced in The Netherlands and predicated solely upon U.S. federal securities laws.

GENERAL INFORMATION

Our corporate headquarters are located at 225 Brae Boulevard, Park Ridge, New Jersey 07656. Our telephone number is +1-201-307-2000. We maintain an Internet website at http://www.hertz.com. Please note that the information included in, or linked to on, our website is not a part of this offering memorandum and this website address is not an active hyperlink.

Unless otherwise indicated or the context otherwise requires, in this offering memorandum, references to (i) the "Issuer" mean Hertz Holdings Netherlands B.V., a private company with limited liability incorporated under the laws of The Netherlands, and an indirect wholly-owned subsidiary of Hertz Holdings and Hertz, (ii) "Hertz Holdings" mean Hertz Global Holdings, Inc., our top-level holding company, (iii) the "Company," "Hertz" and "Parent Guarantor" mean The Hertz Corporation, Hertz Holdings' primary operating company and a direct wholly-owned subsidiary of Hertz Investors, Inc., which is wholly-owned by Hertz Holdings, (iv) "we," "us" and "our" mean Hertz and its consolidated subsidiaries, (v) "HERC" mean Hertz Equipment Rental Corporation, our wholly-owned equipment rental subsidiary, together with our various other wholly-owned international subsidiaries that conduct our industrial, construction and material handling equipment rental business, (vi) "cars" mean cars, crossovers and light trucks (including sport utility vehicles and, outside North America, light commercial vehicles), (vii) "program cars" mean cars purchased by car rental companies under repurchase or guaranteed depreciation programs with car manufacturers, (viii) "non-program cars" mean cars not purchased under repurchase or guaranteed depreciation programs for which the car rental company is exposed to residual risk and (ix) "equipment" mean industrial, construction and material handling equipment.

While Hertz Holdings is the ultimate parent of the Issuer, the Notes are the obligations of the Issuer, and not of Hertz Holdings. In addition, Hertz Holdings is not a guarantor of the Notes.

Hertz Holdings was incorporated in Delaware in 2005 to serve as the top-level holding company for the consolidated Hertz business. Hertz was incorporated in Delaware in 1967. Hertz is a successor to corporations that have been engaged in the car and truck rental and leasing business since 1918 and the equipment rental business since 1965.

On November 19, 2012, Hertz Holdings completed the acquisition (the "Dollar Thrifty Acquisition") of Dollar Thrifty Automotive Group, Inc. ("Dollar Thrifty"), a car and truck rental and leasing business, pursuant to which Dollar Thrifty became a wholly-owned subsidiary of Hertz.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Use of Non-GAAP Financial Information

This offering memorandum includes certain non-GAAP financial measures, including EBITDA, Corporate EBITDA, net corporate debt, net fleet debt and total net debt. When evaluating our operating performance or liquidity, investors should not consider EBITDA or Corporate EBITDA in isolation of, or as a substitute for, measures of our financial performance and liquidity as determined in accordance with GAAP, such as net income, operating income or net cash provided by operating activities. When evaluating our liabilities and debt, investors should not consider net corporate debt, net fleet debt or total net debt in isolation of, or as a substitute for, measures of liabilities and debt as determined in accordance with GAAP.

Currency Presentation

Unless otherwise indicated, all references in this offering memorandum to "Euro," "euro" or "€" are to the currency introduced at the start of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community, as amended. All references to "dollars," "$," "U.S.$" or "U.S. dollars" are to the lawful currency of the United States. We prepare our financial statements in dollars. We present certain exchange rates between euros and dollars below under "Exchange Rates." These rates may differ from the actual rates used in the preparation of our consolidated financial statements and other financial information appearing in, or incorporated by reference into, this offering memorandum.

Rounding

Certain financial data in, or incorporated by reference into, this offering memorandum, including financial, statistical and operating information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum of the numbers in a column or a row in tables contained in this document may not conform exactly to the total figure given for that column or row. Percentages in tables have been rounded and accordingly may not add up to 100%.

MARKET AND INDUSTRY DATA

Information in this offering memorandum and the documents incorporated by reference herein about the car and equipment rental industries, including our general expectations concerning the industries and our market position and market share, are based on estimates prepared using data from various sources and on assumptions made by us. Our estimates, particularly those relating to our general expectations concerning the car and equipment rental industries, involve risks and uncertainties and are subject to change based on various factors beyond our control, including those discussed under "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements."

TRADEMARKS

We have proprietary rights to a number of trademarks used in this offering memorandum that are important to our business, including, by way of example and without limitation, Hertz, Dollar, Thrifty and Donlen. Solely for convenience, trademarks and trade names referred to in this offering memorandum may appear without the "®" or "™" symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent possible under applicable law, our rights or the rights of the applicable licensor to these trademarks and trade names. We do not intend our use or display of other companies' trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of us by, any other companies. Each trademark, trade name or service mark of any other company appearing in this offering memorandum is the property of its respective holder.

EXCHANGE RATES

The following tables set forth, for the periods and dates indicated, the ending, average, high and low exchange rates for the three years ended December 31, 2012 and the ending, average, high and low exchange rates for the last ten months as published by the Federal Reserve Bank of New York for euro expressed in U.S. dollars per euro. As of November 1, 2013,

the daily exchange rate for euro expressed in U.S. dollars as published by the Federal Reserve Bank of New York was $1.3488 per €1.00. This exchange rate information is provided only for your information and does not represent the exchange rates used in the preparation of the financial and other information included in, or incorporated by reference into, this offering memorandum. We make no representation that U.S. dollar amounts or euro amounts referred to in this offering memorandum have been, could have been or could, in the future, be converted at any particular rate.

Annual Exchange Rate Data	Period End	Average rate[1]	High	Low
2010	1.3269	1.3216	1.4536	1.1959
2011	1.2973	1.4002	1.4875	1.2926
2012	1.3186	1.2909	1.3463	1.2062

2013 Monthly Exchange Rate Data	Period End	Average rate[1]	High	Low
January	1.3584	1.3304	1.3584	1.3047
February	1.3079	1.3347	1.3692	1.3054
March	1.2816	1.2953	1.3098	1.2782
April	1.3168	1.3025	1.3168	1.2836
May	1.2988	1.2983	1.3192	1.2818
June	1.3010	1.3197	1.3407	1.3006
July	1.3282	1.3088	1.3282	1.2774
August	1.3196	1.3314	1.3426	1.3196
September	1.3535	1.3364	1.3537	1.3120
October	1.3594	1.3646	1.3810	1.3490

[1] The average rate is calculated as the average of the month end figures for the relevant year long period or the average of the daily exchange rates on each business day for the relevant month long period.

INCORPORATION BY REFERENCE

Hertz is incorporating by reference into this offering memorandum the documents or portions thereof listed below that Hertz has previously filed with the SEC (other than the portions of those documents furnished or otherwise not deemed to be filed). They contain important information about Hertz and its financial condition.

Hertz Filings	Period or Date Filed
Annual Report on Form 10-K	Year ended December 31, 2012
Statutory Annual Report of the Issuer	Year ended December 31, 2012, December 31, 2011 and December 31, 2010
Quarterly Reports on Form 10-Q	Quarters ended March 31, 2013, June 30, 2013 and September 30, 2013
Current Reports on Form 8-K	Filed January 17, 2013, March 14, 2013, April 9, 2013, May 17, 2013, August 16, 2013, September 27, 2013 and November 4, 2013

We further incorporate by reference any additional documents that Hertz may file with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), between the date of this offering memorandum and the date of completion of this offering (other than the portions of those documents furnished or otherwise not deemed to be filed). These documents include periodic reports, such as Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and certain Current Reports on Form 8-K that are "filed" with the SEC.

In addition to the information that Hertz has previously filed with the SEC referenced above, the audited consolidated balance sheets of Dollar Thrifty and its subsidiaries as of December 31, 2011 and 2010 and audited consolidated statements of income, stockholders' equity and comprehensive income and cash flows of Dollar Thrifty and its subsidiaries for the years ended December 31, 2011, 2010 and 2009, and the notes related thereto and the related independent auditors' reports of Ernst & Young LLP and Deloitte & Touche LLP, are incorporated herein by reference to pages F-173 to F-215 of Hertz's Registration Statement on Form S-4 (Registration Number 333-189620), as filed on June 26, 2013. The unaudited condensed consolidated balance sheets of Dollar Thrifty and its subsidiaries as of September 30, 2012 and unaudited condensed consolidated statements of comprehensive income and cash flows of Dollar Thrifty and its subsidiaries for the three- and nine-month periods ended September 30, 2012 and 2011, and the notes related thereto and the related independent auditors' report of Ernst & Young LLP are incorporated herein by reference to pages F- 142 to F-172 of Hertz's Registration Statement on Form S-4 (Registration Number 333-189620), as filed on June 26, 2013.

You should read the information relating to us in this offering memorandum together with the information in the documents incorporated by reference. For clarification, the phrase "guarantor subsidiaries," as used in the Hertz Corporation SEC filings incorporated by reference above, includes only the U.S. Subsidiary Guarantors under the Notes. see also "Description of Notes—Certain Definitions—Subsidiary Guarantor".

You can obtain any of the filings incorporated by reference in this offering memorandum from the SEC through the SEC's Internet site or at the SEC's address listed below under the heading "Where You Can Find Additional Information." We will provide without charge to each person to whom a copy of this offering memorandum is delivered, upon written or oral request of such person, a copy of any or all of the documents or portions thereof filed by Hertz referred to above which have been or may be incorporated by reference in this offering memorandum. You should direct requests for those documents to The Hertz Corporation, 225 Brae Boulevard, Park Ridge, New Jersey 07656, Attention: Investor Relations (telephone +1-201-307-2100).

WHERE YOU CAN FIND ADDITIONAL INFORMATION

The public may read and copy any reports or other information that we file with the SEC. Such filings are available to the public over the Internet at the SEC's website at http://www.sec.gov. The SEC's website address included in this offering memorandum is not an active hyperlink. You may also read and copy any document that we file with the SEC at its public reference room at 100 F Street, N.E., Washington D.C. 20549. You may obtain information on the operation of the public reference room by calling the SEC at +1-800-SEC-0330.

Hertz is subject to the informational requirements of the Exchange Act and is required to file reports and other information with the SEC. You can inspect and copy these reports and other information at the public reference facilities maintained by the SEC at the address noted above, or inspect them without charge at the SEC's website. You can also access, free of charge, this offering memorandum, the statutory annual reports of the Issuer, reports filed by Hertz with the SEC (for

example, Hertz's Annual Report on Form 10-K, its Quarterly Reports on Form 10-Q and its Current Reports on Form 8-K and any amendments to those forms) through the investor relations portion of our Internet website (http://www.hertz.com). Reports filed with or furnished to the SEC will be available as soon as reasonably practicable after they are filed with or furnished to the SEC. Please note that the information included in, or linked to on, our website is not a part of this offering memorandum and this website address is not an active hyperlink.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained or incorporated by reference in this offering memorandum include "forward-looking statements" within the meaning of the Section 27A of the Securities Act, and Section 21E of the Exchange Act, and as defined in the Private Securities Litigation Reform Act of 1995. 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," "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 SEC Forms 10-K, 10-Q and 8-K. Some important factors that could affect our actual results include, among others, those that may be disclosed from time to time in subsequent reports filed with the SEC, those described under "Risk Factors" in this offering memorandum and in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference into this offering memorandum, and the following:

Some important factors that could affect our actual results include, among others, the following:

- our ability to integrate the car rental operations of Dollar Thrifty and realize operational efficiencies from the Dollar Thrifty Acquisition;
- the operational and profitability impact of the divestitures that we agreed to undertake in order to secure regulatory approval for the Dollar Thrifty Acquisition;
- levels of travel demand, particularly with respect to airline passenger traffic in the United States and in global markets;
- our ability to collect amounts owed by Simply Wheelz, LLC, or "Simply Wheelz," and uncertainty of our future commercial arrangements with Franchise Services of North America, Inc., or "FSNA," and its subsidiary Simply Wheelz;
- the impact of pending and future U.S. governmental action to address budget deficits through reductions in spending and similar austerity measures, which could materially adversely affect unemployment rates and consumer spending levels;
- significant changes in the competitive environment, including as a result of industry consolidation, and the effect of competition in our markets, including on our pricing policies or use of incentives;
- occurrences that disrupt rental activity during our peak periods;
- our ability to achieve cost savings and efficiencies and realize opportunities to increase productivity and profitability;
- an increase in our fleet costs as a result of an increase in the cost of new vehicles and/or a decrease in the price at which we dispose of used vehicles either in the used vehicle market or under repurchase or guaranteed depreciation programs;
- our ability to accurately estimate future levels of rental activity and adjust the size and mix of our fleet accordingly;

- our ability to maintain sufficient liquidity and the availability to us of additional or continued sources of financing for our revenue earning equipment and to refinance our existing indebtedness;
- safety recalls by the manufacturers of our vehicles and equipment;
- a major disruption in our communication or centralized information networks;
- financial instability of the manufacturers of our vehicles and equipment;
- any impact on us from the actions of our licensees, franchisees, dealers and independent contractors;
- our ability to maintain profitability 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 successfully integrate acquisitions and complete dispositions;
- our ability to maintain favorable brand recognition;
- costs and risks associated with litigation;
- risks related to our indebtedness, including our substantial amount of debt, our ability to incur substantially more debt 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 (as defined below in "Description of Certain Indebtedness"), our outstanding unsecured Senior Notes (as defined below in "Description of Certain Indebtedness") 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 earnings;
- changes in the existing, or the adoption of new, laws, regulations, policies or other activities of governments, agencies and similar organizations where such actions may affect our operations, the cost thereof or applicable tax rates;
- changes to our senior management team;
- the effect of tangible and intangible asset impairment charges;
- the impact of our derivative instruments, which can be affected by fluctuations in interest rates and commodity prices;
- our exposure to fluctuations in foreign exchange rates; and
- other risks and uncertainties described in this offering memorandum, in the documents incorporated by reference herein, and in periodic and current reports that we file with the SEC from time to time.

In light of these risks, uncertainties and assumptions, the forward-looking statements contained or incorporated by reference in this offering memorandum might not prove to be accurate and you should not place undue reliance upon them. 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.

SUMMARY

This summary highlights selected information regarding us and the offering and should be read as an introduction to the more detailed information appearing elsewhere or incorporated by reference in this offering memorandum. This summary does not contain all the information you should consider before investing in the Notes. You should read the following summary carefully together with the more detailed information and the audited annual consolidated financial statements and unaudited interim condensed consolidated financial statements of Hertz, including the accompanying notes, included elsewhere or incorporated by reference in this offering memorandum. For a more complete understanding of our business and this offering, you should read this entire offering memorandum carefully, including the section entitled "Risk Factors" and the information incorporated by reference herein, including our financial statements and the notes thereto, before making an investment decision.

Our Company

Hertz operates its car rental business through the Hertz, Dollar and Thrifty brands from approximately 11,200 corporate, licensee and franchisee locations in North America, Europe, Latin and South America, Asia, Australia, Africa, the Middle East and New Zealand. Hertz is the largest worldwide airport general use car rental brand, operating from approximately 9,770 corporate and licensee locations in approximately 150 countries. Our Dollar and Thrifty brands have approximately 1,410 corporate and franchisee locations in approximately 80 countries. Our Hertz brand name is one of the most recognized in the world, signifying leadership in quality rental services and products. We are one of the only car rental companies that has an extensive network of company-operated rental locations both in the United States and in all major European markets. We believe that we maintain the leading airport car rental brand market share, by overall reported revenues, in the United States and at approximately 130 major airports in Europe where we have company-operated locations and where data regarding car rental concessionaire activity is available. We believe that we also maintain the second largest market share, by overall reported revenues, in the off-airport car rental market in the United States. In our equipment rental business segment, we rent equipment through approximately 340 branches in the United States, Canada, France, Spain, China and Saudi Arabia, as well as through our international licensees. We and our predecessors have been in the car rental business since 1918 and in the equipment rental business since 1965. We also own Donlen Corporation, or "Donlen," based in Northbrook, Illinois, which is a leader in providing fleet leasing and management services. We have a diversified revenue base and a highly variable cost structure and are able to dynamically manage fleet capacity, the most significant determinant of our costs. Our revenues have grown at a compound annual growth rate of 6.0% over the last 20 years, with year-over-year growth in 17 of those 20 years. For the year ended December 31, 2012 and the nine months ended September 30, 2013, we had total revenues of approximately $9.0 billion and $8.2 billion, respectively, Corporate EBITDA of $1.6 billion and $1.6 billion, respectively, and income before income taxes of $502.9 million and $685.7 million, respectively. For a presentation of income before income taxes as calculated under GAAP and a reconciliation to EBITDA and Corporate EBITDA, see "—Summary Consolidated Financial Information."

Our Business Segments

Our business consists of four 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: rental of cars, crossovers and light trucks in the United States, or "U.S. car rental," rental of cars, crossovers and light trucks internationally, or "international car rental," rental of industrial, construction, material handling and other equipment, or "worldwide equipment rental," and "all other operations," which includes our Donlen operating segment and other business activities, such as our third party claim management services. Other reconciling items include general corporate assets and expenses and certain interest expense (including net interest on corporate debt).

U.S. and International Car Rental: Our "company-operated" rental locations are those through which we, or an agent of ours, rent cars that we own or lease. We maintain a substantial network of company-operated car rental locations both in the United States and internationally, and what we believe to be the largest number of company-operated airport car rental locations in the world, enabling us to provide consistent quality and service worldwide. Our licensees, franchisees and associates also operate rental locations in approximately 145 countries and jurisdictions, including most of the countries in which we have company-operated rental locations.

Worldwide Equipment Rental: We believe, based on an article in Rental Equipment Register published in May 2013, that HERC is one of the largest equipment rental companies in the United States and Canada combined. HERC rents a broad range of earthmoving equipment, material handling equipment, aerial and electrical equipment, air compressors, generators, pumps, small tools, compaction equipment and construction-related trucks. HERC also derives revenues from the

sale of new equipment and consumables as well as through its Hertz Entertainment Services division, which rents lighting and related aerial products used primarily in the U.S. entertainment industry.

All Other Operations: Our all other operations reportable segment primarily consists of our Donlen operating segment, which provides fleet leasing and management services and is not considered a separate reportable segment in accordance with applicable accounting standards. Donlen's fleet management programs provide outsourced solutions to reduce fleet operating costs and improve driver productivity. These programs include administration of preventive maintenance, advisory services and fuel and accident management, along with other complementary services.

We historically aggregated our U.S., Europe, Other International and Donlen car rental operating segments together to produce a worldwide car rental reportable segment. In the third quarter of 2013, we determined to present our operations as four reportable segments, as discussed above. For further information on our business segments, including financial information for the nine months ended September 30, 2013 and 2012 and the years ended December 31, 2012, 2011 and 2010, see Note 11 to our unaudited interim condensed consolidated financial statements included in Hertz's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2013 and Note 11 to our audited annual consolidated financial statements included in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012, which are incorporated by reference into this offering memorandum. Hertz's Annual Report on Form 10-K for the year ended December 31, 2012 does not reflect the revised reportable segment structure discussed above.

Recent Developments

Appointment of New Director

On October 29, 2013, the Boards of Directors of Hertz Holdings and Hertz (together, the "Companies") elected Philippe P. Laffont to serve as a director of each of the Companies, effective as of October 31, 2013. Mr. Laffont will serve as a Class I director of Hertz Holdings and his term will expire at the 2016 annual meeting of stockholders.

Mr. Laffont is the Founder and Chief Investment Officer of Coatue Management ("Coatue"), an investment management firm founded in 1999. Mr. Laffont serves on the Advisory Board of the Robin Hood X Prize and is a Trustee of the New York Presbyterian Hospital. He is a founder and member of the Executive Board of the Dreamland Theater in Nantucket. Prior to founding Coatue, Mr. Laffont worked at Tiger Management as a research analyst from 1996 to 1999. Mr. Laffont began his career as an analyst in management consulting for McKinsey & Co. in Madrid, Spain, where he worked from 1992 to 1994, and then worked as an independent consultant until starting at Tiger Management. Mr. Laffont graduated from the Massachusetts Institute of Technology in 1991 with a B.S. and M.S.C. in Computer Science.

Amendment of European Revolving Credit Facility

On or about the Issue Date, the Issuer expects to amend and restate its European Revolving Credit Facility (as defined below in "Description of Certain Indebtedness"). The amendments to the European Revolving Credit Facility reflect, among other things, the anticipated redemption of the European Fleet Notes and certain other updates that conform to the provisions of the Senior Credit Facilities.

The Issuer did not increase any of its borrowings in connection with the amendment and restatement of the European Revolving Credit Facility. The European Revolving Credit Facility will continue to be secured by the same collateral and guaranteed by the same guarantors (which include the Non-U.S. Subsidiary Guarantors).

Redemption of European Fleet Notes

In October 2013, we called the remainder of the outstanding European Fleet Notes (as defined below in "Description of Certain Indebtedness") for redemption contingent upon completion of this offering.

Franchise Services of North America, Inc. and Simply Wheelz Agreements

As of September 30, 2013, Simply Wheelz, LLC, or "Simply Wheelz," the owner and operator of Hertz's divested Advantage brand, had not made payments due under concession and joint use agreements to Hertz. Simply Wheelz also did not make the sublease payments due to Hertz on October 1, 2013 or November 1, 2013. Simply Wheelz's parent, Franchise Services of North America, Inc., or "FSNA," called us in early October to inform us that they were having liquidity issues and requested that Hertz delay seeking collection of all outstanding amounts owed to Hertz and agree to renegotiate certain

aspects of existing commercial arrangements between the parties, including the financial terms on which Hertz is subleasing vehicles to them.

We evaluated their request and suggested a number of changes that would be acceptable to Hertz. However, after extensive discussions with respect to a potential restructuring of those commercial arrangements, we determined that it was not in Hertz's best interests to make the requested changes and were unable to agree on a suitable alternative. On November 2, 2013, we terminated the applicable sublease contracts, and we continue evaluating our alternatives in light of the sublease termination. Simply Wheelz has since filed for bankruptcy protection under Chapter 11 of the United States Bankruptcy Code.

We currently estimate our total exposure to FSNA's liquidity issues to be between $50.0 and $70.0 million. We recorded a reserve in the third quarter of $4.0 million covering those amounts due but not paid as of September 30, 2013 and an aggregate impairment charge of $40.0 million to cover our expected loss on the sale of the vehicles subleased to Simply Wheelz. The remaining $6.0-$26.0 million of exposure relates to professional fees, non-payment by Simply Wheelz of interest, sublease and other payments due to Hertz and the potential additional losses on the value of the cars, which may fluctuate depending on when they are returned to us and the shape they are in at that time.

The Issuer and the Non-U.S. Subsidiary Guarantors

The Issuer is a holding company for a majority of the Parent Guarantor's non-franchised international operations, including certain of the Non-U.S. Subsidiary Guarantors. It is also party to a number of intercompany funding arrangements.

The Issuer operates our international car rental businesses through its subsidiaries in the United Kingdom, France, The Netherlands, Germany, Italy, the Czech Republic, Slovakia, Belgium, Luxembourg, Australia, Canada and through its equity interest in operations in the People's Republic of China. In addition, the Issuer owns Hertz Europe Service Centre Limited, which facilitates corporate operations across the Parent Guarantor's international structure, including back office operations for the European car rental and equipment rental businesses, as well as certain support for franchisees and Probus Insurance Company Europe Ltd., which provides property and liability insurance for our European car rental operations.

The Non-U.S. Subsidiary Guarantors are subsidiaries of the Issuer, other than Hertz New Zealand Holdings Limited, Hertz New Zealand Limited and Tourism Enterprises Limited, which are owned by Hertz International Limited. The Non-U.S. Subsidiary Guarantors are included, as applicable, within the Parent Guarantor's Europe Car Rental business unit and Asia Pacific Car Rental business unit, which share a common top-level management team based in the Parent Guarantor's international headquarters located in Uxbridge, England. While the country-level business units benefit from the fleet purchasing power and other operational synergies that derive from the Parent Guarantor's global operations, the Non-U.S. Subsidiary Guarantors generally operate as independent country-level business units for each respective country, except for Belgium and Luxembourg, which share country-level management and retain primary responsibility for their own operational decisions with respect to fleet purchases, pricing, site selection and staffing.

The car rental business in Europe and the Asia Pacific region, like in the United States, is split into two primary markets by location: on- and off-airport. The European car rental business is further subdivided into five primary markets by vehicle and/or customer type: Commercial, Leisure, Van, Replacement, and Medium Term rentals. The European and New Zealand fleet, like that in the United States, contains a mix of program and non-program cars from a diverse group of manufacturer partners, but with a higher proportion of vans, which corresponds with the larger proportion of revenue represented by van business in Europe as compared to the United States. As is the case with the car rental business globally, fleet size peaks with demand during the summer travel season (in some jurisdictions more than others) such that the amount of fleet owned and operated by our business units grows markedly through the spring and early summer months, with a period of defleeting occurring through the fall as demand moderates.

Our key strategies for our car rental business in Europe and the Asia Pacific region are to improve profitability, continue to grow in new markets and products, to develop our brand penetration in all segments of the market, to leverage cost efficiencies and economies of scale throughout the groups, continue to focus on customer service as a priority and to attract and train the highest quality management and employees.

We intend to improve profitability in our European and Asia Pacific business through pricing optimization, fleet cost reductions, brand development, targeting growth in the leisure and low cost market, and the introduction of a new franchise model offering a more comprehensive portfolio of services to franchisees. The growth strategy will focus on holding the Hertz brand as a commercial premium brand with a focus on superior service, penetrating the value brand market with the

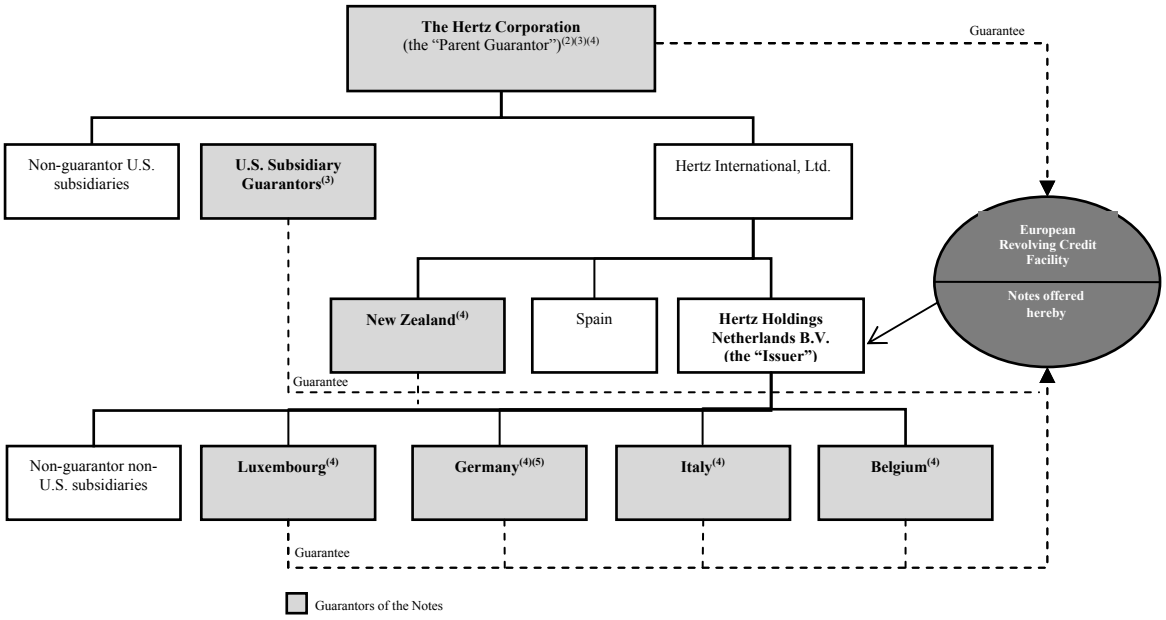
Thrifty, Firefly and ACE brands, expansion into new product offerings and having a presence in key long-haul source markets.

Customer focus has been a key development and strategy across all markets as we look to improve and expand the customer experience through various new product offerings and new, improved locations. The launch of our various collections—Green, Family Fun, Premium, and most recently, Dream—have enabled us to tap different customer segments and improve our customers' overall rental experience. Customer service and quality are a priority for the Hertz brand worldwide. For example, in Europe and the Asia Pacific region performance targets are used to gauge customer satisfaction and our Hertz Gold Plus Rewards service is being expanded to encourage customer loyalty.

Improved cost efficiency is being pursued through significant investments in technological and process improvements and through leveraging synergies across the rental network.

For further information on our business, see "Business" contained in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference into this offering memorandum.

SUMMARY CORPORATE AND FINANCING STRUCTURE[1]



Notes:

1 This corporate and financing structure chart is a summary only and does not reflect every entity in the Parent Guarantor's group or each subsidiary of the Parent Guarantor. For a description of the corporate and fleet debt facilities of the Parent Guarantor and its subsidiaries, see the section of this offering memorandum entitled "Description of Certain Indebtedness."

2 The Parent Guarantor is an indirect wholly-owned subsidiary of Hertz Holdings. Hertz Holdings' common stock is listed on the New York Stock Exchange under the ticker "HTZ."

3 The Notes will initially be guaranteed on a senior unsecured basis by the Parent Guarantor and the following U.S. subsidiaries of the Parent Guarantor:

- Cinelease Holdings, Inc.;
- Cinelease, Inc.;
- Cinelease, LLC;
- Dollar Rent A Car, Inc.;
- Dollar Thrifty Automotive Group, Inc.;
- Donlen Corporation;
- DTG Operations, Inc.;
- DTG Supply, Inc.;
- HCM Marketing Corporation;
- Hertz Car Sales, LLC;
- Hertz Claim Management Corporation;

- Hertz Entertainment Services Corporation;
- Hertz Equipment Rental Corporation;
- Hertz Global Services Corporation;
- Hertz Local Edition Corp.;
- Hertz Local Edition Transporting, Inc.;
- Hertz System, Inc.;
- Hertz Technologies, Inc.;
- Hertz Transporting, Inc.;
- Smartz Vehicle Rental Corporation;
- Thrifty Car Sales, Inc.;
- Thrifty, Inc.;
- Thrifty Insurance Agency, Inc.;
- Thrifty Rent-A-Car System, Inc.; and
- TRAC Asia Pacific, Inc.

[4] The Notes will initially be guaranteed on a senior unsecured basis by the following non-U.S. subsidiaries of the Parent Guarantor:

- Hertz Belgium BVBA;
- Hertz Fleet Limited;
- Hertz Autovermietung GmbH;
- Hertz Fleet (Italiana) S.r.l.;
- Hertz Italiana S.r.l.;
- Hertz Luxembourg S.à r.l.;
- Hertz New Zealand Holdings Limited;
- Hertz New Zealand Limited; and
- Tourism Enterprises Limited.

[5] The fleet utilized by Hertz Autovermietung GmbH, the German operating company, is financed by Hertz Fleet Limited, a special purpose vehicle incorporated in Ireland.

The Offering

The summary below describes the principal terms of the offering. Certain of the terms and conditions described below are subject to important limitations and exceptions. The "Description of Notes" section of this offering memorandum contains more detailed descriptions of the terms and conditions of the offering.

Issuer	Hertz Holdings Netherlands B.V.
Parent Guarantor	The Hertz Corporation.
Notes Offered	€425,000,000 in aggregate principal amount of 4.375% Senior Notes due 2019.
Issue Date	November 20, 2013 (the "Issue Date").
Issue Price	100%.
Form and Denomination	The Issuer will issue the Notes in denominations of €100,000 and integral multiples of €1,000 in excess thereof, maintained in book-entry form. Notes in denominations of less than €100,000 will not be available.
Maturity Date	January 15, 2019.
Interest Payment Dates	Interest on the Notes will be paid semi-annually and in arrears on January 15 and July 15, commencing on July 15, 2014. Interest will accrue from the Issue Date.
Ranking of the Notes	The Notes will be the Issuer's general unsecured obligations and will be: • equal in right of payment to all of the Issuer's existing and future indebtedness and other obligations that are not, by their terms, expressly subordinated in right of payment to the Notes; • senior in right of payment to any of the Issuer's existing or future indebtedness and other obligations that are, by their terms, expressly subordinated in right of payment to the Notes; • effectively subordinated to all of the Issuer's secured indebtedness and other secured obligations, including the Issuer's European Revolving Credit Facility, to the extent of the value of the assets securing such secured indebtedness or other secured obligations; and • structurally subordinated to all existing and future indebtedness and other obligations of the Issuer's subsidiaries that are not Guarantors. The Issuer is a holding company with no revenue-generating operations of its own. In order to make payments on the Notes or to meet other obligations, it will be dependent on receiving payments from its operating subsidiaries and/or the Parent Guarantor. Substantially all of our consolidated assets, including our car and equipment rental fleets, are subject to security interests or are otherwise encumbered for the lenders under our asset-backed and asset-based financing arrangements. See "Risk Factors—Risks Related to Our Substantial Indebtedness—Substantially all of our consolidated assets secure certain of our outstanding indebtedness, which could materially adversely affect our debt and equity holders and our business."

The Guarantors will guarantee the Issuer's obligations under the Notes. The U.S. Subsidiary Guarantors currently guarantee Hertz's obligations under the Senior Credit Facilities and the Senior Notes and the Issuer's obligations under the European Revolving Credit Facility, and the Non-U.S. Subsidiary Guarantors (and Hertz de España S.L.U., which is not guaranteeing the Notes offered hereby) currently guarantee the Issuer's obligations under the European Revolving Credit Facility. See "Description of Certain Indebtedness" and, for financial information regarding our U.S. Subsidiary Guarantors (other than the DTAG Guarantors, as defined below) and our subsidiaries (including the Non-U.S. Subsidiary Guarantors) that do not guarantee our Senior Notes for the fiscal year ended December 31, 2012, see Note 17 to the audited annual consolidated financial statements of Hertz included in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference into this offering memorandum. The term "DTAG Guarantors" means, collectively, Dollar Rent A Car, Inc., Dollar Thrifty Automotive Group, Inc., DTG Operations, Inc., DTG Supply, Inc., Thrifty Car Sales, Inc., Thrifty, Inc., Thrifty Insurance Agency, Inc., Thrifty Rent-A-Car System, Inc. and TRAC Asia Pacific, Inc. In February and March 2013, the DTAG Guarantors became guarantors under Hertz's Senior Credit Facilities and Senior Notes, respectively. Note 17 to the audited annual consolidated financial statements of Hertz included in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference in this offering memorandum, does not reflect the impact of the DTAG Guarantors becoming guarantors under Hertz's Senior Credit Facilities and Senior Notes. For financial information about our U.S. Subsidiary Guarantors for the three and nine months ended September 30, 2013, which includes the DTAG Guarantors, see Note 17 to the interim unaudited condensed consolidated financial statements of Hertz included in Hertz's Quarterly Report on Form 10-Q for the quarter ended September 30, 2013, which is incorporated by reference into this offering memorandum.

U.S. Subsidiary Guarantees ..... On the Issue Date the Notes will be guaranteed on a senior unsecured basis by the following U.S. subsidiaries of Hertz:

- Cinelease Holdings, Inc.;
- Cinelease, Inc.;
- Cinelease, LLC;
- Dollar Rent A Car, Inc.;
- Dollar Thrifty Automotive Group, Inc.;
- Donlen Corporation;
- DTG Operations, Inc.;
- DTG Supply, Inc.;
- HCM Marketing Corporation;
- Hertz Car Sales, LLC;
- Hertz Claim Management Corporation;
- Hertz Entertainment Services Corporation;
- Hertz Equipment Rental Corporation;
- Hertz Global Services Corporation;
- Hertz Local Edition Corp.;
- Hertz Local Edition Transporting, Inc.;
- Hertz System, Inc.;
- Hertz Technologies, Inc.;
- Hertz Transporting, Inc.;
- Smartz Vehicle Rental Corporation;
- Thrifty Car Sales, Inc.;
- Thrifty, Inc.;
- Thrifty Insurance Agency, Inc.;
- Thrifty Rent-A-Car System, Inc.; and
- TRAC Asia Pacific, Inc.

Non-U.S. Subsidiary Guarantees.... On the Issue Date, the Notes will be guaranteed on a senior unsecured basis by the following non-U.S. subsidiaries of Hertz:

- Hertz Belgium BVBA;
- Hertz Fleet Limited;

- Hertz Autovermietung GmbH;
- Hertz Fleet (Italiana) S.r.l;
- Hertz Italiana S.r.l.;
- Hertz Luxembourg S.à r.l.;
- Hertz New Zealand Holdings Limited:
- Hertz New Zealand Limited; and
- Tourism Enterprises Limited.

Ranking of the Guarantees ..... The Guarantees will be general unsecured obligations of the relevant Guarantor and will be:

- equal in right of payment to all existing and future indebtedness and other obligations of the relevant Guarantor that are not, by their terms, expressly subordinated in right of payment to such Guarantee;
- senior in right of payment to any existing and future indebtedness and other obligations of the relevant Guarantor that are, by their terms, expressly subordinated in right of payment to such Guarantee; and
- effectively subordinated to all secured indebtedness and other secured obligations of the relevant Guarantor, including any amounts owed pursuant to our Senior Credit Facilities (in the case of the U.S. Subsidiary Guarantors) and European Revolving Credit Facility (in the case of the U.S. Subsidiary Guarantors and the Non-U.S. Subsidiary Guarantors) to the extent of the value of the assets securing such secured indebtedness or other secured obligations; and
- structurally subordinated to all existing and future indebtedness and other obligations of the subsidiaries of such Guarantor (other than the Issuer and subsidiaries that are, or which become, Subsidiary Guarantors).

The Guarantees will be subject to contractual and legal limitations, and may be released without the consent of Noteholders under certain circumstances, including when released under our Senior Credit Facilities, the Senior Notes and the European Revolving Credit Facility. See "Description of Notes—Guarantees and Release of Guarantors" and "Risk Factors—Risks Related to the Notes—The Notes will be unsecured and structurally subordinated to some of our obligations, and only certain of our subsidiaries will guarantee the Notes."

Additional Amounts..... All payments made by or on behalf of the Issuer under or with respect to the Notes, or any of the Guarantors with respect to its Guarantee, will be made without withholding or deduction for, or on account of, any present or future taxes unless required by applicable law. If withholding or deduction for such taxes is required to be made in any relevant Tax Jurisdiction under or with respect to a payment on the Notes or the Guarantees, subject to certain exceptions, the Issuer or the relevant Guarantor, as the case may be, will pay the Additional Amounts necessary so that the net amount received after the withholding or deduction is not less than the amount that would have been received in the absence of the withholding or deduction. See "Description of Notes—Additional Amounts."

Mandatory Sinking Fund..... None.

Optional Redemption ..... Prior to maturity, the Issuer will be entitled at its option to redeem all or a portion of the Notes at a redemption price equal to 100% of the principal amount of the Notes plus the applicable "make-whole" premium described in this offering memorandum plus accrued and unpaid interest and Additional Amounts, if any, to the redemption date.

On or prior to January 15, 2017, the Issuer will be entitled at its option on one or more occasions to redeem up to 35% of the aggregate principal amount of the Notes issued under the Indenture with the net proceeds from certain equity offerings at a redemption price equal to 104.375%, plus accrued and unpaid interest and Additional Amounts, if any, to the redemption date, so long as at least 50% of the original aggregate principal amount of the Notes issued under the Indenture remains outstanding immediately after such redemption.

Redemption for Taxation Reasons.	If certain changes in the law of any relevant Tax Jurisdiction impose certain withholding taxes or other deductions on the payments on the Notes, the Issuer may redeem the Notes in whole, but not in part, at a redemption price of 100% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, to the date of redemption. See "Description of Notes—Redemption for Changes in Taxes."
Change of Control.....	In the event of certain events that constitute a Change of Control (as defined in the section entitled "Description of Notes"), the Issuer will be required to make an offer to purchase all of the outstanding Notes (unless otherwise redeemed) at a purchase price equal to 101% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, to the date of purchase. See "Description of Notes—Change of Control."
Certain Covenants	The Notes and the Guarantees will be issued under the Indenture, which contains covenants that limit, among other things, the ability of Hertz and its Restricted Subsidiaries to: • incur or guarantee additional indebtedness and issue certain preferred stock; • pay dividends or make other distributions; • make certain other restricted payments and investments; • create or incur liens; • create encumbrances or restrictions on the ability of the Issuer's subsidiaries to pay dividends or make other payments to it; • lease, transfer or sell certain assets; • merge or consolidate with other entities; and • engage in transactions with affiliates. Each of these covenants is subject to certain exceptions, including the ability to dispose of or otherwise distribute the assets of our equipment rental business, HERC. See "Risk Factors—Risks Related to the Notes—The assets of HERC may be disposed of by Hertz without being subject to many of the restrictions contained in the section 'Description of Notes—Certain Covenants.&!#cs;" Further, if on any day following the Issue Date (i) the Notes have Investment Grade Ratings from both Rating Agencies and (ii) no Default has occurred and is continuing under the Indenture, then certain of the restrictive covenants contained in the Indenture will cease to be effective and will not be applicable to the Issuer, Hertz and the Restricted Subsidiaries at any time thereafter, regardless of any subsequent changes in the ratings of the Notes (as those preceding defined terms are defined in the section entitled "Description of Notes"). See "Description of Notes—Certain Covenants."
Transfer Restrictions.....	The Notes and the Guarantees have not been registered under the Securities Act or the securities laws of any other jurisdiction. The Notes are subject to restrictions on transfer and may only be offered or sold in transactions that are exempt from or not subject to the registration requirements of the Securities Act or other applicable laws. See "Transfer Restrictions." We have not agreed to, or otherwise undertaken to, register the Notes (including by way of an exchange offer).
No Prior Market	The Notes will be new securities for which there is currently no existing market. Although the Initial Purchasers have informed us that they intend to make a market in the Notes, they are not obligated to do so and the Initial Purchasers may discontinue any market-making at any time without notice. Accordingly, we cannot assure you that a liquid market for the Notes will develop or be maintained.
Listing	The Issuer has applied to list the Notes on the Official List of the Luxembourg Stock Exchange for trading on the Luxembourg Stock Exchange's Euro MTF Market.
Trustee	Wilmington Trust, National Association (the "Trustee").
Paying Agent	Deutsche Bank AG, London Branch (the "Paying Agent").
Registrar and Transfer Agent.....	Deutsche Bank Luxembourg S.A.
Luxembourg Listing Agent	Wilmington Trust SP Services (Luxembourg) S.A.
Governing Law.....	The Notes and the Indenture governing the Notes and the Guarantees will be governed by the laws of the State of New York.

Use of Proceeds	We intend to use the net proceeds from this offering to redeem all of our outstanding European Fleet Notes. See "Use of Proceeds." Certain of the Initial Purchasers and/or affiliates of certain of the Initial Purchasers may beneficially own a portion of our outstanding European Fleet Notes, and as such may receive a portion of the proceeds from this offering as a result of our redemption of the European Fleet Notes. See "Plan of Distribution—Relationships with the Initial Purchasers."
Risk Factors.....	You should refer to "Risk Factors" herein for an explanation of certain risks involved in investing in the Notes.

Summary Consolidated Financial Information

The Hertz Corporation

The following tables present summary consolidated financial information and other data of Hertz and its consolidated subsidiaries. The summary consolidated statement of operations data for the years ended December 31, 2012, 2011 and 2010 and the summary consolidated balance sheet data as of December 31, 2012 and 2011 presented below were derived from Hertz's audited annual consolidated financial statements and the related notes thereto, which are incorporated by reference in this offering memorandum from Hertz's Annual Report on Form 10-K for the year ended December 31, 2012. The audited annual consolidated financial statements as of December 31, 2012 and 2011 and for the fiscal years ended December 31, 2012, 2011 and 2010 have been audited by PricewaterhouseCoopers LLP. The summary interim consolidated financial and operating data as of September 30, 2013 and for the nine months ended September 30, 2013 and 2012 have been derived from Hertz's unaudited condensed consolidated financial statements, which are incorporated by reference in this offering memorandum from its Quarterly Report on Form 10-Q for the quarter ended September 30, 2013.

Amounts for the last twelve months ended September 30, 2013 are calculated as the corresponding amounts for the nine months ended September 30, 2013 plus the corresponding amounts for the year ended December 31, 2012 less the corresponding amounts for the nine months ended September 30, 2012.

You should read the following information in conjunction with the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Hertz's consolidated financial statements and related notes thereto included in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012 and its Quarterly Report on Form 10-Q for the quarter ended September 30, 2013, which are incorporated by reference in this offering memorandum. See "Where You Can Find Additional Information" for the location of information incorporated by reference in this offering memorandum.

		Nine months ended September 30,		Year ended December 31,		
	Last twelve months ended September 30, 2013[a]	2013[a]	2012	2012[a]	2011	2010
	(In millions of dollars)					
Statement of Operations Data						
Revenues:						
Worldwide Car rental	$8,494.3	$6,686.3	$5,353.6	$7,161.6	$6,940.8	$6,486.2
Worldwide Equipment rental	1,522.4	1,137.1	1,000.1	1,385.4	1,209.5	1,070.1
All other operations[b]	522.4	397.2	348.6	473.8	148.1	6.2
Total revenues	10,539.1	8,220.6	6,702.3	9,020.8	8,298.4	7,562.5
Expenses:						
Direct operating	5,534.2	4,282.6	3,544.2	4,795.8	4,566.4	4,283.4
Depreciation of revenue earning equipment and lease charges[c]	2,457.6	1,904.8	1,595.4	2,148.2	1,905.7	1,868.1
Selling, general and administrative	1,133.3	803.1	615.3	945.5	745.1	664.5
Interest expense	675.9	508.6	430.5	597.8	650.3	726.5
Interest income	(9.9)	(7.3)	(2.3)	(4.9)	(5.5)	(12.3)
Other (income) expense, net	89.1	43.1	(10.5)	35.5	62.5	—
Total expenses	9,880.2	7,534.9	6,172.6	8,517.9	7,924.5	7,530.2
Income before income taxes	658.9	685.7	529.7	502.9	373.9	32.3
Provision for taxes on income[d]	(289.1)	(287.7)	(225.7)	(227.1)	(143.8)	(33.3)
Net income (loss)	369.8	398.0	304.0	275.8	230.1	(1.0)
Noncontrolling interest	—	—	—	—	(19.6)	(17.4)
Net income (loss) attributable to The Hertz Corporation and subsidiaries' common stockholder	$369.8	$398.0	$304.0	$275.8	$210.5	$(18.4)

As of September 30,		As of December 31,		
2013[a]	2012	2012[a]	2011	2010
(In millions of dollars)				

Balance Sheet Data					
Cash and cash equivalents	$547.3	$453.3	$533.2	$931.2	$2,374.0
Total assets[e]	25,581.5	19,547.1	23,290.2	17,667.3	17,336.9
Corporate debt	6,806.7	4,356.7	6,111.2	4,295.5	5,443.6
Net corporate debt[f]	6,194.7	3,828.8	5,500.4	3,269.9	2,977.6
Fleet debt	10,248.5	7,936.5	8,903.3	6,612.3	5,475.7
Net fleet debt[f]	9,791.9	7,634.3	8,409.3	6,398.7	5,360.1
Total debt	17,055.2	12,293.2	15,014.5	10,907.8	10,919.3
Total net debt[f]	15,986.6	19,547.1	13,909.7	9,668.6	8,337.7
Total equity	2,850.2	2,961.3	2,917.5	2,628.9	2,502.4

	Last twelve months ended or as of September 30, 2013[a]	Nine months ended or as of September 30,		Year ended or as of December 31,		
		2013[a]	2012	2012[a]	2011	2010
	(In millions of dollars)					
Other Financial Data						
EBITDA[g]	$4,097.5	$3,333.1	$2,737.1	$3,501.5	$3,135.1	$2,821.5
Corporate EBITDA[h]	2,058.9	1,645.9	1,222.8	1,635.8	1,389.7	1,100.4
Interest expense, net	666.0	501.3	428.2	592.9	644.8	714.2
Corporate interest expense, net	371.4	278.3	202.4	295.5	338.6	329.9
Net corporate debt/Corporate EBITDA	3.01x	—	—	3.36x	2.35x	2.71x
Total net debt/EBITDA	3.90x	—	—	3.97x	3.08x	2.96x
Corporate EBITDA/corporate interest expense, net	5.54x	5.91x	6.04x	5.54x	4.10x	3.34x
EBITDA/interest expense, net	6.15x	6.65x	6.39x	5.91x	4.86x	3.95x

[a] The applicable 2012 and the 2013 amounts reflect the inclusion of the Dollar Thrifty results from November 19, 2012 through the dates indicated. See Note 4 to the notes to Hertz's audited annual consolidated financial statements included in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012 and Note 5 to our interim condensed consolidated financial statements included in Hertz's Quarterly Report on Form 10-Q for the quarter ended September 30, 2013, which are incorporated by reference in this offering memorandum.

[b] "All other operations" includes revenues from our Donlen operating segment and revenues from our other business activities, such as our third-party claim management services in accordance with our revised reportable segment structure adopted in the third quarter of 2013, as discussed above under "—Our Business Segments." Prior periods have been reclassified to conform to this revised presentation.

[c] The increases for the twelve months ended September 30, 2013, the nine months ended September 30, 2013 and the year ended December 31, 2012 and the year ended December 31, 2011 primarily reflect our acquisitions of Dollar Thrifty in November 2012 and Donlen in September 2011, respectively, as well as gains from disposal of revenue earning equipment, partly offset by a decrease due to changing depreciation rates. For the twelve months ended September 30, 2013, the nine months ended September 30, 2013 and 2012 and the years ended December 31, 2012, 2011 and 2010, depreciation of revenue earning equipment decreased by $65.0 million, $31.5 million, $96.6 million, $130.1 million and $18.2 million and increased by $22.7 million, respectively, resulting from the net effects of changing depreciation rates to reflect changes in the estimated residual value of revenue earning equipment. For the twelve months ended September 30, 2013, nine months ended September 30, 2013 and 2012 and the years ended December 31, 2012, 2011 and 2010, depreciation of revenue earning equipment and lease charges included net losses of $17.5 million, $21.0 million, net gains of $93.3 million, $96.8 million and $112.2 million and net losses of $42.9 million, respectively, from the disposal of revenue earning equipment.

[d] For the twelve months ended September 30, 2013, the nine months ended September 30, 2013 and 2012 and the years ended December 31, 2012, 2011 and 2010, tax valuation allowances increased by $35.2 million, $3.0 million, $3.7 million and $35.8 million, decreased by $2.5 million and increased by $27.5 million, respectively (excluding

the effects of foreign currency translation), relating to the realization of deferred tax assets attributable to net operating losses, credits and other temporary differences in various jurisdictions. In 2011, we reversed a valuation allowance of $12.0 million relating to realization of deferred tax assets attributable to net operating losses and other temporary differences in Australia and China. Additionally, certain tax reserves were recorded and certain tax reserves were released due to settlement for various uncertain tax positions in Federal, state and foreign jurisdictions.

[e] Substantially all of our revenue earning equipment, as well as certain related assets, are owned by special purpose entities, or are subject to liens 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, including holders of the Notes. For a description of those facilities, see "Description of Certain Indebtedness" herein and "Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources" in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012 and "Item 2—Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources" in Hertz's Quarterly Report on Form 10-Q for the quarter ended September 30, 2013, which are incorporated by reference in this offering memorandum.

[f] Net corporate debt, net fleet debt and total net debt are important to management, investors and ratings agencies as they help measure our leverage. Net corporate debt also assists in the evaluation of our ability to service our non-fleet related debt without reference to the expense associated with the fleet debt, which is fully collateralized by assets not available to lenders under the non-fleet debt facilities. Net corporate debt, net fleet debt and total net debt are not recognized terms under GAAP. When evaluating Hertz's liabilities and debt, investors should not consider net corporate debt, net fleet debt and total net debt in isolation of, or as a substitute for, measures of liabilities and debt as determined in accordance with GAAP.

Net corporate debt is calculated as total debt excluding fleet debt less cash and cash equivalents and corporate restricted cash. Corporate debt consists of the indebtedness that is outstanding at a particular date under the Senior Credit Facilities, Senior Notes, 7.875% Senior Notes due 2014 (which were redeemed in full in March 2012), 8.875% Senior Notes due 2014 (which were redeemed in full in March 2012), 10.50% Senior Subordinated Notes (which were redeemed in full in January 2011), Promissory Notes and certain of our other indebtedness, as applicable at that particular date (in each case, as those preceding defined terms are defined below in "Description of Certain Indebtedness"). Corporate restricted cash is calculated as total restricted cash less restricted cash associated with fleet debt.

Net fleet debt is calculated as total fleet debt less restricted cash associated with fleet debt. Fleet debt consists of the indebtedness that is outstanding at a particular date under the HVF U.S. Fleet Variable Funding Notes, HVF U.S. Fleet Medium Term Notes, RCFC U.S. Fleet Variable Funding Notes, RCFC U.S. Fleet Medium Term Notes, Donlen GN II Variable Funding Notes, HFLF Variable Funding Notes, U.S. Fleet Financing Facility, European Revolving Credit Facility, European Fleet Notes, European Securitization, Hertz-Sponsored Canadian Securitization, Dollar Thrifty-Sponsored Canadian Securitization, Australian Securitization, Brazilian Fleet Financing and Capitalized Leases (as those preceding terms are described below in "Description of Certain Indebtedness"), as applicable at that particular date. Restricted cash associated with fleet debt is restricted for the purchase of revenue earning vehicles and other specified uses under our fleet debt facilities and our car rental like-kind exchange program.

Total net debt is calculated as net corporate debt plus net fleet debt.

The following table reconciles total debt to net corporate debt, net fleet debt and total net debt for the periods presented.

	As of September 30,		As of December 31,		
	2013	2012	2012	2011	2010
	(In millions of dollars)				
Non-GAAP Reconciliation					
Total corporate debt	$6,806.7	$4,356.7	$6,111.2	$4,295.5	$5,443.6
Total fleet debt	10,248.5	7,936.5	8,903.3	6,612.3	5,475.7
Total debt	$17,055.2	$12,293.2	$15,014.5	$10,907.8	$10,919.3
Corporate Restricted Cash					
Restricted cash, less:	$521.3	$376.8	$571.6	$308.0	$207.6

Restricted cash associated with fleet debt	(456.6)	(302.2)	(494.0)	(213.6)	(115.6)
Corporate Restricted Cash	$64.7	$74.6	$77.6	$94.4	$92.0
Net Corporate Debt					
Corporate debt, less:	$6,806.7	$4,356.7	$6,111.2	$4,295.5	$5,443.6
Cash and cash equivalents	(547.3)	(453.3)	(533.2)	(931.2)	(2,374.0)
Corporate restricted cash	(64.7)	(74.6)	(77.6)	(94.4)	(92.0)
Net Corporate Debt	$6,194.7	$3,828.8	$5,500.4	$3,269.9	$2,977.6
Net Fleet Debt					
Fleet Debt, less:	$10,248.5	$7,936.5	$8,903.3	$6,612.3	$5,475.7
Restricted cash associated with fleet debt	(456.6)	(302.2)	(494.0)	(213.6)	(115.6)
Net Fleet Debt	$9,791.9	$7,634.3	$8,409.3	$6,398.7	$5,360.1
Total Net Debt	$15,986.6	$11,463.1	$13,909.7	$9,668.6	$8,337.7

[g] We define EBITDA as income (loss) before income taxes plus depreciation, amortization and other purchase accounting and interest (net of interest income), less noncontrolling interest. EBITDA is not a recognized measurement under GAAP. When evaluating our operating performance or liquidity, investors should not consider EBITDA in isolation of, or as a substitute for, measures of our financial performance and liquidity as determined in accordance with GAAP, such as net income, operating income or net cash provided by operating activities. Because companies do not calculate EBITDA identically, our presentation of EBITDA may not be comparable to similarly titled measures of other companies.

EBITDA provides investors with supplemental measures of operating performance and liquidity. Management uses EBITDA as a performance and cash flow metric for internal monitoring and planning purposes, including the preparation of Hertz's annual operating budget and monthly operating reviews, as well as to facilitate analysis of investment decisions. EBITDA is an important measure because it allows Hertz to evaluate profitability and make performance trend comparisons between Hertz and its competitors. EBITDA is also used by management and investors to evaluate our operating performance exclusive of financing costs and depreciation policies. Management believes that EBITDA is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industries.

The following tables reconcile each of income before income taxes and net cash provided by operating activities to EBITDA for the periods presented.

		Nine months ended September 30,		Year ended December 31,		
	Last twelve months ended September 30, 2013	2013	2012	2012	2011	2010
	(In millions of dollars)					
Non-GAAP Reconciliation						
Income before income taxes	$658.9	$685.7	$529.7	$502.9	$373.9	$32.3
Depreciation, amortization and other purchase accounting	2,772.6	2,146.1	1,779.2	2,405.7	2,136.0	2,092.4
Interest, net of interest income	666.0	501.3	428.2	592.9	644.8	714.2
Noncontrolling interest	—	—	—	—	(19.6)	(17.4)
EBITDA	$4,097.5	$3,333.1	$2,737.1	$3,501.5	$3,135.1	$2,821.5

		Nine months ended September 30,		Year ended December 31,		
	Last twelve months ended September 30, 2013	2013	2012	2012	2011	2010
	(In millions of dollars)					
Non-GAAP Reconciliation						
Net cash provided by operating activities	$3,477.2	$2,872.5	$2,143.7	$2,748.4	$2,258.5	$2,237.9
Amortization of debt costs	(46.2)	(36.2)	(45.8)	(55.8)	(105.9)	(91.8)

Provision for losses on doubtful accounts	(49.0)	(38.4)	(23.5)	(34.1)	(28.2)	(19.7)
Derivative gains (losses)	0.1	3.7	(0.7)	(4.3)	8.0	(10.8)
Gain (loss) on revaluation of foreign denominated debt	—	—	(2.5)	(2.5)	26.6	—
Gain (loss) on disposal of business	(56.9)	(1.8)	8.7	(46.4)	—	—
Gain on sale of property and equipment	9.0	2.6	1.9	8.3	43.5	5.7
Amortization and ineffectiveness of cash flow hedges	—	—	—	—	—	(68.9)
Stock-based compensation charges	(40.5)	(32.5)	(22.3)	(30.3)	(31.1)	(36.6)
Impairment charges and other	(40.0)	(40.0)	—	—	—	—
Asset writedowns	—	—	—	—	(23.2)	(20.4)
Lease charges	73.9	57.7	63.6	79.8	96.1	78.2
Gain on revaluation of investment	8.5	—	—	8.5	—	—
Noncontrolling interest	—	—	—	—	(19.6)	(17.4)
Deferred income taxes	(210.3)	(192.2)	(118.7)	(136.8)	(73.7)	19.9
Provision (benefit) for taxes on income	289.1	287.7	225.7	227.1	143.8	33.3
Interest expense, net of interest income	666.0	501.3	428.2	592.9	644.8	714.2
Changes in assets and liabilities	16.6	(51.3)	78.8	146.7	195.5	(2.1)
EBITDA	$4,097.5	$3,333.1	$2,737.1	$3,501.5	$3,135.1	$2,821.5

[h] We define Corporate EBITDA as EBITDA less car rental fleet interest and car rental fleet depreciation, plus non-cash expenses and charges and certain other expenses. Corporate EBITDA is not a recognized term under GAAP. When evaluating Hertz's operating performance or liquidity, investors should not consider Corporate EBITDA in isolation of, or as a substitute for, measures of Hertz's financial performance, operating performance and liquidity as determined in accordance with GAAP, such as net income, operating income or net cash provided by operating activities. Because companies do not calculate Corporate EBITDA identically, our presentation of Corporate EBITDA may not be comparable to similarly titled measures of other companies.

Corporate EBITDA provides investors with supplemental measures of operating performance and liquidity and provides supplemental information utilized in the calculation of the financial covenants under the Senior Credit Facilities. Management uses Corporate EBITDA as a performance and cash flow metric for internal monitoring and planning purposes, including the preparation of Hertz's annual operating budget and monthly operating reviews, as well as to facilitate analysis of investment decisions, profitability and performance trends. Management believes that Corporate EBITDA is frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industries.

The following table reconciles EBITDA to Corporate EBITDA for the periods presented.

		Nine months ended September 30,		Year ended December 31,		
	Last twelve months ended September 30, 2013	2013	2012	2012	2011	2010
		(In millions of dollars)				
Non-GAAP Reconciliation						
EBITDA	$4,097.5	$3,333.1	$2,737.1	$3,501.5	$3,135.1	$2,821.5
Adjustments:						
Car rental fleet interest	(294.6)	(223.1)	(225.9)	(297.4)	(306.2)	(384.3)
Car rental fleet depreciation	(2,161.7)	(1,681.8)	(1,396.2)	(1,876.1)	(1,651.4)	(1,594.6)
Non-cash amortization of debt costs included in car rental fleet interest	25.6	19.8	31.5	37.3	43.0	132.5

Non-cash stock-based employee compensation charges	39.0	30.9	22.2	30.3	31.0	36.6
Non-cash derivative (gains) losses	1.5	0.5	(0.1)	0.9	(0.1)	3.2
Pension adjustment	—	—	—	—	(13.1)	—
Restructuring and restructuring related charges	86.3	71.8	34.6	49.1	66.2	67.8
Acquisition related costs	157.8	13.7	19.6	163.7	18.8	17.7
Integration expenses	29.1	29.1	—	—	—	—
Management transition costs	—	—	—	—	4.0	—
Premiums paid on debt	—	—	—	—	62.4	—
Relocation costs	4.4	4.4	—	—	—	—
Impairment charges	44.0	44.0	—	—	—	—
Other	30.0	3.5	—	26.5	—	—
Corporate EBITDA	$2,058.9	$1,645.9	$1,222.8	$1,635.8	$1,389.7	$1,100.4

Hertz Holdings Netherlands B.V.

The following tables present certain consolidated financial information and other data for the business of the Issuer, which includes the Non-U.S. Subsidiary Guarantors Hertz Belgium BVBA, Hertz Fleet Limited, Hertz Autovermietung GmbH, Hertz Fleet (Italiana) S.r.l., Hertz Italiana S.r.l. and Hertz Luxembourg S.à r.l., but excludes the Non-U.S. Subsidiary Guarantors Hertz New Zealand Holdings Limited, Hertz New Zealand Limited and Tourism Enterprises Limited. This financial information and other data for the business of the Issuer should not be viewed as a substitute for full financial statements of the Issuer prepared in accordance with U.S. GAAP, which would require additional adjustments.

		Nine months ended or as of September 30,		Year ended or as of December 31,		
	Last twelve months ended or as of September 30, 2013	2013	2012	2012	2011	2010
		(Unaudited) (In millions of dollars)				
Issuer Financial Data						
Revenue	2,388.0	1,836.8	1,813.3	2,364.5	2,548.3	2,279.2
EBITDA	744.4	582.9	586.7	748.2	867.2	756.7
Capital expenditures	721.0	1,123.7	1,035.6	632.9	690.9	677.2
Total assets	4,349.7	4,349.7	4,244.4	3,714.9	3,670.2	3,914.8

		Nine months ended September 30,		Twelve months ended December 31,		
Non-GAAP Reconciliation (Issuer)	Last twelve months ended September 30, 2013	2013	2012	2012	2011	2010
		(In thousands of dollars)				
Income (loss) before income taxes	21,807	38,912	29,308	12,203	64,015	32,161
Depreciation, amortization and other purchase accounting	579,495	436,128	439,482	582,849	608,055	566,756
Interest, net of interest income	143,101	107,865	117,885	153,121	195,153	157,799
EBITDA	744,403	582,905	586,675	748,173	867,223	756,716

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following unaudited pro forma condensed combined statement of operations for the fiscal year ended December 31, 2012 is presented on a pro forma basis to give effect to (i) the November 2012 acquisition (the "Dollar Thrifty Acquisition") of Dollar Thrifty Automotive Group, Inc., a Delaware corporation ("Dollar Thrifty"), by Hertz Global Holdings, Inc., a Delaware corporation ("Hertz Holdings") and the parent of The Hertz Corporation, a Delaware corporation ("Hertz"), (ii) the sale of Simply Wheelz LLC (the "Advantage Divestiture"), a wholly-owned subsidiary of Hertz that operated its Advantage Rent A Car business ("Advantage"), and of selected Dollar Thrifty airport concessions and certain other assets to Adreca Holdings Corp., a subsidiary of Macquarie Capital which is expected to be operated by Franchise Services of North America Inc. (the "Advantage Buyer"), and (iii) the financing of $1,950.0 million to fund the Dollar Thrifty Acquisition (collectively, the "Pro Forma Transactions"), in each case, as if they had occurred on January 1, 2012. The effects of the Pro Forma Transactions are already reflected in our unaudited condensed consolidated balance sheet as of September 30, 2013, our unaudited consolidated statement of operations for the nine months ended September 30, 2013 and our audited consolidated balance sheet as of December 31, 2012, in each case incorporated by reference into this offering memorandum. The historical consolidated financial information has been adjusted in the following unaudited pro forma condensed combined financial statement, or the "pro forma financial statement," to give effect to pro forma events that are (i) directly attributable to the applicable Pro Forma Transactions, (ii) factually supportable and (iii) expected to have a continuing impact on the combined results.

The following pro forma financial statement was derived in part from and should be read in conjunction with:

- the consolidated financial statements of Hertz as of and for the year ended December 31, 2012 and the related notes incorporated by reference into this offering memorandum; and

- the unaudited condensed consolidated financial statements of Hertz as of and for the three and nine months ended September 30, 2013 and the related notes incorporated by reference into this offering memorandum.

The pro forma financial statement has been presented for informational purposes only. The pro forma financial statement is not necessarily indicative of what the combined company's financial position or results of operations actually would have been had the Pro Forma Transactions been completed as of the date indicated. In addition, the pro forma financial statement does not purport to project the future financial position or operating results of the combined company. There were no material transactions between Hertz and Dollar Thrifty during the period presented in the pro forma financial statement that would need to be eliminated.

The pro forma financial statement reflects the acquisition method of accounting under GAAP, and is subject to change and interpretation. Hertz has been treated as the acquirer in the Dollar Thrifty Acquisition for accounting purposes. Assumptions and estimates underlying the pro forma adjustments are described in the accompanying notes, which should be read in conjunction with the pro forma financial statement.

The allocation of the purchase price as reflected within the pro forma financial statement is based on the best information available to management at the time of the preparation of this offering memorandum and is preliminary pending the completion of the final valuation analysis of the Dollar Thrifty assets and liabilities, including the valuation of income taxes. Accordingly, the pro forma adjustments are preliminary and have been made solely for the purpose of preparing the pro forma financial statement and are based upon information available at the time of the preparation of this offering memorandum. Differences between these preliminary estimates and the final acquisition accounting will occur and these differences could have a material impact on the pro forma financial statement and the combined company's future results of operations and financial position.

The pro forma financial statement does not reflect non-recurring income statement items arising directly as a result of the Dollar Thrifty Acquisition, any cost savings or other synergies that the combined company may achieve as a result of the Dollar Thrifty Acquisition, the costs to integrate the operations of Hertz and Dollar Thrifty or the costs necessary to achieve these cost savings and other synergies. The effects of the foregoing items could, individually or in the aggregate, materially impact the pro forma financial statement.

Unaudited Pro Forma Condensed Combined Statement of Operations

For the Year Ended December 31, 2012

(in thousands of dollars)	Hertz	Dollar Thrifty	Dollar Thrifty Pro Forma Adjustments (Note 5)		Sale of Advantage (Note 6(a))	Advantage Pro Forma Adjustments (Note 6(b))	Pro Forma Combined
Revenues:							
Car Rental	$7,456,111	$1,358,712	$(96,695)	(a)	$(224,392)	$69,007	$8,562,743
Equipment Rental	1,383,196	—	—		—	—	1,383,196
Other	181,500	61,018	—		—	—	242,518
Total revenues	9,020,807	1,419,730	(96,695)		(224,392)	69,007	10,188,457
Expenses:							
Direct operating	4,795,788	702,145	(22,585)	(a)	(126,025)	—	5,349,323
Depreciation of revenue earning equipment and lease charges	2,148,158	233,882	(134,216)	(a)(b)	—	—	2,247,824
Selling, general and administrative	945,581	198,308	(144,480)	(a)(c)(d)(e)	(6,188)	—	993,221
Interest expense	597,788	52,368	72,724	(f)	—	—	722,880
Interest income	(4,902)	(1,591)	—		—	—	(6,493)
Other expense, net	35,542	—	(35,147)	(g)(h)(i)	—	—	395
Total expenses	8,517,955	1,185,112	(263,704)		(132,213)	—	9,307,150
Income (loss) before income taxes	502,852	234,618	167,009		(92,179)	69,007	881,307
Provision for taxes on income	(227,073)	(96,916)	(65,134)	(j)	35,950	(26,913)	(380,086)
Net income	275,779	137,702	101,875		(56,229)	42,094	501,221
Less: Net income attributable to noncontrolling interest	—	—	—		—	—	—
Net income attributable to Hertz/Dollar Thrifty common stockholders	$275,779	$137,702	$101,875		$(56,229)	$42,094	$501,221

See accompanying Notes to Unaudited Pro Forma Condensed Combined Financial Statement, which are an integral part of this statement.

Notes to Unaudited Pro Forma Condensed Combined Financial Statement

1. Description of Pro Forma Transactions

The Dollar Thrifty Acquisition

On November 19, 2012, Hertz Holdings completed the Dollar Thrifty Acquisition pursuant to the terms of the Agreement and Plan of Merger, dated as of August 26, 2012 (the "Merger Agreement"), with Dollar Thrifty and HDTMS, Inc. ("Merger Sub"), a wholly-owned subsidiary of Hertz. In accordance with the terms of the Merger Agreement, Merger Sub completed a tender offer (the "Tender Offer") in which it purchased a majority of the shares of Dollar Thrifty common stock then outstanding at a price equal to $87.50 per share in cash. Merger Sub subsequently acquired the remaining shares of Dollar Thrifty common stock by means of a short-form merger (the "Merger") in which such shares were converted into the right to receive the same $87.50 per share in cash paid in the tender offer. The total purchase price was approximately $2,591.6 million, comprised of $2,550.2 million of cash, including our use of approximately $404.0 million of cash and cash equivalents available from Dollar Thrifty, and the fair value of our previously held equity interest in Dollar Thrifty of $41.4 million.

In order to obtain regulatory approval and clearance for the Dollar Thrifty Acquisition, Hertz Holdings agreed to dispose of Advantage, to secure for the Advantage Buyer certain on-airport car rental concessions and related assets at 13 locations where Dollar Thrifty operated at least one of its brands prior to the consummation of the Dollar Thrifty Acquisition (the "Initial Airport Locations") and to secure for the Advantage Buyer or, in certain cases, one or more other Federal Trade Commission-approved buyers, on-airport car rental concessions at 13 additional locations where Dollar Thrifty operated prior to the consummation of the Dollar Thrifty Acquisition (the "Secondary Airport Locations"). The Advantage Buyer agreed to assume all of the Secondary Airport Locations. For a further discussion of the expected impact of the disposition of the Initial Airport Locations and the Secondary Airport Locations refer to Note 4 to our audited annual consolidated financial statements incorporated by reference into this offering memorandum.

The Advantage Divestiture

On December 12, 2012, Hertz consummated the Advantage Divestiture, pursuant to which it sold Simply Wheelz LLC, its wholly-owned subsidiary that operated our Advantage business, to the Advantage Buyer. For a further discussion of the impact of the disposition of Advantage, refer to Note 4 to our audited annual consolidated financial statements included in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012 incorporated by reference into this offering memorandum.

Issuance of the 2020 Notes and the 2022 Notes and Incurrence of Incremental Term Loans

On October 16, 2012, HDTFS, Inc., a wholly-owned subsidiary of Hertz (the "Escrow Issuer"), issued $700.0 million in aggregate principal amount of 5.875% Senior Notes due 2020 (the "2020 Notes") and $500.0 million in aggregate principal amount of 6.250% Senior Notes due 2022 (the "2022 Notes"), each in a private offering exempt from the registration requirements of the Securities Act of 1933, as amended. The proceeds from this issuance were placed in escrow pending consummation of the Dollar Thrifty Acquisition. Contemporaneously with the consummation of the Dollar Thrifty Acquisition, the proceeds from the issuance were released from escrow, the Escrow Issuer merged with and into Hertz, with Hertz continuing as the surviving entity, and Hertz assumed the Escrow Issuer's obligations under the 2020 Notes, the 2022 Notes and the indenture governing the same. The proceeds of this issuance were used to: (i) finance a portion of the consideration in connection with the Dollar Thrifty Acquisition, (ii) pay off existing indebtedness and other obligations of Dollar Thrifty and its subsidiaries in connection with the Dollar Thrifty Acquisition and (iii) pay fees and other transaction expenses in connection with the Dollar Thrifty Acquisition and related financing transactions.

On October 9, 2012, Hertz entered into an Incremental Commitment Amendment to its March 2011 credit agreement, which had provided for a $1,400.0 million term loan (the "Senior Term Facility"), with an average interest rate of 3.75% at December 31, 2012. The Incremental Commitment Amendment increased the amount available under the Senior Term Facility by providing for commitments for an additional $750.0 million of incremental terms loans (the "Incremental Term Loans") under the Senior Term Facility. Contemporaneously with the consummation of the Dollar Thrifty Acquisition, the Incremental Term Loans were fully drawn and the proceeds therefrom were used to: (i) finance a portion of the consideration in connection with the Dollar Thrifty Acquisition, (ii) pay off existing indebtedness and other obligations of Dollar Thrifty and its subsidiaries in connection with the Dollar Thrifty Acquisition and (iii) pay fees and other transaction expenses in connection with the Dollar Thrifty Acquisition and related financing transactions.

2. Basis of Presentation

The pro forma financial statement was prepared using the acquisition method of accounting in accordance with Financial Accounting Standards Board's Accounting Standards Codification (ASC) 805, Business Combinations, and uses the fair value concepts defined in ASC 820, Fair Value Measurements and Disclosures. Certain reclassifications have been made to the historical financial statements of Dollar Thrifty to conform with Hertz's presentation, primarily related to the presentation of (i) interest income, which Dollar Thrifty shows net with interest expense and (ii) the increase (decrease) in the fair value of derivatives which Dollar Thrifty presents as a separate line item, but which Hertz includes in "Selling, general and administrative."

In order to obtain regulatory approval and clearance for the Dollar Thrifty Acquisition, Hertz Holdings agreed to divest its Advantage business. As such, this pro forma financial statement reflects adjustments to eliminate the results of operations of Advantage (prior to such divestiture) for the year ended December 31, 2012. Additionally, in order to obtain regulatory approval and clearance for the Dollar Thrifty Acquisition, Hertz Holdings agreed to secure for the Advantage Buyer certain on-airport car rental concessions and related assets at the Initial Airport Locations and the Secondary Airport Locations. This pro forma financial statement reflects adjustments to eliminate the results of operations of the Initial Airport Locations and the Secondary Airport Locations. As part of the agreement with the Advantage Buyer, Hertz Holdings will also be providing financial support to the Advantage Buyer. See Note 6 to the unaudited pro forma condensed combined statement of operations herein for further discussion of the financial support fees.

ASC 805 requires, among other things, that most assets acquired and liabilities assumed be recognized at their fair values as of the effective time of the Dollar Thrifty Acquisition. ASC 820 defines the term "fair value" and sets forth the valuation requirements for any asset or liability measured at fair value, expands related disclosure requirements and specifies a hierarchy of valuation techniques based on the nature of the inputs used to develop the fair value measures. Fair value is defined in ASC 820 as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." This is an exit price concept for the valuation of the asset or liability. In addition, market participants are assumed to be buyers and sellers in the principal (or the most advantageous) market for the asset or liability. Fair value measurements for an asset assume the highest and best use by these market participants. As a result of these standards, Hertz may be required to record assets which are not intended to be used or sold and/or to value assets at fair value measures that do not reflect Hertz's intended use of those assets. Many of these fair value measurements can be highly subjective and it is also possible that other professionals, applying reasonable judgment to the same facts and circumstances, could develop and support a range of alternative estimated amounts.

Under ASC 805 acquisition-related transaction costs (e.g., advisory, legal, valuation, other professional fees) and certain acquisition-related restructuring charges impacting the target company are not included as a component of consideration transferred but are accounted for as expenses in the periods in which the costs are incurred. Total advisory, legal, regulatory and valuation costs directly related to the Dollar Thrifty Acquisition and incurred by Hertz and Dollar Thrifty for the year ended December 31, 2012, were $68.9 million and $41.6 million, respectively, and have been removed from the unaudited pro forma condensed combined statement of operations as they reflect non-recurring charges directly related to the Dollar Thrifty Acquisition.

3. Estimate of Total Acquisition Costs

The following represents total acquisition costs of the Dollar Thrifty Acquisition:

	(In millions, except share and per share amounts)
Dollar Thrifty common stock shares outstanding, less shares owned by Hertz at November 19, 2012	27,585
Cash per share	$87.50
Cash consideration for outstanding shares	2,413.7
Value of Dollar Thrifty stock options settled in cash[a]	104.9
Value of Dollar Thrifty performance unit share awards and restricted stock units settled in cash[b]	30.9
Option exchange	0.5
Payment for shares to execute top-up option	0.2
Total cash consideration transferred	2,550.2
Dollar Thrifty common stock shares previously owned by Hertz at November 19, 2012	41.4

Total acquisition costs	$2,591.6

[a] Represents the cash consideration paid to holders of Dollar Thrifty stock options. At the date the Tender Offer was completed, the holders of each stock option were entitled to receive a lump sum cash payment equal to the product of (1) the number of shares of Dollar Thrifty common stock subject to such award and (2) the excess, if any, of $87.50 over the exercise price per share of Dollar Thrifty common stock. In accordance with ASC 805, the fair value of outstanding Dollar Thrifty stock options, which are immediately vested upon consummation of the Tender Offer, has been attributed to precombination service and included in the consideration transferred.

[b] Represents the cash consideration paid to holders of Dollar Thrifty performance units and restricted stock units for service prior to the consummation of the Tender Offer. At the date the Tender Offer was completed, the holders of each performance unit and each restricted stock unit became fully vested in such award and were entitled to receive a lump sum cash payment equal to the product of (1) the number of shares of Dollar Thrifty common stock subject to such award (in the case of performance units, as if performance was achieved at the target level) and (2) $87.50. ASC 805 requires that cash payments made to settle vested awards attributable to precombination service be included in the consideration transferred. Additionally, approximately $13.3 million in payments associated with performance units and restricted stock units associated with post-combination services have been expensed after consummation of the Tender Offer.

4. Purchase Price Allocation

The following table summarizes the preliminary allocation of the purchase price (including Dollar Thrifty common stock shares previously owned by Hertz) of $2,591.6 million to the estimated fair value of the assets acquired and liabilities assumed by Hertz in the Dollar Thrifty Acquisition:

	(In millions)
Cash and cash equivalents	$535.2
Restricted cash	306.5
Accounts receivable	170.0
Inventories	8.0
Prepaid expenses and other assets	41.3
Revenue earning equipment	1,614.5
Property, plant and equipment	119.4
Identifiable intangible assets	1,545.0
Other assets	35.1
Goodwill	893.4
Accounts payable	(43.5)
Accrued liabilities	(288.6)
Deferred income tax	(860.5)
Debt	(1,484.2)
Net Assets acquired	$2,591.6

The identifiable intangible assets of $1,545.0 million consist of $1,140.0 million of trade names with an indefinite life and $405.0 million of concession agreements. The concession agreements will be amortized over their expected useful lives of 9 years on a straight line basis.

The excess of the purchase price over the net tangible and intangible assets acquired resulted in goodwill of $893.4 million which is attributable to the synergies and economies of scale provided to a market participant. The goodwill recorded in connection with this transaction is not deductible for income tax purposes. All such goodwill is reported in the car rental segment.

The amounts above are considered preliminary pending the completion of the final valuation analysis of the Dollar Thrifty assets and liabilities, including the valuation of income taxes. Thus these amounts are subject to refinement and additional adjustments to record fair value of all assets acquired and liabilities assumed. Differences between these preliminary estimates and the final acquisition accounting will occur and these differences could have a material impact on the pro forma financial statement and the combined company's future results of operations and financial position.

5. Pro Forma Adjustments

Adjustments included in the column under the heading "Dollar Thrifty Pro Forma Adjustments" represent the following:

(a) In order to obtain regulatory approval and clearance for the Dollar Thrifty Acquisition, Hertz Holdings agreed to secure for the Advantage Buyer certain on-airport car rental concessions and related assets at the Initial Airport Locations and at the Secondary Airport Locations. This pro forma financial statement reflects adjustments to eliminate the results of operations of the Initial Airport Locations and the Secondary Airport Locations for the year ended December 31, 2012.

(b) To adjust depreciation expense due to fair value adjustment related to acquired revenue earning equipment.

(c) To adjust amortization expense for the estimated amortization expense of concessions intangible assets acquired, with an estimated fair value of $405.0 million and an estimated useful life of 9 years.

(d) To eliminate advisory, legal, regulatory and one time retention costs incurred by Hertz and Dollar Thrifty totaling $152.7 million for the year ended December 31, 2012 that are directly attributable to the Dollar Thrifty Acquisition but that are not expected to have a continuing impact on the combined company's results. See Note 2 to the unaudited pro forma condensed combined statement of operations herein for a further explanation.

(e) To eliminate the estimated support fees that Hertz Holdings is obligated to provide to the owner or buyers of the Secondary Airport Locations. These amounts are not included as a component of consideration transferred but are accounted for as post-combination expenses.

(f) To adjust interest expense as follows:

	Year Ended December 31, 2012
	(In millions)
Amortization of the fair value adjustment to debt	$(7.2)
Elimination of interest expense due to the extinguishment of Dollar Thrifty's existing non-vehicle debt[i]	(3.6)
Elimination of amortization of deferred financing costs	(7.7)
Interest expense associated with the new debt used to finance the Dollar Thrifty Acquisition[ii]	91.2
Total	$72.7

[i] Reflects elimination of commitment fees related to Dollar Thrifty's revolving credit facility and the elimination of Dollar Thrifty's letter of credit fees relating to Dollar Thrifty's letters of credit outstanding at the end of the relevant period, and offset by the outstanding balance of Dollar Thrifty's letters of credit at the end of the relevant period issued under the terms of Hertz's Senior ABL Facility in effect as at December 31, 2012 for the entire duration of the relevant period.

[ii] Includes amortization of deferred financing costs associated with the new debt used to finance the Dollar Thrifty Acquisition.

(g) To eliminate the loss on the disposition of Advantage of approximately $31.4 million, including support fees to the Advantage Buyer in the amount of $17.0 million (with the present value of $15.6 million).

(h) To eliminate one time gain related to equity interest previously held in Dollar Thrifty.

(i) To eliminate one time impairment charge related to Dollar Thrifty locations subject to divestiture.

(j) To record the preliminary estimated tax effect of the pro forma adjustments. Hertz has generally assumed a 39% tax rate when estimating the tax impacts of the Dollar Thrifty Acquisition, representing the statutory tax rate for Hertz. The effective tax rate of the combined company could be significantly different (either

higher or lower) depending on post-Dollar Thrifty Acquisition activities, cash needs and the geographical location of businesses.

6. Advantage

(a) In order to obtain regulatory approval and clearance for the Dollar Thrifty Acquisition, Hertz Holdings agreed to divest its Advantage business. As such, this pro forma financial statement reflects adjustments to eliminate the results of operations of Advantage for the year ended December 31, 2012.

(b) As part of the agreement to sell Advantage, Hertz agreed to lease and sublease vehicles to the Advantage Buyer for use in continuing the operations of Advantage, for a period no longer than two years. As such, this pro forma financial statement includes an estimated amount of leasing revenue to be earned by Hertz from leasing these vehicles to the Advantage Buyer and the related income tax impact. The depreciation and other expenses associated with the vehicles being leased to the Advantage Buyer have not been eliminated from the pro forma financial statement, as their costs remain as part of Hertz's ongoing operations associated with owning such vehicles.

The pro forma financial statement does not reflect Hertz's expected realization of any cost savings or other synergies. These savings and synergies are expected in direct operating, depreciation of revenue earning equipment and selling, general and administrative functions. Although Hertz management expects that cost savings and other synergies will result from the Dollar Thrifty Acquisition, there can be no assurance that these cost savings and other synergies will be achieved. The pro forma financial statement also does not reflect estimated restructuring and integration charges associated with the expected cost savings or other synergies. Hertz realized a loss (before income taxes) of approximately $31.4 million, including support fees to the Advantage Buyer as described in Note 5(g) to the unaudited pro forma condensed combined statement of operations herein as a result of the Advantage Divestiture. This loss excludes acquisition related expenses included in the financial statements of Hertz through December 31, 2012.

RISK FACTORS

Our business is subject to a number of important risks and uncertainties, some of which are described below. The risks and uncertainties described below, however, are not the only risks and uncertainties that we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial may also significantly impact us. Any of these risks and uncertainties may materially and adversely affect our business, financial condition, results of operations, liquidity and cash flows. In such a case, you may lose all or part of your investment in the Notes. In addition to the other information and risks described in Part I, Item 1A in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012 and Part II, Item 1A in Hertz's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2013, and the other information included or incorporated by reference in this offering memorandum, you should carefully consider each of the following risks and uncertainties. Any of the following risks and uncertainties could materially and adversely affect our business, financial condition, operating results or cash flows and we believe that the following information identifies the material risks and uncertainties affecting our company; however, the following risks and uncertainties are not the only risks and uncertainties facing us and it is possible that other risks and uncertainties might significantly impact us.

Risks Related to Our Business

Our car rental business, which provides the majority of our revenues, is particularly sensitive to reductions in the levels of airline passenger travel, and reductions in air travel could materially adversely impact our financial condition, results of operations, liquidity and cash flows.

The car rental industry is particularly affected by reductions in business and leisure travel, especially with respect to levels of airline passenger traffic. Reductions in levels of air travel, whether caused by general economic conditions, airfare increases (such as due to capacity reductions or increases in fuel costs borne by commercial airlines) or other events (such as work stoppages, military conflicts, terrorist incidents, natural disasters, epidemic diseases, or the response of governments to any of these events) could materially adversely affect us. Further, decreases in levels of airline passenger traffic in key leisure destinations, including Florida, Hawaii, California and Texas, could also materially adversely affect us.

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

The markets in which we operate are highly competitive. We believe that price is one of the primary competitive factors in the car and equipment rental markets and that the Internet has enabled cost-conscious customers, including business travelers, to more easily compare rates available from rental companies. If we try to increase our pricing, our competitors, some of whom may have greater resources and better access to capital than us, may seek to compete aggressively on the basis of pricing. In addition, our competitors may reduce prices in order to attempt to gain a competitive advantage or to compensate for declines in rental activity. To the extent we do not match or remain within a reasonable competitive margin of our competitors' pricing, our revenues and results of operations could be materially adversely affected. If competitive pressures lead us to match any of our competitors' downward pricing and we are not able to reduce our operating costs, then our margins, results of operations and cash flows could be materially adversely impacted. Additionally, we could be further affected if we are not able to adjust the size of our car rental fleet in response to changes in demand, whether such changes are due to competition or otherwise. See the sections entitled "Business—Worldwide Car Rental—Competition" and "Business—Worldwide Equipment Rental—Competition" included in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference in this offering memorandum.

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

Certain significant components of our expenses are fixed in the short-term, including minimum concession fees, real estate taxes, rent, insurance, utilities, maintenance and other facility-related expenses, the costs of operating our information technology systems and minimum staffing costs. Seasonal changes in our revenues do not alter those fixed expenses, typically resulting in higher profitability in periods when our revenues are higher. The second and third quarters of the year have historically been our strongest quarters due to their increased levels of leisure travel and construction activity. Any occurrence that disrupts rental activity during the second or third quarters could have a disproportionately material adverse effect on our liquidity, cash flows and results of operations. Following the Dollar Thrifty Acquisition, we expect this risk to increase, as the scale of our car rental business and the related fixed costs have increased.

A material downsizing of our rental car fleet could require us to make additional cash payments for tax liabilities, which could be material.

The Like-Kind Exchange Program, or "LKE Program," allows tax gains on the disposition of vehicles in our car rental fleet to be deferred and has resulted in deferrals of federal and state income taxes for prior years. If a qualified replacement vehicle is not purchased within a specific time period after vehicle disposal, then taxable gain is recognized. A material reduction in the net book value of our car rental fleet, a material and extended reduction in vehicle purchases and/or a material downsizing of our car rental fleet, for any reason, could result in reduced tax deferrals in the future, which in turn could require us to make material cash payments for U.S. federal and state income tax liabilities. In August 2010, we elected to temporarily suspend the U.S. car rental LKE Program. In October 2012, Hertz reinstated the program. See the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Income Taxes" included in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference in this offering memorandum.

Dollar Thrifty similarly used an LKE Program prior to the Dollar Thrifty Acquisition, which allowed Dollar Thrifty to defer a material amount of federal and state income taxes beginning in 2002. Thus, our Dollar Thrifty subsidiary is subject to the similar risks described above related to material payments for U.S. federal and state tax liabilities in the event there is a material reduction in the net book value of its car rental fleet, a material and extended reduction in its vehicle purchases and/or a material downsizing of its car rental fleet, for any reason. Our ability to continue to defer the reversal of prior period tax deferrals by Dollar Thrifty will depend on a number of factors, including the net book value of its car rental fleet.

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

We are not a party to any long-term car supply arrangements with manufacturers. The price and other terms at which we can acquire cars thus varies based on market and other conditions. For example, certain car manufacturers have in the past, and may in the future, utilize strategies to de-emphasize sales to the car rental industry, which can negatively impact our ability to obtain cars on competitive terms and conditions. Consequently, there is no guarantee that we can purchase a sufficient number of vehicles at competitive prices and on competitive terms and conditions. Reduced or limited supplies of equipment together with increased prices are risks that we also face in our equipment rental business. If we are unable to obtain an adequate supply of cars or equipment, or if we obtain less favorable pricing and other terms when we acquire cars or equipment and are unable to pass on any increased costs to our customers, then our financial condition, results of operations, liquidity and cash flows may be materially adversely affected.

Declines in the value of the non-program cars in our fleet and declines in the overall number of program cars in our fleet could materially adversely impact our financial condition, results of operations, liquidity and cash flows.

Over the last few years the percentage of "program cars" in our car rental fleet (that is, cars that are subject to repurchase by car manufacturers under contractual repurchase or guaranteed depreciation programs) has decreased. For the nine-month period ended September 30, 2013 and the year ended December 31, 2012, 26% and 30%, respectively, of the vehicles purchased for our combined U.S. and international car rental fleets were program cars. We expect this percentage to continue to decrease in the future, particularly as we integrate the operations of Dollar Thrifty, which operated a lower percentage of program cars than Hertz immediately prior to our completion of the Dollar Thrifty Acquisition.

Manufacturers agree to repurchase program cars at a specified price or guarantee the depreciation rate on the cars during a specified time period. Therefore, with fewer program cars in our fleet, we have an increased risk that the market value of a car at the time of its disposition will be less than its estimated residual value at such time. Any decrease in residual values with respect to our non-program cars and equipment (prior to disposition) could also materially adversely affect our financial condition, results of operations, liquidity and cash flows.

The use of program cars enables us to determine our depreciation expense in advance and this is useful to us because depreciation is a significant cost factor in our operations. Using program cars is also useful in managing our seasonal peak demand for fleet, because in certain cases we can sell certain program cars shortly after having acquired them at a higher value than what we could for a similar non-program car at that time. With fewer program cars in our fleet, these benefits have diminished. Accordingly, we are now bearing increased risk relating to residual value and the related depreciation on our car rental fleet and our flexibility to reduce the size of our fleet by returning cars sooner than originally expected without the risk of loss in the event of an economic downturn or to respond to changes in rental demand has been reduced.

The failure of a manufacturer of our program cars to fulfill its obligations under a repurchase or guaranteed depreciation program could expose us to loss on those program cars and materially adversely affect certain of our financing arrangements, which could in turn materially adversely affect our liquidity, cash flows, financial condition and results of operations.

If any manufacturer of our program cars does not fulfill its obligations under its repurchase or guaranteed depreciation agreement with us, whether due to default, reorganization, bankruptcy or otherwise, then we would have to dispose of those program cars without receiving the benefits of the associated programs (we could be left with a substantial unpaid claim against the manufacturer with respect to program cars that were sold and returned to the manufacturer but not paid for, or that were sold for less than their agreed repurchase price or guaranteed value) and we would also be exposed to residual risk with respect to these cars.

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

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

We have recognized losses as a result of our relationship with FSNA and Simply Wheelz and are likely to incur additional losses.

We are a party to a sublease agreement and certain other commercial arrangements with FSNA and its subsidiary Simply Wheelz as a result of the disposition of our Advantage business, including a sublease agreement pursuant to which we currently sublease approximately 20,000 vehicles to Simply Wheelz or its affiliates for use in the operation of the Advantage brand. In October 2013, FSNA requested that we forbear from seeking collection of all amounts owed to us by Simply Wheelz and agree to renegotiate certain aspects of existing commercial arrangements between the parties, including the financial terms on which we are subleasing vehicles to them. On November 2, 2013, we terminated the applicable sublease contracts, and we continue evaluating our alternatives in light of the sublease termination. Simply Wheelz has since filed for bankruptcy protection under Chapter 11 of the United States Bankruptcy Code. If Simply Wheelz fails to pay the amounts owed to us, including for any declines in the residual values of the vehicles we sublease to them, or if we are unable to regain possession of those vehicles at the times and in the amounts that we expect, our results of operations could be adversely affected. We recorded a reserve in the third quarter of $4.0 million covering those amounts due but not paid as of September 30, 2013 and an aggregate impairment charge of $40.0 million to cover our expected loss on the sale of the vehicles subleased to Simply Wheelz. We currently estimate our total exposure to FSNA's liquidity issues to be between $50.0 and $70.0 million.

In addition, FSNA or Simply Wheelz may assert additional claims against us with respect to the sale of our Advantage business and our existing commercial arrangements, including causes of action under the United States Bankruptcy Code. We may incur additional losses as a result of these claims.

We may not be successful in implementing our strategy of further reducing operating costs and our cost reduction initiatives may have adverse consequences.

We are continuing to implement initiatives to reduce our operating expenses. These initiatives may include headcount reductions, business process outsourcing, business process re-engineering, internal reorganization and other expense controls. We cannot assure you that our cost reduction initiatives will achieve any further success. Whether or not successful, our cost reduction initiatives involve significant expenses and we expect to incur further expenses associated with these initiatives, some of which may be material in the period in which they are incurred.

Even if we achieve further success with our cost reduction initiatives, we face risks associated with our initiatives, including declines in employee morale or the level of customer service we provide, the efficiency of our operations or the effectiveness of our internal controls. Any of these risks could have a material adverse impact on our results of operations, financial condition, liquidity and cash flows.

An impairment of our goodwill or our indefinite lived intangible assets could have a material non-cash adverse impact on our results of operations.

We review our goodwill and indefinite lived intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of these assets may not be recoverable and at least annually. If economic deterioration occurs, then we may be required to record charges for goodwill or indefinite lived intangible asset impairments in the future, which could have a material adverse non-cash impact on our results of operations.

Significant increases in fuel prices or reduced supplies of fuel could harm our business.

Significant increases in fuel prices, reduced fuel supplies or the imposition of mandatory allocations or rationing of fuel could negatively impact our car rental business by discouraging consumers from renting cars, changing the types of cars our customers rent from us or the other services they purchase from us or disrupting air travel, on which a significant portion of our car rental business relies. In addition, significant increases in fuel prices or a reduction in fuel supplies could negatively impact our equipment rental business by increasing the cost of buying new equipment, since fuel is used in the manufacturing process and in delivering equipment to us, and by reducing the mobility of our fleet, due to higher costs of transporting equipment between facilities or regions. Accordingly, significant increases in fuel prices or reduced supplies of fuel could have a material adverse effect on our financial condition and results of operations.

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

A significant portion of our annual revenues are generated outside the United States, and we intend to pursue additional international growth opportunities. Operating in many different countries exposes us to varying risks, which include: (i) multiple, and sometimes conflicting, foreign regulatory requirements and laws that are subject to change and are often much different than the domestic laws in the United States, including laws relating to taxes, automobile-related liability, insurance rates, insurance products, consumer privacy, data security, employment matters, cost and fee recovery, and the protection of our trademarks and other intellectual property; (ii) the effect of foreign currency translation risk, as well as limitations on our ability to repatriate income; (iii) varying tax regimes, including consequences from changes in applicable tax laws; (iv) local ownership or investment requirements, as well as difficulties in obtaining financing in foreign countries for local operations; and (v) political and economic instability, natural calamities, war, and terrorism. The effects of these risks may, individually or in the aggregate, materially adversely affect our results of operations, liquidity, cash flows and ability to diversify internationally.

Manufacturer safety recalls could create risks to our business.

Our cars may be subject to safety recalls by their manufacturers. A recall may cause us to retrieve cars from renters and decline to rent recalled cars until we can arrange for the steps described in the recall to be taken. We could also face liability claims if a recall affects cars that we have sold. If a large number of cars are the subject of a recall or if needed replacement parts are not in adequate supply, we may not be able to rent recalled cars for a significant period of time. Those types of disruptions could jeopardize our ability to fulfill existing contractual commitments or satisfy demand for our vehicles, and could also result in the loss of business to our competitors. Depending on the severity of any recall, it could materially adversely affect our revenues, create customer service problems, reduce the residual value of the recalled cars and harm our general reputation.

Our business is heavily reliant upon communications networks and centralized information technology systems and the concentration of our systems creates risks for us.

We rely heavily on communication networks and information technology systems to accept reservations, process rental and sales transactions, manage our fleets of cars and equipment, manage our financing arrangements, account for our activities and otherwise conduct our business. Our reliance on these networks and systems exposes us to various risks that could cause a loss of reservations, interfere with our ability to manage our fleet, slow rental and sales processes, limit our ability to comply with our financing arrangements and otherwise materially adversely affect our ability to manage our business effectively. We have centralized our reservations function for the United States in two facilities in Mobile, Alabama and Oklahoma City, Oklahoma, and we have concentrated our accounting functions for the United States in two facilities in Oklahoma City. Our reservations and accounting functions for our European operations are similarly centralized in a single facility near Dublin, Ireland. In addition, our major information technology systems are centralized in two facilities in Oklahoma City. Our Dollar and Thrifty brands' centralized information systems are located in Tulsa, Oklahoma and our Dollar and Thrifty brands rely on communication service providers to link their system with the business locations these

systems serve. Any disruption, termination or substandard provision of these services, whether as the result of localized conditions (such as a fire or explosion) or as the result of events or circumstances of broader geographic impact (such as an earthquake, storm, flood, epidemic, strike, act of war, civil unrest or terrorist act), could materially adversely affect our business by disrupting normal reservations, customer service, accounting and information technology functions or by eliminating access to financing arrangements.

The misuse or theft of information we possess could harm our brand, reputation or competitive position and give rise to material liabilities.

Because we regularly possess, store and handle non-public information about millions of individuals and businesses, our failure to maintain the security of that data, whether as the result of our own error or the malfeasance or errors of others, could harm our reputation, result in governmental investigations and give rise to a host of civil or criminal liabilities. Any such failure could lead to lower revenues, increased remediation, prevention and other costs and other material adverse effects on our results of operations.

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

While our "Hertz," "Dollar" and "Thrifty" brand names have substantial brand recognition in the markets in which they participate, factors affecting brand recognition are often outside our control, and our efforts to maintain or enhance favorable brand recognition, such as marketing and advertising campaigns, may not have their desired effects. In addition, although our licensing partners are subject to contractual requirements to protect our brands, it may be difficult to monitor or enforce such requirements, particularly in foreign jurisdictions. Any decline in perceived favorable recognition of our brands could materially adversely affect our results of operations.

Our business operations could be significantly disrupted if we were to lose the services of members of our senior management team.

Our senior management team has extensive industry experience, and our success significantly depends upon the continued contributions of that team. If we were to lose the services of any one or more members of our senior management team, whether due to death, disability or termination of employment, our ability to successfully implement our business strategy, financial plans, marketing and other objectives, could be significantly impaired.

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

Any future strategic acquisition or disposition of assets or a business could involve numerous risks, including: (i) potential disruption of our ongoing business and distraction of management; (ii) difficulty integrating the acquired business or segregating assets to be disposed of; (iii) exposure to unknown, contingent or other liabilities, including litigation arising in connection with the acquisition or disposition or against any business we may acquire; (iv) changing our business profile in ways that could have unintended negative consequences; and (v) the failure to achieve anticipated synergies.

If we enter into significant strategic transactions, the related accounting charges may affect our financial condition and results of operations, particularly in the case of an acquisition. The financing of any significant acquisition may result in changes in our capital structure, including the incurrence of additional indebtedness. A material disposition could require the amendment or refinancing of our outstanding indebtedness or a portion thereof.

As a result of the completion of the Dollar Thrifty Acquisition, we are subject to the risks and uncertainties associated with Dollar Thrifty's business, and we have incurred a substantial amount of additional indebtedness. See "— Risks Related to the Dollar Thrifty Acquisition."

We face risks related to liabilities and insurance.

Our businesses expose us to claims for personal injury, death and property damage resulting from the use of the cars and equipment rented or sold by us, and for employment-related claims by our employees. Currently, we generally self-insure up to $10 million per occurrence in the United States and Europe for vehicle and general liability exposures, and we also maintain insurance with unaffiliated carriers in excess of such levels up to $200 million per occurrence for the current policy year, or in the case of international operations outside of Europe, in such lower amounts as we deem adequate given the risks.

We cannot assure you that we will not be exposed to uninsured liability at levels in excess of our historical levels resulting from multiple payouts or otherwise, that liabilities in respect of existing or future claims will not exceed the level of our insurance, that we will have sufficient capital available to pay any uninsured claims or that insurance with unaffiliated carriers will continue to be available to us on economically reasonable terms or at all. See the sections entitled "Business—Risk Management" and "Legal Proceedings" included in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference in this offering memorandum.

We could face a significant withdrawal liability if we withdraw from participation in one or more multiemployer pension plans in which we participate, and at least one multiemployer plan in which we participate is reported to have underfunded liabilities.

We participate in various "multiemployer" pension plans. In the event that we withdraw from participation in one of these plans, then applicable law could require us to make an additional contribution to the plan, and we would have to reflect that as an expense in our consolidated statements of operations and as a liability on our consolidated balance sheet. The amount that we would be required to pay to the plan is referred to as a withdrawal liability. Our withdrawal liability for any multiemployer plan would depend on the extent of the plan's funding of vested benefits. One multiemployer plan in which we participated had significant underfunded liabilities and we withdrew from that plan in December 2012. Several of our remaining multiemployer plans have underfunded liabilities. Such underfunding may increase in the event other employers become insolvent or withdraw from the applicable plan or upon the inability or failure of withdrawing employers to pay their withdrawal liability. In addition, such underfunding may increase as a result of lower than expected returns on pension fund assets or other funding deficiencies. The occurrence of any of these events could have a material adverse effect on our consolidated financial position, results of operations or cash flows. See Note 6 to the audited annual consolidated financial statements included in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference in this offering memorandum.

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

We are subject to federal, state, local and foreign environmental laws and regulations in connection with our operations, including with respect to the ownership and operation of tanks for the storage of petroleum products, such as gasoline, diesel fuel and motor and waste oils. We cannot assure you that our tanks will at all times remain free from leaks or that the use of these tanks will not result in significant spills or leakage. If leakage or a spill occurs, it is possible that the resulting costs of cleanup, investigation and remediation, as well as any resulting fines, could be significant. We cannot assure you that compliance with existing or future environmental laws and regulations will not require material expenditures by us or otherwise have a material adverse effect on our consolidated financial position, results of operations or cash flows. See the section entitled "Business—Governmental Regulation and Environmental Matters" included in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference in this offering memorandum.

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

Changes in the U.S. legal and regulatory environment that affect our operations, including laws and regulations relating to taxes, automobile-related liability, insurance rates, insurance products, consumer privacy, data security, employment matters, cost and fee recovery and the banking and financing industry could disrupt our business, increase our expenses or otherwise have a material adverse effect on our results of operations.

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

Any new, or change in existing, U.S. law and regulation with respect to optional insurance products or policies could increase our costs of compliance or make it uneconomical to offer such products, which would lead to a reduction in revenue and profitability. For further discussion regarding how changes in the regulation of insurance intermediaries may affect us, see the section entitled "Business—Risk Management" included in Hertz's Annual Report on Form 10-K for the

year ended December 31, 2012, which is incorporated by reference in this offering memorandum. If customers decline to purchase supplemental liability insurance products from us as a result of any changes in these laws or otherwise, our results of operations could be materially adversely affected.

Changes in the U.S. legal and regulatory environment in the areas of customer privacy, data security and cross-border data flow could have a material adverse effect on our business, primarily through the impairment of our marketing and transaction processing activities, and the resulting costs of complying with such legal and regulatory requirements. It is also possible that we could face significant liability for failing to comply with any such requirements.

In most places where we operate, we pass through various expenses, including the recovery of vehicle licensing costs and airport concession fees, to our rental customers as separate charges. We believe that our expense pass-throughs, where imposed, are properly disclosed and are lawful. However, we may in the future be subject to potential legislative, regulatory or administrative changes or actions which could limit, restrict or prohibit our ability to separately state, charge and recover vehicle licensing costs and airport concession fees, which could result in a material adverse effect on our results of operations.

Certain new or proposed laws and regulations with respect to the banking and finance industries, including the Dodd-Frank Wall Street Reform and Consumer Protection Act and amendments to Regulation AB, could restrict our access to certain financing arrangements and increase our financing costs, which could have a material adverse effect on our financial position, results of operations, liquidity and cash flows.

Risks Related to Our Substantial Indebtedness

Our substantial level of indebtedness could materially adversely affect our results of operations, cash flows, liquidity and ability to compete in our industry.

As of September 30, 2013, we had debt outstanding of approximately $17.1 billion, which includes the indebtedness incurred in connection with the Dollar Thrifty Acquisition. Our substantial indebtedness could materially adversely affect us. For example, it could: (i) make it more difficult for us to satisfy our obligations to the holders of our outstanding debt securities and to the lenders under our various credit facilities, resulting in possible defaults on, and acceleration of, such indebtedness; (ii) be difficult to refinance or borrow additional funds in the future; (iii) require us to dedicate a substantial portion of our cash flows from operations and investing activities to make payments on our debt, which would reduce our ability to fund working capital, capital expenditures or other general corporate purposes; (iv) increase our vulnerability to general adverse economic and industry conditions (such as credit-related disruptions), including interest rate fluctuations, because a portion of our borrowings are at floating rates of interest and are not hedged against rising interest rates, and the risk that one or more of the financial institutions providing commitments under our revolving credit facilities fails to fund an extension of credit under any such facility, due to insolvency or otherwise, leaving us with less liquidity than expected; (v) place us at a competitive disadvantage to our competitors that have proportionately less debt or comparable debt at more favorable interest rates or on better terms; and (vi) limit our ability to react to competitive pressures, or make it difficult for us to carry out capital spending that is necessary or important to our growth strategy and our efforts to improve operating margins. While the terms of the agreements and instruments governing our outstanding indebtedness contain certain restrictions upon our ability to incur additional indebtedness, they do not fully prohibit us from incurring substantial additional indebtedness and do not prevent us from incurring obligations that do not constitute indebtedness. If new debt or other obligations are added to our current liability levels without a corresponding refinancing or redemption of our existing indebtedness and obligations, these risks would increase. For a description of the amounts we have available under certain of our debt facilities, see the section entitled "Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Credit Facilities" and Note 5 to the audited annual consolidated financial statements included in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference in this offering memorandum.

Our ability to manage these risks depends on financial market conditions as well as our financial and operating performance, which, in turn, is subject to a wide range of risks, including those described under "—Risks Related to Our Business."

If our capital resources (including borrowings under our revolving credit facilities and access to other refinancing indebtedness) and operating cash flows are not sufficient to pay our obligations as they mature or to fund our liquidity needs, we may be forced to do, among other things, one or more of the following: (i) sell certain of our assets; (ii) reduce the size of our rental fleet; (iii) reduce the percentage of program cars in our rental fleet; (iv) reduce or delay capital expenditures;

(v) obtain additional equity capital; (vi) forgo business opportunities, including acquisitions and joint ventures; or (vii) restructure or refinance all or a portion of our debt on or before maturity.

We cannot assure you that we would be able to accomplish any of these alternatives on a timely basis or on satisfactory terms, if at all. Furthermore, we cannot assure you that we will maintain financing activities and cash flows sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness. If we cannot refinance or otherwise pay our obligations as they mature and fund our liquidity needs, our business, financial condition, results of operations, cash flows, liquidity, ability to obtain financing and ability to compete in our industry could be materially adversely affected.

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

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

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

Any reduction in the value of certain cars in our fleet could effectively increase our car fleet costs, adversely impact our profitability and potentially lead to decreased borrowing base availability in our asset-backed and certain asset-based vehicle financing facilities due to the credit enhancement requirements for such facilities, which could increase if market values for vehicles decrease below net book values for those vehicles. In addition, if disposal of vehicles in the used vehicle marketplace were to become severely limited at a time when required collateral levels were rising and as a result we failed to meet the minimum required collateral levels, the principal under our asset-backed and certain asset-based financing arrangements may be required to be repaid sooner than anticipated with vehicle disposition proceeds and lease payments we make to our special purpose financing subsidiaries. If that were to occur, the holders of our asset-backed and certain asset-based debt may have the ability to exercise their right to direct the trustee or other secured party to foreclose on and sell vehicles to generate proceeds sufficient to repay such debt.

The occurrence of certain events, including those described in the paragraph above, could result in the occurrence of an amortization event pursuant to which the proceeds of sales of cars that collateralize the affected asset-backed financing arrangement would be required to be applied to the payment of principal and interest on the affected facility or series, rather than being reinvested in our car rental fleet. In the case of our asset-backed financing arrangements, certain other events, including defaults by us and our affiliates in the performance of covenants set forth in the agreements governing certain fleet debt, could result in the occurrence of a liquidation event with the passing of time or immediately pursuant to which the trustee or holders of the affected asset-backed financing arrangement would be permitted to require the sale of the assets collateralizing that series. Any of these consequences could affect our liquidity and our ability to maintain sufficient fleet levels to meet customer demands and could trigger cross-defaults under certain of our other financing arrangements.

Any reduction in the value of the equipment rental fleet of HERC (which could occur due to a reduction in the size of the fleet or the value of the assets within the fleet) could not only effectively increase our equipment rental fleet costs and adversely impact our profitability, but would result in decreased borrowing base availability under certain of our asset-based financing arrangements, which would have a material adverse effect on our financial position, liquidity, cash flows and results of operations.

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

Substantially all of our consolidated assets, including our car and equipment rental fleets and Donlen's lease portfolio, are subject to security interests or are otherwise encumbered for the lenders under our asset-backed and asset-based financing arrangements. As a result, the lenders under those facilities would have a prior claim on such assets in the event of our bankruptcy, insolvency, liquidation or reorganization, and we may not have sufficient funds to pay in full, or at all, all of our creditors or make any amount available to holders of the Notes. The same is true with respect to structurally senior obligations: in general, all liabilities and other obligations of a subsidiary must be satisfied before the assets of such subsidiary can be made available to the creditors (or equity holders) of the parent entity.

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

Restrictive covenants in certain of the agreements and instruments governing our indebtedness may materially adversely affect our financial flexibility or may have other material adverse effects on our business, financial condition, cash flows and results of operations.

Certain of our credit facilities and other asset-based and asset-backed financing arrangements contain covenants that, among other things, restrict Hertz and its subsidiaries' ability to: (i) dispose of assets; (ii) incur additional indebtedness; (iii) incur guarantee obligations; (iv) prepay other indebtedness or amend other financing arrangements; (v) pay dividends; (vi) create liens on assets; (vii) sell assets; (viii) make investments, loans, advances or capital expenditures; (ix) make acquisitions; (x) engage in mergers or consolidations; (xi) change the business conducted by us; and (xii) engage in certain transactions with affiliates.

Our Senior ABL Facility (as defined below in "Description of Certain Indebtedness") contains a financial covenant that obligates us to maintain a specified fixed charge coverage ratio if we fail to maintain a specified minimum level of liquidity. Our ability to comply with this covenant will depend on our ongoing financial and operating performance, which in turn are subject to, among other things, the risks identified in "—Risks Related to Our Business."

The agreements governing our financing arrangements contain numerous covenants. The breach of any of these covenants or restrictions could result in a default under the relevant agreement, which could, in turn, cause cross- defaults under our other financing arrangements. In such event, we may be unable to borrow under the Senior ABL Facility and certain of our other financing arrangements and may not be able to repay the amounts due under such arrangements. Therefore, we would need to raise refinancing indebtedness, which may not be available to us on favorable terms, on a timely basis or at all. This could have serious consequences to our financial condition and results of operations and could cause us to become bankrupt or insolvent. Additionally, such defaults could require us to sell assets, if possible, and otherwise curtail our operations in order to pay our creditors. Such alternative measures could have a material adverse effect on our business, financial condition, cash flows and results of operations.

An increase in interest rates or in our borrowing margin would increase the cost of servicing our debt and could reduce our profitability.

A significant portion of our outstanding debt bears interest at floating rates. As a result, to the extent we have not hedged against rising interest rates, an increase in the applicable benchmark interest rates would increase our cost of servicing our debt and could materially adversely affect our liquidity and results of operations.

In addition, we regularly refinance our indebtedness. If interest rates or our borrowing margins increase between the time an existing financing arrangement was consummated and the time such financing arrangement is refinanced, the cost of servicing our debt would increase and our liquidity and results of operations could be materially adversely affected.

Risks Related to the Dollar Thrifty Acquisition

Combining the businesses of Hertz and Dollar Thrifty may be more difficult, costly or time-consuming than expected, which may adversely affect our results.

To realize the anticipated benefits and cost savings we contemplated as part of the Dollar Thrifty Acquisition, we must successfully combine and integrate our business with Dollar Thrifty's business in an efficient and effective manner. If we are not able to achieve these objectives within the anticipated time frame, or at all, the anticipated benefits and cost savings of the Dollar Thrifty Acquisition may not be realized fully, or at all, or may take longer to realize than expected. It is possible that the overall integration process could result in the loss of key employees, the disruption of each company's ongoing business or inconsistencies in standards, controls, procedures and policies that adversely affect our ability to maintain relationships with customers, employees, suppliers, lenders and franchisees or to achieve the anticipated benefits of the Dollar Thrifty Acquisition.

Specifically, issues that must be addressed in integrating the operations of Dollar Thrifty into our operations in order to realize the anticipated benefits of the Dollar Thrifty Acquisition include, among other things:

- integrating and optimizing the utilization of the rental vehicle fleets and related financing of Hertz and Dollar Thrifty;
- integrating and consolidating the marketing, promotion, reservation and information technology systems of Hertz and Dollar Thrifty;
- conforming standards, controls, procedures and policies, business cultures and compensation structures between the companies;
- consolidating the automotive purchasing, maintenance and resale operations;
- consolidating corporate and administrative functions; and
- identifying and eliminating redundant and underperforming operations and assets.

Integration efforts between the two companies will also divert management attention and resources. An inability to realize the full extent of the anticipated benefits of the Dollar Thrifty Acquisition, as well as any delays encountered in the integration process, could have an adverse effect upon the revenues, level of expenses and operating results of Hertz after the completion of the Dollar Thrifty Acquisition.

In addition, the actual integration may result in additional and unforeseen expenses, and the anticipated benefits of the integration plan may not be realized. Actual synergies, if achieved at all, may be lower than what we expect and may take longer to achieve than anticipated. If we are not able to adequately address these challenges, we may be unable to successfully integrate Dollar Thrifty.

We incurred significant transaction and acquisition-related costs in connection with the Dollar Thrifty Acquisition and expect to incur additional costs in connection with the integration of Dollar Thrifty's operations.

We have incurred and expect to continue to incur a number of non-recurring costs associated with combining the operations of the two companies. Most of these costs have been and will be comprised of transaction costs related to the Dollar Thrifty Acquisition, facilities, fleet and systems consolidation costs and employment-related costs. We also incurred transaction fees and costs related to formulating integration plans. Although we expect that the elimination of duplicative costs, as well as the realization of other efficiencies related to the integration of the businesses, should allow us to offset the previously-incurred incremental transaction and acquisition-related costs over time, this net benefit may not be achieved in the near term, or at all.

Future results of the combined company may differ materially from the pro forma financial information of Hertz and Dollar Thrifty.

The future results of Hertz, as the combined company following the Dollar Thrifty Acquisition, may be materially different from (i) the pro forma financial information presented in Note 4 to the audited annual consolidated financial

statements included in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference in this offering memorandum, (ii) the unaudited pro forma financial information presented in Note 5 to the unaudited quarterly condensed consolidated financial statements in Hertz's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2013, which is incorporated by reference in this offering memorandum, and (iii) the unaudited pro forma information presented in this offering memorandum under "Unaudited Pro Forma Condensed Combined Financial Information."

Such pro forma financial information reflects the acquisition method of accounting under accounting principles generally accepted in the United States of America, and is subject to change and interpretation. Accordingly, the pro forma financial information has been presented for informational purposes only. The pro forma financial information is not necessarily indicative of what the combined company's financial position or results of operations actually would have been had the applicable transactions been completed as of the dates indicated. In addition, the pro forma financial information does not purport to project the future financial position or operating results of the combined company.

Risks Related to the Notes

The Notes will be unsecured and structurally subordinated to some of our obligations, and only certain of our subsidiaries will guarantee the Notes.

The Indenture governing the Notes will permit us to incur certain secured indebtedness, including indebtedness under the Senior Credit Facilities, the European Revolving Credit Facility and other asset-based and asset-backed financing arrangements. Substantially all of our assets, including our car and equipment rental fleets, are subject to security interests or are otherwise encumbered for the lenders under our Senior Credit Facilities, the European Revolving Credit Facility and other asset-backed and asset-based financing arrangements. The Notes will be unsecured and therefore will not have the benefit of such collateral. Accordingly, if an event of default occurs under the Senior Credit Facilities, the European Revolving Credit Facility or other asset-backed or asset-based financing arrangements, the respective secured lenders will have a prior right to the subject assets, to the exclusion of the holders of the Notes, even if we are in default under the Notes. In that event, our assets would first be used to repay in full all indebtedness and other obligations secured by such assets, resulting in all or a portion of our assets being unavailable to satisfy the claims of the holders of the Notes and other unsecured indebtedness. Further, if secured lenders foreclose and sell the pledged equity interests in any Guarantor under the Notes, then that guarantor will be released from its guarantee of the Notes automatically and immediately upon the sale.

The Notes will not be guaranteed by any of our non wholly-owned subsidiaries or certain other U.S. and non-U.S. subsidiaries, including the U.S. and foreign financing subsidiaries under our asset-backed financing arrangements. Payments on the Notes are only required to be made by the Issuer and the Guarantors. Accordingly, claims of holders of the Notes will be structurally subordinated to the claims of creditors of our non-Guarantor subsidiaries, including trade creditors. All obligations of our non-Guarantor subsidiaries will have to be satisfied before any of the assets of such subsidiaries would be available for distribution, upon liquidation or otherwise, to the Issuer or a Guarantor of the Notes. Furthermore, many of the non-Guarantor subsidiaries that hold our U.S. and international car rental fleets in connection with asset-backed financing arrangements are intended to be bankruptcy remote and the assets held by them will not be available to our general creditors in a bankruptcy unless and until they are transferred to a non-bankruptcy remote entity. For the year ended December 31, 2012, the majority of our consolidated U.S. revenues were generated by Hertz and the Subsidiary Guarantors that will guarantee the Notes. The Non-U.S. Subsidiary Guarantors who will guarantee the Notes generated approximately 10% of our total revenues for the same period. Our unrestricted, non-Guarantors will be permitted to incur additional debt in the future under the Indenture governing the Notes. See "Description of Notes."

As of September 30, 2013, we had consolidated indebtedness of $17.1 billion. See "Description of Certain Indebtedness." The Guarantors will guarantee the Issuer's obligations under the Notes. The U.S. Subsidiary Guarantors currently guarantee Hertz's obligations under its Senior Notes and the Senior Credit Facilities. The Non-U.S. Subsidiary Guarantors (and Hertz de España S.L.U., which is not guaranteeing the Notes offered hereby) guarantee the European Revolving Credit Facility. See "Description of Certain Indebtedness." See "Description of Certain Indebtedness" and, for financial information regarding our U.S. Subsidiary Guarantors (other than the DTAG Guarantors, as defined below) and our subsidiaries (including the Non-U.S. Subsidiary Guarantors) that do not guarantee our Senior Notes for the fiscal year ended December 31, 2012, see Note 17 to the audited annual consolidated financial statements of Hertz included in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference into this offering memorandum. The term "DTAG Guarantors" means, collectively, Dollar Rent A Car, Inc., Dollar Thrifty Automotive Group, Inc., DTG Operations, Inc., DTG Supply, Inc., Thrifty Car Sales, Inc., Thrifty, Inc., Thrifty Insurance Agency, Inc., Thrifty Rent-A-Car System, Inc. and TRAC Asia Pacific, Inc. In February and March 2013, the DTAG Guarantors became guarantors under Hertz's Senior Credit Facilities and Senior Notes, respectively. Note 17 to the audited annual consolidated

financial statements of Hertz included in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012, which is incorporated by reference in this offering memorandum, does not reflect the impact of the DTAG Guarantors becoming guarantors under Hertz's Senior Credit Facilities and Senior Notes. For financial information about our U.S. Subsidiary Guarantors for the three and nine months ended September 30, 2013, which includes the DTAG Guarantors, see Note 17 to the interim unaudited condensed consolidated financial statements of Hertz included in Hertz's Quarterly Report on Form 10-Q for the quarter ended September 30, 2013, which is incorporated by reference into this offering memorandum.

The assets of HERC may be disposed of by Hertz without being subject to many of the restrictions contained in the section "Description of Notes—Certain Covenants."

Under the Indenture, we will have the ability to dispose of HERC, and other assets related to the business of renting earthmoving equipment, material handling equipment, aerial and electric equipment, air compressors, generators, pumps, small tools, compaction equipment and construction related trucks and the selling of new equipment and consumables of Hertz and its subsidiaries, without such disposition being governed by many of the restrictive covenants described under "Description of Notes—Certain Covenants." Among other things, under the Indenture, HERC will be able to incur unlimited non-recourse debt, the payments of dividends or other distributions of equity interest in, or other securities of, HERC will be permitted, and there will be no restrictions on the application of the net cash proceeds from the sale of HERC, so long as no default or event of default under the Indenture governing the Notes or the indentures governing certain of the Senior Notes has occurred and is continuing. Under the Indenture, the disposition of HERC and the assets used in the HERC Business (as defined below in "Description of Notes") will not be deemed to be a change of control. Upon any such disposition of HERC, following which HERC is no longer a Restricted Subsidiary of Hertz under the Indenture, its guarantee of the Notes would be released. For the nine months ended September 30, 2013 and the year ended December 31, 2012, HERC generated approximately 14% and 15%, respectively, of our consolidated revenues, and held approximately 15% and 16%, respectively, of our consolidated total assets. In the event that we disposed of HERC, our ability to service our substantial indebtedness on an ongoing basis would be reduced.

We may be unable to finance any change of control repurchase offers required by the Indenture. Our inability to do so would result in an event of default under the Indenture.

If we experience a "change of control" (as defined in the Indenture), we will be required to make an offer to purchase all of the outstanding Notes (unless otherwise redeemed) at a price equal to 101% of the principal amount thereof plus accrued and unpaid interest and additional amounts, if any, to the date of purchase. The indentures governing our Senior Notes require, and our future indebtedness may also require, such indebtedness to be similarly repurchased upon a change of control. Moreover, the occurrence of the specified events that would constitute a change of control would constitute a default under certain of our existing financing arrangements and may cause the acceleration of other indebtedness, which may rank equally with, or superior to, the Notes. We cannot assure you that we will have sufficient funds to finance our repurchase obligations following such a change of control.

Currently, we expect that we would require third-party financing to make a change of control offer. If we cannot fund a change of control offer in relation to the Notes, we could attempt to arrange debt or equity financing to fund our repurchase obligations. However, we may not be able to do so on favorable terms, or at all. Any failure by us to repurchase the Notes following a change of control will constitute an event of default with respect to the Notes and may cause the acceleration of the Notes or other debt. See "Description of Notes—Change of Control" and "—Certain Covenants."

The definition of "change of control" contained in the Indenture includes a disposition of all or substantially all of our assets. Although there is a limited body of case law interpreting the phrase "all or substantially all," there is no precise established definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty as to whether a particular transaction would involve a disposition of "all or substantially all" of our assets. As a result, it may be unclear as to whether a change of control has occurred and whether we are required to make an offer to repurchase the Notes.

The Guarantees of the Notes, along with any future Guarantees of the Notes, will be subject to certain limitations on enforcement and may be limited by applicable law or subject to certain defenses that may limit their validity and enforceability, including fraudulent transfer and conveyance statutes.

The Issuer's obligations under the Notes will be guaranteed by the Guarantors. The Notes and certain of the Guarantees may be subject to claims that they should be limited or subordinated in favor of the Issuer's or the Guarantors' existing and future creditors under the laws of The Netherlands, Germany, Ireland, Belgium, Italy, Luxembourg, New Zealand, the United States or a state thereof or any other applicable jurisdiction.

Enforcement of each Guarantee will, where applicable, be limited to the extent of the amount which can be guaranteed or secured by a particular Guarantor without rendering the Guarantee, as it relates to that Guarantor or otherwise ineffective under applicable law. The enforcement of any of the Guarantees against any Guarantor will be subject to certain defenses generally available to Guarantors. These laws and defenses include those that relate to fraudulent conveyance or transfer, insolvency, voidable preference, financial assistance, corporate purpose or benefit, preservation of share capital, thin capitalization and defenses affecting the rights of creditors generally.

For example, if, under relevant federal, state, or other fraudulent transfer and conveyance statutes, in a bankruptcy or reorganization case or a lawsuit by or on behalf of unpaid creditors of an issuer, a court were to find that, at the time the Issuer or any of the Guarantors, as applicable, issued the Notes or incurred the respective Guarantee:

- the Issuer or Guarantor did so with the intent of hindering, delaying or defrauding current or future creditors, or received less than reasonably equivalent value or fair consideration for issuing the Notes or incurring the Guarantee, as applicable; and

- the Issuer or Guarantor:

    - was insolvent, or was rendered insolvent, by reason of the incurrence of the indebtedness constituting the Notes or the Guarantee, as applicable,

    - was engaged, or about to engage, in a business or transaction for which its assets constituted unreasonably small capital,

    - intended to incur, or believed that it would incur, debts beyond its ability to pay as such debts matured, or

    - was a defendant in an action for money damages, or had a judgment for money damages docketed against it if, in either case, after final judgment the judgment was unsatisfied,

the court could avoid (cancel) or subordinate the Notes or the applicable Guarantee to presently existing and future indebtedness of the Issuer or the subject Guarantor, and take other action detrimental to the holders of the Notes including, under certain circumstances, invalidating the Notes or the applicable Guarantee.

The measure of insolvency for purposes of the foregoing considerations will vary depending upon the law of the jurisdiction that is being applied in the relevant legal proceeding. Generally, however, the Issuer or Guarantor would be considered insolvent if, at the time it incurs the indebtedness constituting the Notes or its Guarantee, as applicable, either:

- the sum of its debts, including contingent liabilities, is greater than its assets, at a fair valuation, or

- the present fair saleable value of its assets is less than the amount required to pay the probable liability on its total existing debts and liabilities, including contingent liabilities, as they become absolute and matured.

We cannot give you any assurance as to what standards a court would use to determine whether the Issuer or a Guarantor was solvent at the relevant time, or whether, whatever standard was used, the Notes or the applicable Guarantee would not be avoided on another of the grounds described above.

We believe that at the time the Notes are initially issued by the Issuer and the Guarantees are incurred by the Guarantors, the Issuer and each Guarantor will: (i) be neither insolvent nor rendered insolvent thereby; (ii) be in possession of sufficient capital to run their respective businesses; (iii) be incurring debts within their respective abilities to pay as the same mature or become due; and (iv) have sufficient assets to satisfy any probable money judgment against them in any pending action. In reaching these conclusions with respect to Hertz and each Subsidiary Guarantor, we have relied upon our analysis of internal cash flow projections, which, among other things, assume that we will in the future realize certain price and volume increases and favorable changes in business mix, and estimated values of assets and liabilities. We cannot assure you, however, that a court passing on such questions would reach the same conclusions. See “Limitations on Validity and Enforceability of the Guarantees and Certain Insolvency Law Considerations” for more information on certain limitations on the validity and enforceability of the Guarantees for the Notes in certain jurisdictions.

The Notes are subject to restrictions on transfer within the United States or to U.S. persons and may be subject to transfer restrictions under the laws of other jurisdictions.

The Notes have not been registered under the Securities Act or any U.S. state securities laws. You may not offer the Notes in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws, or pursuant to an effective registration statement. We have not undertaken to register the Notes or to effect any exchange offer for the Notes in the future. Furthermore, we have not registered the Notes under any other country's securities laws. It is your obligation to ensure that your offers and sales of the Notes within the United States and other countries comply with applicable securities laws. See "Notice to Prospective Investors."

The Issuer's ability to pay principal and interest on the Notes may be affected by our organizational structure. The Issuer is dependent upon payments from other members of our corporate group to fund payments to you on the Notes, and such other members might not be able to make such payments in some circumstances.

The Issuer does not itself conduct any business operations and does not have any assets or sources of income of its own, other than certain intercompany loans. As a result, the Issuer's ability to make payments on the Notes is dependent directly upon interest or other payments it receives from other members of our corporate group. The ability of other members of our corporate group to make payments to the Issuer will depend upon their cash flows and earnings which, in turn, will be affected by all of the factors discussed in these "Risk Factors."

Furthermore, our Senior Credit Facilities, the Senior Notes and the Issuer's European Revolving Credit Facility contain certain restrictions on the borrowers thereunder from making certain distributions or payments of capital or income to their members. As a result, the amounts that the Issuer expects to receive from other members of our corporate group may not be forthcoming or sufficient to enable the Issuer to service its obligations on the Notes.

Enforcing your rights as a Noteholder or under the Guarantees across multiple jurisdictions may prove difficult and the insolvency laws of The Netherlands and other local insolvency laws may not be as favorable to you as U.S. bankruptcy laws or those of another jurisdiction with which you are familiar.

The Notes will be issued by the Issuer, a private company which is incorporated under the laws of The Netherlands, and will be guaranteed by the Guarantors, including the Non-U.S. Subsidiary Guarantors. In the event of a bankruptcy, insolvency or similar event, proceedings could be initiated in Belgium, Germany, Italy, Luxembourg, Ireland, New Zealand, the United Kingdom or the United States. Such multi-jurisdictional proceedings are likely to be complex and costly for creditors and otherwise may result in greater uncertainty and delay regarding the enforcement of your rights. Your rights under the Notes and the Guarantees will be subject to the insolvency and administrative laws of several jurisdictions and there can be no assurance that you will be able to effectively enforce your rights in such complex, multiple bankruptcy, insolvency or similar proceedings.

In addition, the bankruptcy, insolvency, administrative and other laws of the Issuer's and the Non-U.S. Subsidiary Guarantors' jurisdictions of organization may be materially different from, or in conflict with, each other and those of the United States, including in the areas of rights of creditors, priority of governmental and other creditors and the duration of the proceeding. The application of these laws, or any conflict among them, could call into question whether any particular jurisdiction's law should apply, adversely affect your ability to enforce your rights under the Notes and the Guarantees in these jurisdictions or limit any amounts that you may receive. See "Limitations on Validity and Enforceability of Guarantees and Certain Insolvency Law Considerations."

Your rights as a Noteholder will be limited so long as the Notes are issued in book-entry interests.

Owners of the book-entry interests will not be considered owners or Noteholders unless and until definitive notes are issued in exchange for book-entry interests. Instead, Euroclear and Clearstream, or their respective nominees will be the sole holder of the Notes.

Payments of principal, interest and other amounts owing on or in respect of the Notes in global form will be made to Deutsche Bank AG, London Branch, the paying agent, which will make payments to Euroclear and Clearstream. Thereafter, such payments will be credited to Euroclear and Clearstream participants' accounts that hold book-entry interests in the Notes in global form and credited by such participants to indirect participants. After payment to Euroclear and Clearstream, none of the Issuer, the Guarantors, the Trustee or the paying agent will have any responsibility or liability for any aspect of

the records relating to or payments of interest, principal or other amounts to Euroclear and Clearstream, or to owners of book-entry interests.

Owners of book-entry interests will not have the direct right to act upon our solicitations for consents or requests for waivers or other actions from Noteholders. Instead, if you own a book-entry interest, you will be reliant on the common depositary (as registered holder of the Notes) to act on your instructions and/or will be permitted to act directly only to the extent you have received appropriate proxies to do so from Euroclear and Clearstream or, if applicable, from a participant. We cannot assure you that procedures implemented for the granting of such proxies will be sufficient to enable you to vote on any requested actions or to take any other action on a timely basis.

An active trading market may not develop for the Notes, in which case your ability to sell the Notes will be more limited.

The Notes will be new securities for which there currently is no existing market. We cannot assure you as to the liquidity of any market that may develop for the Notes, the ability of holders of the Notes to sell the Notes or the prices at which the Notes may be sold. The liquidity of any market for the Notes will depend on a number of factors, including the number of holders of the Notes, prevailing interest rates, the market for similar securities, general economic conditions, recommendations of securities analysts and our own financial condition, performance and prospects. The Initial Purchasers have informed us that they intend to make a market in the Notes. However, they are not obligated to do so and may discontinue such market-making at any time without notice.

Historically, the market for non-investment grade debt has been subject to disruptions that have caused substantial volatility in the prices of securities similar to the Notes. The liquidity of, and trading market for, the Notes may be subject to such disruptions that cause volatility in prices and may be adversely affected by a general decline in the market for similar securities. Any such disruption may have a negative effect on you, as a holder of the Notes, regardless of our prospects and financial performance.

In addition, the Indenture allows us to issue additional notes under the Indenture in the future, which could adversely impact the liquidity of the Notes.

As a result of the foregoing, we cannot assure you that an active trading market for the Notes will develop or, if one does develop, that it will be maintained. If no active trading market develops, you may not be able to resell your Notes at a fair value, if at all.

U.S. investors may have difficulty enforcing civil liabilities against us, the members of our board, senior management and experts named in this offering memorandum.

The Issuer is incorporated under the laws of The Netherlands, and the Non-U.S. Subsidiary Guarantors are incorporated under the laws of Belgium, Germany, Italy, Luxembourg, Ireland and New Zealand. Some executive officers of the Issuer and the Guarantors are residents of jurisdictions outside the United States, and most of the assets of the Issuer and the Non-U.S. Subsidiary Guarantors are located outside the United States. As a result, it may not be possible for you to effect service of process within the United States upon these persons or to enforce judgments obtained in U.S. courts based on the civil liability provisions of the U.S. securities laws against such persons. Litigation in non-U.S. jurisdictions is also subject to rules of procedure that differ from the U.S. rules, including with respect to the taking and admissibility of evidence, the conduct of the proceedings and the allocation of costs. Proceedings in non-U.S. jurisdictions may also have to be conducted in foreign language, and documents submitted to the court may have to be translated into that language.

If the Notes are rated investment grade by both Standard & Poor's and Moody's, certain covenants contained in the Indenture governing the Notes will be terminated.

The Indenture governing the Notes contains certain covenants that will be terminated in the event the Notes are rated investment grade by both Standard & Poor's Rating Services, or "S&P," and Moody's Investors Service, Inc., or "Moody's." These covenants include:

- Limitation on Indebtedness;
- Limitation on Restricted Payments;

- Limitation on Restrictions on Distributions from Restricted Subsidiaries;
- Limitation on Sales of Assets and Subsidiary Stock;
- Limitation on Transactions with Affiliates;
- Future Subsidiary Guarantors; and
- Clause (iii) of the first paragraph of "—Merger and Consolidation" under the "Description of Notes."

As a result, under these circumstances we would be able to incur additional indebtedness and consummate transactions that may impair our ability to satisfy our obligations with respect to the Notes. In addition, we would not have to make certain offers to repurchase the Notes.

Changes in respect of the public debt ratings of the Notes may materially and adversely affect the availability, the cost and the terms and conditions of our debt.

The Notes will be, and any of our future debt instruments may be, publicly rated by Moody's and S&P's, independent rating agencies. These public debt ratings affect our ability to raise debt. Any future downgrading of the Notes or any other debt instruments we may have at such time by Moody's or S&P's may affect the cost and terms and conditions of our financings and could adversely affect the value and trading of the Notes.

You may face foreign exchange risks or adverse tax consequences by investing in the Notes.

The Notes will be denominated and payable in euros. If you measure your investment returns by reference to a currency other than euro, an investment in the Notes will entail foreign exchange related risks due to, among other factors, possible significant changes in the value of the euro relative to the currency by reference to which you measure the return on your investments, because of economic, political and other factors over which we have no control. Depreciation of the euro against the currency by reference to which you measure the return on your investments could cause a decrease in the effective yield of the Notes below their stated coupon rates and could result in a loss to you when the return on the Notes is translated into the currency by reference to which you measure the return on your investments. Investment in the Notes may also have important tax consequences as a result of any foreign currency exchange gains or losses. See "Tax Considerations."

RESULTS OF OPERATIONS, LIQUIDITY AND CAPITAL EXPENDITURES FOR THE ISSUER

Overview

After a period of declining revenues caused by a sustained, difficult macro-economic environment, Hertz's European business returned to revenue growth in April of 2013. We are observing this modest recovery continuing through the summer months, particularly as we build on our penetration in the leisure and value car rental markets. In recent months, we have been able to sustain growth in our premium Hertz brand as well as increase our presence in the value-oriented market through our Thrifty and Firefly value brands, with positive growth at many of our locations on the Mediterranean rim.

The macro-economic environment, while still uncertain, is appearing to slightly stabilize as the United Kingdom and some of the large European economies start to show growth, leading to a return in the commercial sectors. We are also developing and strengthening our strategies for off-airport growth to increase overall rental activity. Our Hertz 24/7, program, which features rentals "on demand," and our location improvement program is all part of enhancing growth in this area.

The trends affecting our New Zealand business during the same time period were generally consistent with those in Europe, although the New Zealand market was not impacted as severely by the macro-economic events that have affected the European market. Our New Zealand revenue has grown in the first half of 2013.

We expect further revenue drivers to come from developing our European position in the leisure value market, in particular with the Firefly brand, and the full introduction of the Thrifty brand in The Netherlands, Belgium, Spain and France. We also continue to develop ancillary products to satisfy the rental needs of our customers, with our Hertz 24/7 car sharing program being a key focus going forward. We intend to use our advanced in-car technology to bring the car rental experience closer to the customer. Our strategy to continue profitability improvement includes measures for further fleet cost reductions and pricing optimization as well as selected increases in franchise operations in low performing areas of individual European countries. We have targeted specific areas of business improvement with the assistance of external professionals and will focus on rolling out these cost improvements and revenue generation projects into 2014.

The international car rental operations that generated the highest volumes of business from our company-operated locations for the year ended December 31, 2012 were, in descending order of revenues, those conducted in France, Australia, Germany, Italy, the United Kingdom, Spain, New Zealand, The Netherlands and Switzerland (which was franchised in Q4 2012). We also have company operated rental locations in Belgium, Luxembourg, the Czech Republic and the Slovakia.

Revenue from our Europe Operations

Total revenue for the Issuer increased from $2,279 million to $2,548 million from December 2010 to December 2011, but declined to $2,364 million in 2012. In the nine months ending September 30, 2013 total revenue for the Issuer was $1,837 million, which reflects the sale of our Switzerland business in September 2012, which we estimate reduced the revenues of the Issuer by 2% as compared to the prior year period. The European car rental revenue declined from 2011 to 2012 as a result of the ongoing macro-economic challenges and subsequent Euro crises, with a decrease in volume and pricing year over year. For the first nine months of 2013 in Europe, our transaction volume started to improve but the competitive pricing environment kept RPD (as that term is defined in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012 and Quarterly Report on Form 10-Q for the quarter ended September 30, 2013) flat compared to the first nine months of 2012. From April of this year, the European business started to see a revenue increase year over year as volumes started to recover and RPD started to show small improvements. In the third quarter of 2013, the recovery continued with a growth in rented days of 6.4% (excluding Switzerland) largely supported by our leisure strategy and the developments of our brand portfolio (our Firefly operations in France, Italy and Spain generated 49% more revenue than the previous year). We have also shown improvements in our ancillary sales leading to a revenue year over year increase of 9.3% (excluding Switzerland).

Revenue from our European operations increased to $1,275 million from $1,184 million (excluding Switzerland), an increase of 8%, for the nine months ended September 30, 2013 compared to the nine months ended September 30, 2012 due to increases in transaction volumes attributable in a stronger macro-economic environment. For the year ended December 31, 2012, revenue from our European operations was $1,518 million, compared to $1,711 million for the year ended December 31, 2011. The reason for the decrease in revenue was due to difficult macro-economic conditions throughout 2012.

Liquidity and Capital Expenditures

Liquidity is managed on a group-wide basis. See "Item 2—Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources" contained in Hertz's quarterly report on 10-Q for the period ended September 30, 2013 as incorporated by reference into this offering memorandum.

For the years ended December 31, 2012 and 2011, the European rental car business had gross fleet capital expenditure of approximately $4.5 billion with the average book value of the fleet being $1.7 billion for vehicles in Europe. The average holding period of vehicles was approximately fifteen months for 2012, decreasing to about nine months in September 2013. Non-fleet capital expenditures for the European business were approximately $28 million in 2010, $24 million in 2011, $23 million in 2012 and $21 million in the first nine months of 2013. Investments were focused on system and facilities improvements.

USE OF PROCEEDS

We expect to receive total gross proceeds of approximately €425.0 million ($573.3 million equivalent as of September 30, 2013) from the issuance of the Notes. Hertz intends to use the net proceeds of approximately €417.5 million ($563.2 million equivalent as of September 30, 2013) from the issuance of the Notes to redeem all of its outstanding European Fleet Notes.

The European Fleet Notes are currently redeemable at a redemption price equal to 104.25% of the aggregate principal amount of the European Fleet Notes outstanding, plus accrued and unpaid interest to, but not including, the date of redemption. Currently, approximately €400.0 million ($539.6 million equivalent as of September 30, 2013) in aggregate principal amount of the European Fleet Notes are outstanding. See "Description of Certain Indebtedness—Fleet Debt—Fleet Debt-Other—European Revolving Credit Facility and European Fleet Notes." Certain of the Initial Purchasers and/or affiliates of certain of the Initial Purchasers may beneficially own a portion of our outstanding European Fleet Notes, and as such may receive a portion of the proceeds from this offering as a result of our redemption of the European Fleet Notes. See "Plan of Distribution—Relationships with the Initial Purchasers."

CAPITALIZATION

The following table shows, and the respective footnotes thereto further describe, Hertz's cash and cash equivalents and total capitalization as of September 30, 2013 on an actual basis and as adjusted to reflect the issuance of the Notes offered hereby and the use of the net proceeds therefrom as described in footnote 2 to the table below. This information should be read in conjunction with our consolidated financial statements and the related notes appearing in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012 and Hertz's Quarterly Report on Form 10-Q for the quarter ended September 30, 2013, which are incorporated by reference in this offering memorandum. See "Where You Can Find Additional Information."

	September 30, 2013	
(Unaudited) **(In millions of dollars)**	**Actual**	**As Adjusted**
Cash and Cash Equivalents[1]	$547.3	$547.3
Corporate Debt		
Senior Term Facility	2,109.5	2,109.5
Senior ABL Facility	679.7	679.7
Senior Notes		
4.25% Senior Notes due 2018	250.0	250.0
7.50% Senior Notes due 2018	700.0	700.0
6.75% Senior Notes due 2019	1,250.0	1,250.0
5.875% Senior Notes due 2020	700.0	700.0
7.375% Senior Notes due 2021	500.0	500.0
6.25% Senior Notes due 2022	500.0	500.0
Promissory Notes	48.7	48.7
Other Corporate Debt	65.4	65.4
Unamortized Net (Discount) Premium (Corporate)	3.4	3.4
Total Corporate Debt	$6,806.7	$6,806.7
Fleet Debt		
HVF U.S. ABS Program		
HVF U.S. Fleet Variable Funding Notes:		
HVF Series 2009-1 Notes	2,495.0	2,495.0
HVF U.S. Fleet Medium Term Notes:		
HVF Series 2009-2 Notes	807.5	807.5
HVF Series 2010-1 Notes	706.6	706.6
HVF Series 2011-1 Notes	598.0	598.0
HVF Series 2013-1 Notes	950.0	950.0
	3,062.1	3,062.1
RCFC U.S. ABS Program		
RCFC U.S. Fleet Variable Funding Notes:		
RCFC Series 2010-3 Notes	468.0	468.0
RCFC U.S. Fleet Medium Term Notes:		
RCFC Series 2011-1 Notes	500.0	500.0
RCFC Series 2011-2 Notes	400.0	400.0
	1,368.0	1,368.0
Donlen ABS Program		
HFLF Variable Funding Notes		
HFLF Series 2013-1 Notes	730.2	730.2
HFLF Series 2013-2 Notes	214.8	214.8
Other Fleet Debt		
U.S. Fleet Financing Facility	162.0	162.0
European Revolving Credit Facility	431.6	431.6
European Fleet Notes[2]	539.6	—
Notes Issued Hereby[2]	—	573.3
European Securitization	461.3	461.3
Hertz-Sponsored Canadian Securitization	145.5	145.5
Dollar Thrifty-Sponsored Canadian Securitization	60.1	60.1
Australian Securitization	106.3	106.3

Brazilian Fleet Financing Facility	12.7	12.7
Capitalized Leases	452.1	452.1
Unamortized Net (Discount) Premium (Fleet)	7.2	7.2
	2,378.4	2,412.1
Total Fleet Debt	10,248.5	10,282.2
Total Debt	$17,055.2	$17,088.9
Total Equity	$2,850.2	$2,850.2
Total Capitalization[3]	$19,905.4	$19,939.1

[1] "As Adjusted" amount does not reflect fees and other transaction expenses incurred in connection with the offering of Notes hereby.

[2] "As Adjusted" amount reflects the issuance of € 425.0 million ($573.3 equivalent as of September 30, 2013) aggregate principal amount of the Notes offered hereby and the use of proceeds therefrom to redeem all of our outstanding European Fleet Notes. See "Use of Proceeds."

[3] Total Capitalization equals the sum of Total Debt and Total Equity (and excludes Cash and Cash Equivalents).

DESCRIPTION OF CERTAIN INDEBTEDNESS

As of September 30, 2013, December 31, 2012 and 2011, as applicable, our debt consisted of the following (in millions of dollars):

Facility	Average Interest Rate at September 30, 2013[1]	Fixed or Floating Interest Rate	Maturity	September 30, 2013	December 31, 2012	December 31, 2011
Corporate Debt						
Senior Term Facility	3.26%	Floating	3/2018	$2,109.5	$2,125.5	$1,389.5
Senior ABL Facility	2.96%	Floating	3/2016	679.7	195.0	—
Senior Notes[2]	6.58%	Fixed	4/2018 - 10/2022	3,900.0	3,650.0	2,638.6
Promissory Notes	6.96%	Fixed	8/2014 - 1/2028	48.7	48.7	224.7
Other Corporate Debt	3.58%	Floating	Various	65.4	88.7	49.6
Unamortized Net (Discount) Premium (Corporate)				3.4	3.3	(6.9)
Total Corporate Debt				6,806.7	6,111.2	4,295.5
Fleet Debt						
HVF U.S. ABS Program						
HVF U.S. Fleet Variable Funding Notes:						
HVF Series 2009-1 Notes[3]	1.00%	Floating	3/2014	2,495.0	2,350.0	1,000.0
HVF Series 2010-2 Notes[3]	N/A	Floating	3/2013	—	—	170.0
HVF Series 2011-2 Notes[3]	N/A	Floating	4/2012	—	—	175.0
				2,495.0	2,350.0	1,345.0
HVF U.S. Fleet Medium Term Notes:						
HVF Series 2009-2 Notes[3]	5.37%	Fixed	3/2013 - 3/2015	807.5	1,095.9	1,384.3
HVF Series 2010-1 Notes[3]	3.83%	Fixed	2/2014 - 2/2018	706.6	749.8	749.8
HVF Series 2011-1 Notes[3]	2.86%	Fixed	3/2015 - 3/2017	598.0	598.0	598.0
HVF Series 2013-1 Notes[3]	1.68%	Fixed	8/2016 - 8/2018	950.0	—	—
				3,062.1	2,443.7	2,732.1
RCFC U.S. ABS Program						
RCFC U.S. Fleet Variable Funding Notes:						
RCFC Series 2010-3 Notes[3][4]	1.01%	Floating	3/2014	468.0	519.0	—
RCFC U.S. Fleet Medium Term Notes:						
RCFC Series 2011-1 Notes[3][4]	2.81%	Fixed	2/2015	500.0	500.0	—
RCFC Series 2011-2 Notes[3][4]	3.21%	Fixed	5/2015	400.0	400.0	—
				1,368.0	1,419.0	—
Donlen ABS Program						
Donlen GN II Variable Funding Notes[3]	N/A	Floating	12/2013	—	899.3	811.2
HFLF Variable Funding Notes						
HFLF Series 2013-1 Notes[3]	1.05%	Floating	9/2014	730.2	—	—
HFLF Series 2013-2 Notes[3]	1.16%	Floating	9/2015	214.8	—	—
Other Fleet Debt						
U.S. Fleet Financing Facility	2.93%	Floating	9/2015	162.0	166.0	136.0
European Revolving Credit Facility	2.56%	Floating	6/2015	431.6	185.3	200.6
European Fleet Notes	8.50%	Fixed	7/2015	539.6	529.4	517.7
European Securitization[3]	2.52%	Floating	7/2014	461.3	242.2	256.2

Hertz-Sponsored Canadian Securitization[3]	2.15%	Floating	3/2014	145.5	100.5	68.3
Dollar Thrifty-Sponsored Canadian Securitization[3 4]	2.13%	Floating	8/2014	60.1	55.3	—
Australian Securitization[3]	4.03%	Floating	12/2014	106.3	148.9	169.3
Brazilian Fleet Financing Facility	14.87%	Floating	10/2014	12.7	14.0	23.1
Capitalized Leases	4.10%	Floating	Various	452.1	337.6	363.7
Unamortized Net (Discount) Premium (Fleet)				7.2	12.1	(10.9)
				2,378.4	1,791.3	1,724.0
Total Fleet Debt				10,248.5	8,903.3	6,612.3
Total Debt				$17,055.2	$15,014.5	$10,907.8

1 As applicable, reference is to the September 30, 2013 weighted average interest rate (weighted by principal balance).

2 References to our "Senior Notes" include the series of Hertz's unsecured senior notes set forth in the table below. As of September 30, 2013, December 31, 2012 and December 31, 2011, the outstanding principal amount for each such series of the Senior Notes outstanding as of such date is also specified in the table below.

	Outstanding Principal (in millions)			
Senior Notes	**September 30, 2013**	**December 31, 2012**	**December 31, 2011**	
8.875% Senior Notes due January 2014	$—	$—	$162.3	
7.875% Senior Notes due January 2014	—	—	276.3	€(213.5)
4.250% Senior Notes due April 2018	$250.0	—	—	
7.50% Senior Notes due October 2018	700.0	700.0	700.0	
6.75% Senior Notes due April 2019	1,250.0	1,250.0	1,000.0	
5.875% Senior Notes due October 2020	700.0	700.0	—	
7.375% Senior Notes due January 2021	500.0	500.0	500.0	
6.25% Senior Notes due October 2022	500.0	500.0	—	
	$3,900.0	$3,650.0	$2,638.6	

3 Maturity reference is to the "expected final maturity date" as opposed to the subsequent "legal maturity date." The expected final maturity date is the date by which Hertz and investors in the relevant indebtedness expect the relevant indebtedness to be repaid. The legal final maturity date is the date on which the relevant indebtedness is legally due and payable.

4 RCFC U.S. ABS Program and the Dollar Thrifty-Sponsored Canadian Securitization represent fleet debt acquired in connection with the Dollar Thrifty acquisition on November 19, 2012.

Maturities

The aggregate amounts of maturities of debt for each of the twelve-month periods ending September 30 (in millions of dollars), determined on the basis of indebtedness that was outstanding as of September 30, 2013, are as follows:

2014	$6,559.0	(including $6,209.7 of other short-term borrowings*)
2015	$2,298.4	
2016	$1,206.2	
2017	$278.7	
2018	$3,004.3	

After 2018.....	$3,698.0

* Our short-term borrowings as of September 30, 2013 include, among other items, the amounts outstanding under the Senior ABL Facility, HVF U.S. Fleet Variable Funding Notes, RCFC U.S. Fleet Variable Funding Notes, HFLF Variable Funding Notes, U.S. Fleet Financing Facility, European Revolving Credit Facility, European Securitization, Hertz-Sponsored Canadian Securitization, Dollar Thrifty-Sponsored Canadian Securitization, Australian Securitization, Brazilian Fleet Financing Facility and Capitalized Leases. These amounts are reflected as short-term borrowings, regardless of the facility maturity date, as these facilities are revolving in nature and/or the outstanding borrowings have maturities of three months or less. As of September 30, 2013, short-term borrowings had a weighted average interest rate of 1.8%.

We are highly leveraged and a substantial portion of our liquidity needs arise from debt service on our indebtedness and from the funding of our costs of operations, acquisitions and capital expenditures. We believe that cash generated from operations and cash received on the disposal of vehicles and equipment, together with amounts available under various liquidity facilities, will be adequate to permit us to meet our debt maturities over the next twelve months.

Letters of Credit

As of September 30, 2013, there were outstanding standby letters of credit totaling $655.6 million. Of this amount, $640.3 million was issued under the Senior Credit Facilities. As of September 30, 2013, none of these letters of credit have been drawn upon.

Acquisition Bridge Financing

In August 2012, in conjunction with signing of the Merger Agreement with Dollar Thrifty, Hertz obtained $1,950.0 million in financing commitments for use in acquiring Dollar Thrifty. In October 2012, after having secured permanent financing for the Dollar Thrifty acquisition, Hertz terminated these commitments having never drawn upon them.

CORPORATE DEBT

Senior Credit Facilities

Senior Term Facility: In March 2011, Hertz entered into a credit agreement that provides a $1,400.0 million term loan, or as amended, the "Senior Term Facility." In addition, the Senior Term Facility includes a separate incremental pre-funded synthetic letter of credit facility in an aggregate principal amount of $200.0 million. Subject to the satisfaction of certain conditions and limitations, the Senior Term Facility allows for the incurrence of incremental term and/or revolving loans.

On October 9, 2012, Hertz entered into an Incremental Commitment Amendment to the Senior Term Facility. The Incremental Commitment Amendment increased the amount available under the Senior Term Facility by providing for commitments for an additional $750.0 million of incremental terms loans, or the "Incremental Term Loans," under the Senior Term Facility. Contemporaneously with the consummation of the Dollar Thrifty Acquisition, the Incremental Term Loans were fully drawn and the proceeds therefrom were used to: (i) finance a portion of the consideration in connection with the Dollar Thrifty Acquisition, (ii) pay off obligations of Dollar Thrifty and its subsidiaries in connection with the Dollar Thrifty Acquisition and (iii) pay fees and other transaction expenses in connection with the Dollar Thrifty Acquisition and the related financing transactions.

The Incremental Term Loans are secured by the same collateral and guaranteed by the same guarantors as the previously existing term loans under the Senior Term Facility. The Incremental Term Loans will, like the previously existing term loans under the Senior Term Facility, mature on March 11, 2018 and the interest rate per annum applicable thereto will be the same as such previously existing term loans. The other terms of the Incremental Term Loans are also generally the same.

In April 2013, Hertz entered into an Amendment No. 2, or "Amendment No. 2," to the Senior Term Facility, primarily to reduce the interest rate applicable to a portion of the outstanding term loans under the Senior Term Facility. Prior to Amendment No. 2, approximately $1,372.0 million of tranche B term loans, or "Tranche B Term Loans," under the Senior Term Facility bore interest at a floating rate measured by reference to, at Hertz's option, either (i) an adjusted London inter-bank offered rate not less than 1.00 percent plus a borrowing margin of 2.75 percent per annum or (ii) an alternate base rate plus a borrowing margin of 1.75 percent per annum. Pursuant to Amendment No. 2, certain of the existing lenders under the Senior Term Facility converted their existing Tranche B Term Loans into a new tranche of tranche B-2 term loans, or the "Tranche B-2 Term Loans," in an aggregate principal amount, along with new loans advanced by certain new lenders, of approximately $1,372.0 million. The proceeds of Tranche B-2 Term Loans advanced by the new lenders were used to prepay in full all of the Tranche B Term Loans that were not converted into Tranche B-2 Term Loans.

The Tranche B-2 Term Loans bear interest at a floating rate measured by reference to, at Hertz's option, either (i) an adjusted London inter-bank offered rate not less than 0.75 percent plus a borrowing margin of 2.25 percent per annum or (ii) an alternate base rate plus a borrowing margin of 1.25 percent per annum. The terms and conditions of the new Tranche B-2 Term Loans with respect to maturity, collateral, and covenants are otherwise unchanged compared to the Tranche B Term Loans.

Senior ABL Facility: In March 2011, Hertz, HERC, and certain other of our subsidiaries entered into a credit agreement that provided for aggregate maximum borrowings of $1,800.0 million (subject to borrowing base availability) on a revolving basis under an asset-based revolving credit facility. We refer to this facility, as amended, from time to time, as the "Senior ABL Facility." Up to $1,500.0 million of the Senior ABL Facility is available for the issuance of letters of credit, subject to certain conditions including issuing lender participation. Subject to the satisfaction of certain conditions and limitations, the Senior ABL Facility allows for the addition of incremental revolving and/or term loan commitments. In addition, the Senior ABL Facility permits Hertz to increase the amount of commitments under the Senior ABL Facility with the consent of each lender providing an additional commitment, subject to satisfaction of certain conditions. On July 31, 2013, Hertz entered into a supplement to the Senior ABL Facility to permit aggregate maximum borrowings of $1,865.0 million (subject to borrowing base availability).

We refer to the Senior Term Facility and the Senior ABL Facility together as the "Senior Credit Facilities." Hertz's obligations under the Senior Credit Facilities are guaranteed by its immediate parent (Hertz Investors, Inc.) and most of its direct and indirect domestic subsidiaries (subject to certain exceptions, including Hertz International Limited, which ultimately owns entities carrying on most of our international operations, and subsidiaries (including certain of the Non-U.S. Subsidiary Guarantors) involved in the HVF U.S. Asset-Backed Securities, or "ABS," Program, the Donlen ABS Program and, the RCFC U.S. ABS Program). In addition, the obligations of the "Canadian borrowers" under the Senior ABL Facility are guaranteed by their respective subsidiaries, subject to certain exceptions.

The lenders under the Senior Credit Facilities have been granted a security interest in substantially all of the tangible and intangible assets of the borrowers and guarantors under those facilities, including pledges of the stock of certain of their respective domestic subsidiaries (subject, in each case, to certain exceptions, including certain vehicles). Each of the Senior Credit Facilities permits the incurrence of future indebtedness secured on a basis either equal to or subordinated to the liens securing the applicable Senior Credit Facility or on an unsecured basis.

We refer to Hertz and its subsidiaries as the Hertz credit group. The Senior Credit Facilities contain a number of covenants that, among other things, limit or restrict the ability of the Hertz credit group to dispose of assets, incur additional indebtedness, incur guarantee obligations, prepay certain indebtedness, make dividends and other restricted payments (including to the parent entities of Hertz and other persons), create liens, make investments, make acquisitions, engage in mergers, change the nature of their business, engage in certain transactions with affiliates that are not within the Hertz credit group or enter into certain restrictive agreements limiting the ability to pledge assets.

Under the Senior ABL Facility, failure to maintain certain levels of liquidity will subject the Hertz credit group to a contractually specified fixed charge coverage ratio of not less than 1:1 for the four quarters most recently ended. As of September 30, 2013, we were not subject to such contractually specified fixed charge coverage ratio.

Covenants in the Senior Term Facility restrict payment of cash dividends to any parent of Hertz, including Hertz Holdings, with certain exceptions, including: (i) in an aggregate amount not to exceed 1.0% of the greater of a specified minimum amount and the consolidated tangible assets of the Hertz credit group (which payments are deducted in determining the amount available as described in the next clause (ii)), (ii) in additional amounts up to a specified available amount determined by reference to, among other things, an amount set forth in the Senior Term Facility plus 50% of net income from January 1, 2011 to the end of the most recent fiscal quarter for which financial statements of Hertz are available (less certain investments) and (iii) in additional amounts not to exceed the amount of certain equity contributions made to Hertz.

Covenants in the Senior ABL Facility restrict payment of cash dividends to any parent of Hertz, including Hertz Holdings, except in an aggregate amount, taken together with certain investments, acquisitions and optional prepayments, not to exceed $200.0 million. Hertz may also pay additional cash dividends under the Senior ABL Facility so long as, among other things, (a) no specified default then exists or would arise as a result of making such dividends, (b) there is at least $200.0 million of liquidity under the Senior ABL Facility after giving effect to the proposed dividend, and (c) either (i) if such liquidity is less than $400.0 million immediately after giving effect to the making of such dividends, Hertz is in compliance with a specified fixed charge coverage ratio, or (ii) the amount of the proposed dividend does not exceed the sum of (x) 1.0% of tangible assets plus (y) a specified available amount determined by reference to, among other things, 50% of net income from January 1, 2011 to the end of the most recent fiscal quarter for which financial statements of Hertz are available plus (z) a specified amount of certain equity contributions made to Hertz.

In November 2012, we amended the Senior ABL Facility to deem letters of credit issued under Dollar Thrifty's now-terminated senior revolving credit facility to have been issued under the Senior ABL Facility.

Senior Notes

In September 2010, Hertz issued $700.0 million aggregate principal amount of 7.5% Senior Notes due 2018, or the "2018 Notes." In December 2010, Hertz issued $500.0 million aggregate principal amount of 7.375% Senior Notes due 2021, or the "2021 Notes." In January 2011, Hertz redeemed in full its outstanding ($518.5 million principal amount) 10.50% Senior Subordinated Notes due 2016, which resulted in premiums paid of $27.2 million and the write-off of unamortized debt costs of $8.6 million. In January and February 2011, Hertz redeemed $1,105 million principal amount of its outstanding 8.875% Senior Notes due 2014, which resulted in premiums paid of $24.5 million and the write-off of unamortized debt costs of $14.4 million. Hertz used the proceeds from the 2018 Notes, the 2021 Notes and the February 2011 issuance of $500.0 million aggregate principal amount of 6.75% Senior Notes for these redemptions. Premiums paid were recorded in "Other (income) expense, net" on Hertz's consolidated statements of operations included in Hertz's Annual Report on Form 10-K for the year ended December 31, 2011.

In March 2012, Hertz issued an additional $250.0 million in aggregate principal amount of the 6.75% Senior Notes due 2019. The proceeds of this March 2012 offering were used in March 2012 in part to redeem $162.3 million in aggregate principal amount of Hertz's outstanding 8.875% Senior Notes due 2014, which resulted in the write-off of unamortized debt costs of $1.2 million recorded in "Interest expense" on our consolidated statement of operations. The remainder of the proceeds of this March 2012 offering, along with cash on hand or drawings under the Senior ABL Facility, were used to redeem €213.5 million ($286.0 million) in aggregate principal amount of Hertz's outstanding 7.875% Senior Notes due 2014, which resulted in the write-off of unamortized debt costs of $2.0 million recorded in "Interest expense" on our consolidated statement of operations.

In October 2012, HDTFS, Inc., a newly formed, wholly-owned subsidiary of Hertz (referred to herein as the "Escrow Issuer") issued $700.0 million in aggregate principal amount of 5.875% Senior Notes due 2020, or the "2020 Notes," and $500.0 million in aggregate principal amount of 6.250% Senior Notes due 2022, or the "2022 Notes," each in a private offering exempt from the registration requirements of the Securities Act. The proceeds from this issuance were placed in escrow pending consummation of the Dollar Thrifty Acquisition. Contemporaneously with the consummation of the Dollar Thrifty Acquisition, the proceeds from the issuance were released from escrow, the Escrow Issuer merged with and into Hertz, with Hertz continuing as the surviving entity, and Hertz assumed the Escrow Issuer's obligations under the 2020 Notes, the 2022 Notes and the indenture governing the same.

In March 2013, Hertz issued $250.0 million in aggregate principal amount of 4.250% Senior Notes due 2018 (the "2018 4.250% Notes"). The 2018 4.250% Notes were issued as a separate series of additional notes under the indenture, dated as of October 16, 2012, among Hertz (as successor-in-interest to the Escrow Issuer), as issuer, the subsidiary guarantors from time to time party thereto and Wells Fargo Bank, National Association, as trustee. The 2020 Notes and 2022 Notes were previously issued as separate series of notes under the same indenture as the 2018 4.250% Notes. The proceeds of this March 2013 offering were used by us to replenish a portion of our liquidity, after having dividended $467.2 million in available liquidity to Hertz Holdings, which Hertz Holdings used to repurchase 23.2 million shares of its common stock in March 2013.

Hertz's obligations under the indentures for the Senior Notes are guaranteed by each of its direct and indirect domestic subsidiaries that is a guarantor under the Senior Term Facility. In February 2013 and March 2013, we added Dollar Thrifty and certain of its subsidiaries as subsidiary guarantors under certain of our debt instruments and credit facilities (including the indentures governing the Senior Notes), which entities are included among the U.S. Subsidiary Guarantors. The guarantees of all of the U.S. Subsidiary Guarantors may be released to the extent such subsidiaries no longer guarantee our Senior Credit Facilities in the United States. HERC may also be released from its guarantee under the outstanding Senior Notes at any time at which no event of default under the related indenture has occurred and is continuing, notwithstanding that HERC may remain a subsidiary of Hertz.

The indentures for the Senior 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.

The covenants in the indentures for the Senior Notes also restrict Hertz and other members of the Hertz credit group from redeeming stock or making loans, advances, dividends, distributions or other restricted payments to any entity that is not a member of the Hertz credit group, including Hertz Holdings, subject to certain exceptions.

Promissory Notes

References to our "Promissory Notes" relate to our promissory notes issued under three separate indentures prior to the acquisition on December 21, 2005, by investment funds associated with or designated by Clayton, Dubilier & Rice, Inc., which was succeeded by Clayton, Dubilier & Rice, LLC, The Carlyle Group and Merrill Lynch & Co., Inc. of all of Hertz's common stock from Ford Holdings LLC.

FLEET DEBT

The governing documents of certain of the fleet debt financing arrangements specified below contain covenants that, among other things, significantly limit or restrict (or upon certain circumstances may significantly restrict or prohibit) the ability of the borrowers, and the guarantors if applicable, to make certain restricted payments (including paying dividends, redeeming stock, making other distributions, loans or advances) to Hertz Holdings and Hertz, whether directly or indirectly.

HVF U.S. ABS Program

Hertz Vehicle Financing LLC, an insolvency remote, direct, wholly-owned, special purpose subsidiary of Hertz, or "HVF," is the issuer under the HVF U.S. ABS Program. HVF has entered into a base indenture that permits it to issue term and revolving rental car asset-backed securities, the collateral for which consists primarily of a substantial portion of the rental car fleet used in Hertz's (and through fleet sharing arrangements, a portion of the fleet used in Dollar Thrifty's) domestic car rental operations and contractual rights related to such vehicles.

References to the "HVF U.S. ABS Program" include HVF's U.S. Fleet Variable Funding Notes together with HVF's U.S. Fleet Medium Term Notes.

HVF U.S. Fleet Variable Funding Notes

References to the "HVF U.S. Fleet Variable Funding Notes" include HVF's Series 2009-1 Variable Funding Rental Car Asset Backed Notes, as amended, or the "HVF Series 2009-1 Notes," Series 2010-2 Variable Funding Rental Car Asset Backed Notes, or the "HVF Series 2010-2 Notes," and Series 2011-2 Variable Funding Rental Car Asset Backed Notes, or the "HVF Series 2011-2 Notes," collectively. As of June 30, 2013, the only U.S. Fleet Variable Funding Notes committed or outstanding were the HVF Series 2009-1 Notes, which, as of September 30, 2013, permit aggregate maximum borrowings of $2,738.8 million (subject to borrowing base availability) on a revolving basis under an asset-backed variable funding note facility.

In April 2012, HVF paid the HVF Series 2011-2 Notes in full and terminated the related asset-backed variable funding note facility.

In May 2012, HVF amended the HVF Series 2009-1 Notes to permit aggregate maximum borrowings of $2,188.0 million (subject to borrowing base availability).

In October 2012, HVF amended the HVF Series 2009-1 Notes to permit aggregate maximum borrowings of $2,238.8 million (subject to borrowing base availability) and extend the expected final maturity by one year to March 2014.

In December 2012, HVF paid the HVF Series 2010-2 Notes in full and terminated the related asset-backed variable funding note facility. At the same time, HVF amended the HVF Series 2009-1 Notes to permit aggregate maximum borrowings of $2,438.8 million (subject to borrowing base availability).

In May 2013, HVF amended the HVF Series 2009-1 Notes to permit aggregate maximum borrowings of $2,738.8 million (subject to borrowing base availability).

In August 2013, HVF amended the HVF Series 2009-1 Notes to extend the expected final maturity date to June 2014.

HVF U.S. Fleet Medium Term Notes

References to the "HVF U.S. Fleet Medium Term Notes" include the HVF Series 2009-2 Notes, HVF Series 2010-1 Notes, HVF Series 2011-1 Notes and HVF Series 2013-1 Notes, collectively.

HVF Series 2009-2 Notes: In October 2009, HVF issued the Series 2009-2 Rental Car Asset Backed Notes, Class A, or the "HVF Series 2009-2 Class A Notes," in an aggregate original principal amount of $1,200.0 million. In June 2010, HVF issued the Subordinated Series 2009-2 Rental Car Asset Backed Notes, Class B, or the "HVF Series 2009-2 Class B Notes" (together with the HVF Series 2009-2 Class A Notes, the "HVF Series 2009-2 Notes"), in an aggregate original principal amount of $184.3 million.

HVF Series 2010-1 Notes: In July 2010, HVF issued the Series 2010-1 Rental Car Asset Backed Notes, or the "HVF Series 2010-1 Notes," in an aggregate original principal amount of $749.8 million.

HVF Series 2011-1 Notes: In June 2011, HVF issued the Series 2011-1 Rental Car Asset Backed Notes, or the "HVF Series 2011-1 Notes," in an aggregate original principal amount of $598.0 million.

HVF Series 2013-1 Notes: In January 2013, HVF completed the issuance of $950.0 million in aggregate principal amount of three year and five year Series 2013-1 Rental Car Asset Backed Notes, Class A and Class B, or the "HVF Series 2013-1 Notes," collectively. The $282.75 million of three year Class A HVF Series 2013-1 Notes carry a 1.12% coupon, the $42.25 million of three year Class B HVF Series 2013-1 Notes carry a 1.86% coupon, the $543.75 million of five year Class A HVF Series 2013-1 Notes carry a 1.83% coupon and the $81.25 million of five year Class B HVF Series 2013-1 Notes carry a 2.48% coupon. The three year HVF Series 2013-1 Notes and five year HVF Series 2013-1 Notes have expected final payment dates in August 2016 and August 2018, respectively. The Class B HVF Series 2013-1 Notes are subordinated to the Class A HVF Series 2013-1 Notes.

The net proceeds from the sale of the HVF Series 2013-1 Notes were, to the extent permitted by the applicable agreements, (i) used to pay the purchase price of vehicles acquired by HVF pursuant to HVF's U.S. ABS Program, (ii) used to pay the principal amount of other HVF U.S. ABS Program indebtedness that was then permitted or required to be paid or (iii) released to HVF to be distributed to Hertz or otherwise used by HVF for general purposes.

RCFC U.S. ABS Program

Rental Car Finance Corporation, or "RCFC," became an insolvency remote, indirect, wholly-owned, special purpose subsidiary of Hertz when Hertz acquired Dollar Thrifty. RCFC is the issuer under the RCFC U.S. ABS Program. RCFC has entered into a base indenture that permits it to issue term and revolving rental car asset-backed securities, the collateral for which consists primarily of a substantial portion of the rental car fleet used in Dollar Thrifty's (and through fleet sharing arrangements, a portion of the fleet used in Hertz's) domestic car rental operations and contractual rights related to such vehicles.

References to the "RCFC U.S. ABS Program" include RCFC's U.S. Fleet Variable Funding Notes together with RCFC's U.S. Fleet Medium Term Notes.

RCFC U.S. Fleet Variable Funding Notes

References to the "RCFC U.S. Fleet Variable Funding Notes" are to the RCFC Series 2010-3 Variable Funding Rental Car Asset Backed Notes, as amended, or the "RCFC Series 2010-3 Notes," which, as of September 30, 2013, permit aggregate maximum borrowings of $600.0 million (subject to borrowing base availability) on a revolving basis under an asset-backed variable funding note facility.

In August 2013, RCFC amended the RCFC Series 2010-3 Notes to extend the expected final maturity date to March 2014.

RCFC U.S. Fleet Medium Term Notes

References to the "RCFC U.S. Fleet Medium Term Notes" include the RCFC Series 2011-1 Notes and RCFC Series 2011-2 Notes, collectively.

RCFC Series 2011-1 Notes: In July 2011, RCFC issued the Series 2011-1 Rental Car Asset Backed Notes, or the "RCFC Series 2011-1 Notes," in an aggregate original principal amount of $500.0 million.

RCFC Series 2011-2 Notes: In October 2011, RCFC issued the Series 2011-2 Rental Car Asset Backed Notes, or the "RCFC Series 2011-2 Notes," in an aggregate original principal amount of $400.0 million.

Donlen ABS Program

Donlen GN II Variable Funding Notes

On September 1, 2011, in connection with our acquisition of Donlen, Donlen's GN II Variable Funding Notes, or the "Donlen GN II Variable Funding Notes," remained outstanding and lender commitments thereunder were increased to permit aggregate maximum borrowings of $850.0 million (subject to borrowing base availability).

In February 2012, Hertz's indirect, wholly-owned subsidiary GN Funding II L.L.C., or "GN II," amended the Donlen GN II Variable Funding Notes to permit aggregate maximum borrowings of $900.0 million (subject to borrowing base availability).

On September 30, 2013, Donlen established a new securitization platform to finance its U.S. fleet lease operations going forward. In connection with the establishment of the new financing platform, Hertz Fleet Lease Funding LP, or "HFLF," a wholly owned special purpose subsidiary of Donlen, executed a $1.1 billion committed financing arrangement, comprised of a one year variable funding note facility with an expected maturity date of September 29, 2014, or the "HFLF Series 2013-1 Notes," and a two year variable funding note facility with an expected maturity date of September 29, 2015, or the "HFLF Series 2013-2 Notes." The aggregate maximum principal amount of the HFLF Series 2013-1 Notes is $850.0 million, approximately $730.2 million of which was funded as of September 30, 2013. The aggregate maximum principal amount of the HFLF Series 2013-2 Notes is $250.0 million, approximately $214.8 million of which was funded as of September 30, 2013.

HFLF is structured as a master trust, with one or more revolving pools of collateral. The notes issued by HFLF are ultimately backed by a special unit of beneficial interest in a pool of leases and the related vehicles. The leases were originated in the name of Donlen Trust. A performance guarantee of Donlen's obligations as servicer and administrator in respect of the HFLF Series 2013-1 Notes and HFLF Series 2013-2 Notes is provided by Hertz.

The proceeds of the HFLF Series 2013-1 Notes and the HFLF Series 2013-2 Notes were used to refinance the GN Funding II L.L.C. facility, that was due to mature on December 31, 2013 and the GN Funding II L.L.C. facility was terminated. The new HFLF financing platform also provides for the issuance from time to time of medium term asset backed notes.

Fleet Debt-Other

U.S. Fleet Financing Facility

In September 2006, Hertz and Puerto Ricancars, Inc., a Puerto Rican corporation and wholly-owned indirect subsidiary of Hertz, or "PR Cars," entered into a credit agreement that provides for aggregate maximum borrowings of $165.0 million (subject to borrowing base availability) on a revolving basis under an asset-based revolving credit facility, or the "U.S. Fleet Financing Facility." The U.S. Fleet Financing Facility is the primary fleet financing for our car rental operations in Hawaii, Kansas, Puerto Rico and the U.S. Virgin Islands.

The obligations of each of Hertz and PR Cars under the U.S. Fleet Financing Facility are guaranteed by certain of Hertz's direct and indirect domestic subsidiaries. In addition, the obligations of PR Cars under the U.S. Fleet Financing Facility are guaranteed by Hertz. The lenders under the U.S. Fleet Financing Facility have been granted a security interest primarily in the owned rental car fleet used in our car rental operations in Hawaii, Puerto Rico and the U.S. Virgin Islands and certain contractual rights related to rental vehicles in Kansas, Hawaii, Puerto Rico and the U.S. Virgin Islands.

In September 2011, we extended the maturity of our U.S. Fleet Financing Facility to September 2015 and increased the facility size to $190.0 million. In connection with the extension, we made a number of modifications to the financing arrangement, including decreasing the advance rate and increasing pricing.

European Revolving Credit Facility and European Fleet Notes

In June 2010, the Issuer entered into a credit agreement that provides for aggregate maximum borrowings of €220.0 million (the equivalent of $296.8 million as of September 30, 2013) (subject to borrowing base availability) on a revolving basis under an asset-based revolving credit facility, or the "European Revolving Credit Facility," and issued the 8.50% Senior Secured Notes due July 2015, or the "European Fleet Notes," in an aggregate original principal amount of

€400.0 million (the equivalent of $539.6 million as of September 30, 2013). References to the "European Fleet Debt" include the European Revolving Credit Facility and the European Fleet Notes, collectively.

The European Fleet Debt is the primary fleet financing for our car rental operations in Germany, Italy, Spain, Belgium, New Zealand and Luxembourg, and can be expanded to provide fleet financing in Australia, Canada, France, The Netherlands, Switzerland, and the United Kingdom.

The obligations of the Issuer under the European Fleet Debt are guaranteed by Hertz and certain of Hertz's domestic and foreign subsidiaries including the Non-U.S. Subsidiary Guarantors.

The agreements governing the European Revolving Credit Facility and the indenture governing the European Fleet Notes contain covenants that apply to the Hertz credit group similar to those for the Senior Notes. In addition, the agreements and indenture contain a combination of security arrangements, springing covenants and "no liens" covenants intended to give the lenders under the European Fleet Debt enhanced recourse to certain assets of the Issuer and certain foreign subsidiaries of Hertz. The terms of the European Fleet Debt permit the Issuer to incur additional indebtedness that would be *pari passu* with either the European Revolving Credit Facility or the European Fleet Notes.

In June 2012, the Issuer amended the European Revolving Credit Facility to extend the maturity date from June 2013 to June 2015.

In June 2013, the Issuer amended the European Seasonal Revolving Credit Facility under the European Revolving Credit Facility to create a commitment period running from June 12, 2013 to December 16, 2013 that provides for aggregate maximum borrowings of an additional €100.0 million (the equivalent of $134.9 million as of September 30, 2013), subject to borrowing base availability.

On or about the Issue Date, the Issuer expects to amend and restate its European Revolving Credit Facility. The amendments to the European Revolving Credit Facility reflect, among other things, the anticipated redemption of the European Fleet Notes and certain other updates that conform to the provisions of the Senior Credit Facilities.

In October 2013, we called the remainder of the outstanding European Fleet Notes for redemption, contingent upon the completion of this offering.

European Securitization

In July 2010, certain foreign subsidiaries entered into a facility agreement that provides for aggregate maximum borrowings of €400.0 million (the equivalent of $539.6 million as of September 30, 2013) (subject to borrowing base availability) on a revolving basis under an asset-backed securitization facility, or the "European Securitization." The European Securitization is the primary fleet financing for our car rental operations in France and The Netherlands. The lenders under the European Securitization have been granted a security interest primarily in the owned rental car fleet used in our car rental operations in France and The Netherlands and certain contractual rights related to such vehicles.

In August 2011, certain of our foreign subsidiaries extended the expected maturity of our European Securitization to July 2013. In connection with the extension, International Fleet Financing No. 2 B.V. made a number of modifications to the financing arrangement, including increasing the advance rate and decreasing pricing.

In July 2012, International Fleet Financing No. 2 B.V. amended the European Securitization to extend the maturity from July 2013 to July 2014.

Hertz-Sponsored Canadian Securitization

In May 2007, certain foreign subsidiaries entered into a facility agreement that provides for aggregate maximum borrowings of CAD$225.0 million (the equivalent of $218.3 million as of September 30, 2013) (subject to borrowing base availability) on a revolving basis under an asset-backed securitization facility, or as amended, the "Hertz-Sponsored Canadian Securitization." The Hertz-Sponsored Canadian Securitization is the primary fleet financing for our car rental operations in Canada. The lender under the Hertz-Sponsored Canadian Securitization has been granted an indirect security interest primarily in the owned rental car fleet used in our car rental operations in Canada and certain contractual rights related to such vehicles as well as certain other assets owned by entities connected to the financing.

In November 2011, Hertz's indirect wholly-owned subsidiary HC Limited Partnership extended the maturity of the Hertz-Sponsored Canadian Securitization to January 2012 and reduced the facility size to CAD$200.0 million (the equivalent of $194.0 million as of September 30, 2013). In connection with the extension, HC Limited Partnership made a number of modifications to the financing arrangement, including decreasing the pricing.

In January 2012, HC Limited Partnership amended the Hertz-Sponsored Canadian Securitization to extend the maturity date from January 2012 to March 2012. In March 2012, HC Limited Partnership amended the Hertz-Sponsored Canadian Securitization to extend the maturity date from March 2012 to May 2012. In the second quarter of 2012, the maturity date was extended to June 2013. In the second quarter of 2013, the maturity date was extended to March 2014.

Dollar Thrifty-Sponsored Canadian Securitization

In March 2012, certain of the foreign subsidiaries of Dollar Thrifty entered into a trust indenture that permits the issuance of term and revolving rental car asset-backed securities, the collateral for which consists primarily of the rental car fleet used in Dollar Thrifty's Canadian car rental operations and contractual rights related to such vehicles. These subsidiaries became indirect wholly-owned subsidiaries of Hertz when Hertz acquired Dollar Thrifty.

In March 2012, these subsidiaries issued asset-backed variable funding notes that provide for aggregate maximum borrowings of CAD$150.0 million (the equivalent of $145.5 million as of September 30, 2013) (subject to borrowing base availability) on a revolving basis, or the "Dollar Thrifty-Sponsored Canadian Securitization." The expected final maturity of the Dollar Thrifty-Sponsored Canadian Securitization is August 2014.

Australian Securitization

In November 2010, certain foreign subsidiaries entered into a facility agreement that provides for aggregate maximum borrowings of A$250.0 million (the equivalent of $234.1 million as of September 30, 2013) (subject to borrowing base availability) on a revolving basis under an asset-backed securitization facility, or the "Australian Securitization." The Australian Securitization is the primary fleet financing for Hertz's car rental operations in Australia. The lender under the Australian Securitization has been granted a security interest primarily in the owned rental car fleet used in our car rental operations in Australia and certain contractual rights related to such vehicles. In connection with the issuance of the Australian Securitization, an interest rate cap was purchased by a subsidiary, HA Fleet Pty Limited. Concurrently, Hertz sold an offsetting interest rate cap, thereby neutralizing the hedge on a consolidated basis and reducing the net cost of the hedge.

In October 2012, Hertz's indirect, wholly-owned subsidiary, HA Fleet Pty Limited, amended the Australian Securitization to extend the expected maturity date thereunder to December 2014. In connection with this transaction, both HA Fleet Pty Limited and Hertz amended the existing interest rate caps, modifying and extending the amortization schedule to the new maturity date of the Australian Securitization.

See "Note 14—Financial Instruments" included in Hertz's Annual Report on Form 10-K for the year ended December 31, 2012 which is incorporated by reference into this offering memorandum.

Brazilian Fleet Financing Facility

As of September 30, 2013, our Brazilian operating subsidiary is party to certain local financing arrangements, which are collateralized by certain of its assets, which we refer to as the "Brazilian Fleet Financing Facility."

In June 2012, Hertz caused its Brazilian operating subsidiary to amend the Brazilian Fleet Financing Facility to extend the maturity date from June 2012 to February 2013. In February 2013, Hertz caused its Brazilian operating subsidiary to amend the Brazilian Fleet Financing Facility to extend the maturity date from February 2013 to October 2013.

In October 2013, Hertz caused its Brazilian subsidiary to enter into a new Brazilian Fleet Financing Facility with a maturity date of October 2014. Proceeds from the new facility were used to repay the facility set to mature on October 2013.

Capitalized Leases

References to the "Capitalized Leases" include the capitalized lease financings outstanding in the United Kingdom, or the "U.K. Leveraged Financing," Australia, the Netherlands and the United States. The amount available under the U.K.

Leveraged Financing, which is the largest portion of the Capitalized Leases, as of September 30, 2013 was £220 million (the equivalent of $352.9 million as of September 30, 2013).

In May 2013, the U.K. Leveraged Financing was amended to create a commitment period running from May 30, 2013 to October 30, 2013 that provided for additional amounts available under the U.K. Leveraged Financing of £25 million (the equivalent of $40.1 million as of September 30, 2013). This seasonal facility was drawn for most of the period and paid down at the end of October in line with its maturity date and defleeting activities.

Financial Covenant Compliance

Under the terms of our Senior Term Facility and Senior ABL Facility, we are not subject to ongoing financial maintenance covenants; however, under the Senior ABL Facility, failure to maintain certain levels of liquidity will subject the Hertz credit group to a contractually specified fixed charge coverage ratio of not less than 1:1 for the four quarters most recently ended. As of September 30, 2013, we were not subject to such contractually specified fixed charge coverage ratio.

Borrowing Capacity and Availability

As of September 30, 2013, the following facilities were available for the use of Hertz and its subsidiaries (in millions of dollars):

	Remaining Capacity	Availability Under Borrowing Base Limitation
Corporate Debt		
Senior ABL Facility	$750.4	$750.4
Total Corporate Debt	750.4	750.4
Fleet Debt		
HVF U.S. Fleet Variable Funding Notes	243.8	—
RCFC U.S. Fleet Variable Funding Notes	132.0	—
HFLF Variable Funding Notes	155.0	—
U.S. Fleet Financing Facility	28.0	—
European Revolving Credit Facility	—	—
European Securitization	80.3	—
Hertz-Sponsored Canadian Securitization	48.5	—
Dollar Thrifty-Sponsored Canadian Securitization	85.3	—
Australian Securitization	127.8	2.1
Total Fleet Debt	900.7	2.1
Total	$1,651.1	$752.5

Our borrowing capacity and availability primarily comes from our "revolving credit facilities," which are a combination of asset-backed securitization facilities and asset-based revolving credit facilities. Creditors under each of our revolving credit facilities have a claim on a specific pool of assets as collateral. Our ability to borrow under each revolving credit facility is a function of, among other things, the value of the assets in the relevant collateral pool. We refer to the amount of debt we can borrow given a certain pool of assets as the "borrowing base."

We refer to "Remaining Capacity" as the maximum principal amount of debt permitted to be outstanding under the respective facility (i.e., the amount of debt we could borrow assuming we possessed sufficient assets as collateral) less the principal amount of debt then-outstanding under such facility.

We refer 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 we could borrow given the collateral we possess at such time).

As of September 30, 2013, the Senior ABL Facility had $1,006.1 million available under the letter of credit facility sublimit, subject to borrowing base restrictions.

Substantially all of our revenue earning equipment and certain related assets are owned by special purpose entities, or are encumbered in favor of our lenders under our various credit facilities.

Some of these special purpose entities are consolidated variable interest entities, of which Hertz is the primary beneficiary, whose sole purpose is to provide commitments to lend in various currencies subject to borrowing bases comprised of rental vehicles and related assets of certain of Hertz International, Ltd.'s subsidiaries. As of September 30, 2013 and December 31, 2012, our International Fleet Financing No. 1 B.V., International Fleet Financing No. 2 B.V. and HA Funding Pty, Ltd. variable interest entities collectively had total assets primarily comprised of loans receivable and revenue earning equipment of $689.7 million and $440.8 million, respectively, and collectively had total liabilities primarily comprised of debt of $689.1 million and $440.3 million, respectively.

Accrued Interest

As of September 30, 2013 and December 31, 2012, accrued interest was $123.2 million and $86.4 million, respectively, which is reflected in our unaudited condensed consolidated balance sheets in "Accrued liabilities" and our audited consolidated balance sheets in "Other accrued liabilities."

DESCRIPTION OF NOTES

General

The 4.375% Senior Notes due 2019 offered hereby (the "*Notes*") will be issued under and governed by the indenture, to be dated as of November 20, 2013 (as amended, supplemented, waived or otherwise modified, the "*Indenture*"), among Hertz Holdings Netherlands B.V. (the "*Issuer*"), The Hertz Corporation (the "*Parent Guarantor*"), the Subsidiary Guarantors from time to time party thereto (together with the Parent Guarantor, the "*Guarantors*"), Wilmington Trust, National Association, as trustee (the "*Trustee*"), Deutsche Bank AG, London Branch, as paying agent, Wilmington Trust SP Services (Luxembourg) S.A., as Luxembourg listing agent, and Deutsche Bank Luxembourg S.A., as registrar and transfer agent. The Notes offered hereby will vote as a single class and will be treated as "Notes" for all purposes under the Indenture.

The Indenture will contain provisions that define your rights and govern the obligations of the Issuer and the Guarantors under the Notes. Copies of the forms of the Indenture and the Notes will be made available to prospective purchasers of the Notes upon request, when available.

The following is a summary of certain provisions of the Indenture and the Notes. It does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all the provisions of the Indenture and the Notes. The term "*Issuer*" refers only to Hertz Holdings Netherlands B.V. and not to any of its Subsidiaries, and the term "*Parent Guarantor*" refers only to The Hertz Corporation and not to any of its Subsidiaries. The capitalized terms defined in "—Certain Definitions" below are used in this "Description of Notes" section as so defined. Any reference to a "*Holder*" or a "*Noteholder*" in this "Description of Notes" section refers to the Holders of the Notes. Any reference to "Notes" or a "class" of Notes in this "Description of Notes" section refers to the Notes as a single class.

Brief Description of the Notes

The Notes will be:

- unsecured Senior Indebtedness of the Issuer;
- effectively subordinated to all secured Indebtedness and other secured obligations of the Issuer to the extent of the value of the assets securing such secured Indebtedness or other secured obligations, and to all Indebtedness and other obligations (including Trade Payables) of the Parent Guarantor's Subsidiaries (other than the Issuer and Subsidiaries that are or become Subsidiary Guarantors pursuant to the provisions described below under "—Guarantees and Release of Guarantors");
- *pari passu* in right of payment with all existing and future Senior Indebtedness of the Issuer; and
- senior in right of payment to all existing and future Subordinated Obligations of the Issuer.

Brief Description of the Guarantees

The Guarantee of the Parent Guarantor and each Subsidiary Guarantor in respect of the Notes will be:

- unsecured Senior Indebtedness of such Guarantor;
- effectively subordinated to all secured Indebtedness and other secured obligations of such Guarantor to the extent of the value of the assets securing such secured Indebtedness or other secured obligations, and to all Indebtedness and other obligations (including Trade Payables) of the Subsidiaries of such Guarantor (other than the Issuer and Subsidiaries that are or become Subsidiary Guarantors pursuant to the provisions described below under "—Guarantees and Release of Guarantors");
- *pari passu* in right of payment with all existing and future Senior Indebtedness of such Guarantor; and
- senior in right of payment to all existing and future Subordinated Obligations of the Parent Guarantor and Guarantor Subordinated Obligations of each Subsidiary Guarantor.

The obligations of the Guarantors under their Guarantees will be limited as necessary to recognize certain limitations imposed due to local law and defenses generally available to guarantors (including those that relate to fraudulent conveyance or transfer, voidable preference, financial assistance, corporate purpose, capital maintenance or similar laws, regulations or defenses affecting the rights of creditors generally) or other considerations under applicable law. See "Risk Factors—Risks Related to the Notes—The Guarantees of the Notes, along with any future Guarantees of the Notes, will be subject to certain limitations on enforcement and may be limited by applicable law or subject to certain defenses that may limit their validity and enforceability, including fraudulent transfer and conveyance statutes." and "Limitations on Validity and Enforceability of the Guarantees and Certain Insolvency Law Considerations."

Principal, Maturity and Interest

The Notes will mature on January 15, 2019. Each Note offered hereby will bear interest at the rate per annum shown on the front cover of this offering memorandum from November 20, 2013, or from the most recent interest payment date to which interest has been paid or provided for.

Interest on the Notes offered hereby will be payable semiannually in cash to Holders of record at the close of business on the January 1 or July 1 immediately preceding the interest payment date, in arrears, on January 15 and July 15 of each year, commencing on July 15, 2014. Interest will be paid on the basis of a 360-day year consisting of twelve 30-day months.

The Notes offered hereby will be issued initially in an aggregate principal amount of €425 million. Additional securities may be issued under the Indenture from time to time ("*Additional Notes*"), subject to the limitations set forth under "—Certain Covenants—Limitation on Indebtedness," which will vote as a single class with the Notes (except as otherwise provided) and otherwise be treated as Notes for purposes of the Indenture.

The Indenture contains no contractually prescribed time limit for the filing of claims for the payment of interest or repayment of principal on the Notes.

Other Terms

Principal of, and premium, if any, and interest and Additional Amounts, if any, on the Notes will be payable, and the Notes may be exchanged or transferred, at the office or agency of the Issuer maintained for such purposes (which initially shall be the designated office of the Paying Agent for payments of principal, premium, if any, interest and Additional Amounts, if any, and the Registrar for transfers and exchanges), except that, at the option of the Issuer, payment of interest may be made by wire transfer of immediately available funds to the account designated to the Issuer by the Noteholder entitled thereto or by check mailed to the address of the registered Holders of the Notes as such address appears in the applicable note register required to be kept pursuant to the Indenture (the "*Note Register*").

The Notes will be issued only in fully registered form, without coupons. The Notes will be issued only in minimum denominations of €100,000 (the "*Minimum Denomination*") and any integral multiple of €1,000 in excess thereof.

We may at any time and from time to time purchase Notes in the open market or otherwise.

The Issuer has applied to list the Notes on the Official List of the Luxembourg Stock Exchange and admit the Notes to trading on the Euro MTF of the Luxembourg Stock Exchange (the "*Euro MTF*").

Paying Agent and Registrar for the Notes

The Issuer will maintain one or more paying agents (each, a "*Paying Agent*") for the Notes in (i) the City of London and (ii) Luxembourg, for so long as the Notes are listed on the Euro MTF, but only if the rules of the Luxembourg Stock Exchange so require (which they currently do not). The initial sole Paying Agent will be Deutsche Bank AG, London Branch in London. The Issuer undertakes that, so long as the Notes remain outstanding, it will ensure that it maintains a Paying Agent in a member state of the European Union that will not be obliged to withhold or deduct tax pursuant to the Council of the European Union Directive 2003/48/EC or any other directive implementing the conclusions of the Economic and Financial Affairs Council ("*ECOFIN*") meeting of 26 and 27 November 2000 on the taxation of savings income, or any law implementing, or complying with or introduced in order to confirm to, such directive.

The Issuer will also maintain one or more registrars (each, a "*Registrar*") with offices in Luxembourg, and a transfer agent in Luxembourg. The initial Registrar will be Deutsche Bank Luxembourg S.A. The initial transfer agent will be Deutsche Bank Luxembourg S.A. The Registrar will maintain a register reflecting ownership of Physical Notes outstanding from time to time and will make payments on and facilitate transfers of Physical Notes on behalf of the Issuer.

The Issuer may change the Paying Agent, the Registrar or the transfer agent without prior notice to the Holders. For so long as the Notes are listed on the Luxembourg Stock Exchange and its rules so require, the Issuer will publish a notice of any change of Paying Agent, Registrar or transfer agent in a newspaper having a general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, post such notice on the official website of the Luxembourg Stock Exchange (www.bourse.lu).

Optional Redemption

The Indenture will provide that at any time and from time to time on or prior to January 15, 2017, the Issuer at its option may redeem Notes in an aggregate principal amount equal to up to 35% of the original aggregate principal amount of the Notes (including the principal amount of any Additional Notes of the same series), with funds in an aggregate amount (the "*Redemption Amount*") not exceeding the aggregate proceeds of one or more Equity Offerings (as defined below), at a redemption price (expressed as a percentage of principal amount thereof) of 104.375%, plus accrued and unpaid interest and Additional Amounts, if any, to the applicable Redemption Date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date); *provided*, *however*, that if the Notes are redeemed pursuant to this paragraph, an aggregate principal amount of the Notes equal to at least 50% of the original aggregate principal amount of the Notes (including the principal amount of any Additional Notes of the same series) must remain outstanding immediately after each such redemption of the Notes.

"*Equity Offering*" means a sale of Capital Stock (*x*) that is a sale of Capital Stock of the Parent Guarantor (other than Disqualified Stock), or (*y*) proceeds of which in an amount equal to or exceeding the Redemption Amount are contributed to the equity capital of the Parent Guarantor or any of its Restricted Subsidiaries.

Any redemption may be made upon notice mailed by first class mail to each Holder's registered address, not less than 30 nor more than 60 days prior to the applicable Redemption Date (but in no event more than 180 days after the completion of the related Equity Offering). The Issuer may provide in such notice that payment of the redemption price and performance of the Issuer's obligations with respect to such redemption may be performed by another Person. Any such notice may be given prior to the completion of the related Equity Offering, and any such redemption or notice may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent, including but not limited to the completion of the related Equity Offering.

In addition, the Issuer, at its option, may redeem the Notes, in whole or in part at any time prior to maturity, at a redemption price (the "*Redemption Price*") equal to 100% of the principal amount of the Notes to be redeemed plus the Applicable Premium as of, and accrued but unpaid interest and Additional Amounts, if any, to the applicable Redemption Date (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date). Such redemption or purchase may be made upon notice mailed by first class mail to each Holder's registered address, not less than 30 nor more than 60 days prior to the applicable Redemption Date. The Issuer may provide in such notice that payment of the Redemption Price and performance of the Issuer's obligations with respect to such redemption or purchase may be performed by another Person. Any such redemption, purchase or notice may, at the Issuer's discretion, be subject to the satisfaction of one or more conditions precedent, including but not limited to the occurrence of a Change of Control.

"*Applicable Premium*" means, with respect to a Note at any Redemption Date, the greater of (*i*) 1.0% of the principal amount of such Note and (*ii*) the excess of (*A*) the present value at such Redemption Date of (*1*) 100% of the principal amount of such Note plus (*2*) all required remaining scheduled interest payments due on such Note through January 15, 2019 (excluding accrued and unpaid interest to the Redemption Date), computed using a discount rate equal to the Bund Rate plus 50 basis points, over (*B*) the principal amount of such Note on such Redemption Date, as calculated by the Issuer or on behalf of the Issuer by such Person as the Issuer shall designate; provided that such calculation shall not be a duty or obligation of the Trustee or Paying Agent.

"*Bund Rate*" means, with respect to a Redemption Date, the yield to maturity at the time of computation of direct obligations of the Federal Republic of Germany (*Bunds* or *Bundesanleihen*) with a constant maturity (as compiled and published in the most recent financial statistics that have become publicly available at least two Business Days prior to such Redemption Date (or, if such financial statistics are no longer published, any publicly available source of similar market

data)) most nearly equal to the period from such Redemption Date to January 15, 2019; *provided*, *however*, that if the period from the applicable Redemption Date to such date is not equal to the constant maturity of the direct obligation of the Federal Republic of Germany for which a weekly average yield is given, the Bund Rate shall be obtained by linear interpolation (calculated to the nearest one-twelfth of a year) from the weekly average yields of direct obligations of the Federal Republic of Germany for which such yields are given, except that if the period from the applicable Redemption Date to such date is less than one year, the weekly average yield on actually traded direct obligations of the Federal Republic of Germany adjusted to a constant maturity of one year shall be used.

Redemption for Changes in Taxes

The Issuer may redeem the Notes, in whole but not in part, at its discretion at any time upon giving not less than 30 nor more than 60 days' prior notice to the Holders (which notice will be irrevocable and given in accordance with the procedures described in "—Selection and Notice"), at a redemption price equal to 100% of the principal amount thereof, together with accrued and unpaid interest and Additional Amounts, if any, to the date fixed by the Issuer for redemption (a "*Tax Redemption Date*") (subject to the right of Holders on the relevant record date to receive interest due on the relevant interest payment date in respect thereof), if the Issuer is, or on the next interest payment date with respect to the Notes, would be, required to pay Additional Amounts, and the Issuer cannot avoid any such payment obligation by taking reasonable measures available to it (including making payment through a Paying Agent located in another jurisdiction), as a result of:

(a) any change in, or amendment to, the laws or treaties (or any regulations, or rulings promulgated thereunder) of a Tax Jurisdiction (as defined below) affecting taxation which change or amendment has not been publicly announced or formally proposed before and which becomes effective on or after the date of the Indenture (or, if the Tax Jurisdiction has become a Tax Jurisdiction after the date of the Indenture, the date on which the Tax Jurisdiction became a Tax Jurisdiction under the Indenture); or

(b) any change in, or amendment to, the existing official written position regarding the application, administration or interpretation of such laws, treaties, regulations or rulings (including a holding, judgment or order by a court of competent jurisdiction or a change in published practice), which change, amendment, application or interpretation has not been publicly announced or formally proposed before and becomes effective on or after the date of the Indenture (or, if the Tax Jurisdiction has become a Tax Jurisdiction after the date of the Indenture, the date on which the Tax Jurisdiction became a Tax Jurisdiction under the Indenture).

The Issuer will not give any such notice of redemption earlier than 90 days prior to the earliest date on which the Issuer would be obligated to make such payment of Additional Amounts. Prior to the publication or, where relevant, mailing of any notice of redemption of the Notes pursuant to the foregoing, the Issuer will deliver to the Trustee an Officer's Certificate and an opinion of independent counsel of recognized standing reasonably acceptable to the Trustee to the effect that there has been such change or amendment which would entitle the Issuer to redeem the Notes hereunder. The Trustee shall accept and be entitled to rely on such Officer's Certificate and opinion of counsel as sufficient evidence of satisfaction of the conditions precedent described above in which event it will be conclusive and binding on all Holders. For the avoidance of doubt, the implementation of the Council of the European Union Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN meeting of 26 and 27 November 2000 on the taxation of savings income or any law implementing or complying with or introduced in order to conform to, such directive will not be a change or amendment for such purposes.

Selection and Notice

In the case of any partial redemption, selection of the Notes for redemption will be made by the Trustee on a pro rata basis, by lot or by such other method as the Trustee deems to be fair and appropriate, although no Note less than the Minimum Denomination in original principal amount will be redeemed in part. If any Note is to be redeemed in part only, the notice of redemption relating to such Note shall state the portion of the principal amount thereof to be redeemed. A new Note in principal amount equal to the unredeemed portion thereof will be issued in the name of the Holder thereof upon cancellation of the original Note. The Trustee shall not be liable for selections made by it in accordance with this paragraph.

For Notes which are represented by global certificates held on behalf of Euroclear or Clearstream, notices may be given by delivery of the relevant notices to Euroclear or Clearstream for communication to entitled account holders in substitution for the aforesaid mailing. So long as any Notes are listed on the Euro MTF and the rules of the Luxembourg Stock Exchange so require, any such notice to the Holders of the relevant Notes shall also be published in a newspaper having a general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, post such notice on the official website of the Luxembourg Stock Exchange

(www.bourse.lu), and, in connection with any redemption, the Issuer will notify the Luxembourg Stock Exchange of any change in the principal amount of Notes outstanding.

Guarantees and Release of Guarantors

The Notes will be guaranteed by each of the Guarantors. In addition, the Parent Guarantor will cause, subject to certain limitations, each Restricted Subsidiary of the Parent Guarantor that becomes a guarantor of the Senior Credit Facilities or the Revolving Credit Facility to execute and deliver to the Trustee a supplemental indenture or other instrument pursuant to which such Restricted Subsidiary will guarantee payment of the Notes, whereupon such Restricted Subsidiary will become a Subsidiary Guarantor for all purposes under the Indenture. In addition, the Parent Guarantor may cause any Subsidiary that is not a Subsidiary Guarantor to so guarantee payment of the Notes and become a Subsidiary Guarantor.

Each Guarantor, as primary obligor and not merely as surety, will jointly and severally, irrevocably and fully and unconditionally Guarantee, on an unsecured senior basis, the punctual payment when due, whether at Stated Maturity, by acceleration or otherwise, of all monetary obligations of the Issuer under the Indenture and the Notes, whether for principal of or interest on the Notes, expenses, indemnification or otherwise (all such obligations guaranteed by such Guarantors being herein called the "*Guaranteed Obligations*"). Such Guarantor will agree to pay, in addition to the amount stated above, any and all reasonable out-of-pocket expenses (including reasonable counsel fees and expenses) incurred by the Trustee or the Holders in enforcing any rights under its Guarantee.

The obligations of each Guarantor will be limited to the maximum amount as will, after giving effect to all other contingent and fixed liabilities of such Guarantor (including but not limited to any Guarantee by it of any Credit Facility Indebtedness), and after giving effect to any collections from or payments made by or on behalf of any other Guarantor in respect of the obligations of such other Guarantor under its Guarantee or pursuant to its contribution obligations under the Indenture, result in the obligations of such Guarantor under the Guarantee not constituting a fraudulent conveyance or fraudulent transfer under applicable law, a breach of applicable capital preservation rule, or being void or unenforceable under any law relating to insolvency of debtors. See "Risk Factors—Risks Related to the Notes—The Guarantees of the Notes, along with any future Guarantees of the Notes, will be subject to certain limitations on enforcement and may be limited by applicable law or subject to certain defenses that may limit their validity and enforceability, including fraudulent transfer and conveyance statutes" and "Limitations on Validity and Enforceability of the Guarantees and Certain Insolvency Law Considerations."

Each such Guarantee shall be a continuing Guarantee and shall (*i*) remain in full force and effect until payment in full of the principal amount of all outstanding Notes (whether by payment at maturity, purchase, redemption, defeasance, retirement or other acquisition) and all other Guaranteed Obligations then due and owing unless earlier terminated as described below, (*ii*) be binding upon such Guarantor and (*iii*) inure to the benefit of and be enforceable by the Trustee, the Holders and their permitted successors, transferees and assigns.

Notwithstanding the preceding paragraph, any Subsidiary Guarantor will automatically and unconditionally be released from all obligations under its Guarantee, and such Guarantee shall thereupon terminate and be discharged and of no further force or effect, (*i*) concurrently with any direct or indirect sale or disposition (by merger or otherwise) of any such Subsidiary Guarantor or any interest therein in accordance with the terms of the Indenture (including the covenants described under "—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock" and "—Merger and Consolidation") by the Parent Guarantor or a Restricted Subsidiary, following which such Subsidiary Guarantor is no longer a Restricted Subsidiary of the Parent Guarantor, (*ii*) at any time that any such Subsidiary Guarantor is released from all of its obligations under all of its Guarantees of payment by the Parent Guarantor of any Indebtedness under the Senior Credit Facilities and by the Issuer of any Indebtedness under the Revolving Credit Facility, and any applicable Refinancing Credit Facility (it being understood that a release subject to contingent reinstatement is still a release, and that if any such Guarantee is so reinstated, such Subsidiary Guarantee shall also be reinstated to the extent that such Subsidiary Guarantor would then be required to provide a Subsidiary Guarantee pursuant to the covenant described under "—Certain Covenants—Future Subsidiary Guarantors"), (*iii*) upon the merger or consolidation of any such Subsidiary Guarantor with and into the Issuer or another Guarantor that is the surviving Person in such merger or consolidation, or upon the liquidation of such Subsidiary Guarantor following the transfer of all of its assets to the Issuer or another Guarantor, (*iv*) concurrently with any such Subsidiary Guarantor becoming an Unrestricted Subsidiary, (*v*) at any time after the Termination Date (as defined below under "—Certain Covenants—Termination of Certain Covenants"), upon the merger or consolidation of any Subsidiary Guarantor with and into another Subsidiary of the Parent Guarantor that is not the Issuer or a Guarantor with such non-Guarantor being the surviving Person in such merger or consolidation, or upon liquidation of such Subsidiary Guarantor following the transfer of all of its assets to a non-Guarantor Subsidiary, (*vi*) upon legal or covenant defeasance of the Issuer's obligations, or satisfaction and discharge of the Indenture, or (*vii*) subject to customary contingent reinstatement provisions, upon payment

in full of the aggregate principal amount of all Notes then outstanding and all other Guaranteed Obligations then due and owing. In addition, the Issuer will have the right, upon 30 days' written notice to the Trustee, to cause any Subsidiary Guarantor that is a Domestic Subsidiary and that has not guaranteed payment by the Parent Guarantor of any Indebtedness of the Parent Guarantor under the Senior Credit Facilities or payment by the Issuer of any Indebtedness of the Issuer under the Revolving Credit Facility to be unconditionally released from all obligations under its Subsidiary Guarantee, and such Subsidiary Guarantee shall thereupon terminate and be discharged and of no further force or effect. Upon any such occurrence specified in this paragraph, the Trustee shall execute any documents reasonably requested by the Issuer or the Parent Guarantor in order to evidence such release, discharge and termination in respect of such Subsidiary Guarantee.

Neither the Issuer nor any such Guarantor shall be required to make a notation on the Notes to reflect any such Guarantee or any such release, termination or discharge.

Ranking

The indebtedness evidenced by the Notes (*a*) will be unsecured Senior Indebtedness of the Issuer, (*b*) will rank *pari passu* in right of payment with all existing and future Senior Indebtedness of the Issuer, and (*c*) will be senior in right of payment to all existing and future Subordinated Obligations of the Issuer. The Notes will also be effectively subordinated to all secured Indebtedness and other secured obligations of the Issuer to the extent of the value of the assets securing such secured Indebtedness or other secured obligations, and to all Indebtedness and other obligations (including Trade Payables) of the Issuer's Subsidiaries (other than any Subsidiaries that are or become Subsidiary Guarantors pursuant to the provisions described above under "—Guarantees and Release of Guarantors").

Each Guarantee (*a*) will be unsecured Senior Indebtedness of the applicable Guarantor, (*b*) will rank *pari passu* in right of payment with all existing and future Senior Indebtedness of such Guarantor and (*c*) will be senior in right of payment to all existing and future Subordinated Obligations of the Parent Guarantor and Guarantor Subordinated Obligations of each Subsidiary Guarantor. Such Guarantee will also be effectively subordinated to all secured Indebtedness and other secured obligations of such Guarantor to the extent of the value of the assets securing such secured Indebtedness or other secured obligations, and to all Indebtedness and other obligations (including Trade Payables) of the Subsidiaries of such Guarantor (other than the Issuer and Subsidiaries of the Parent Guarantor that are or become Subsidiary Guarantors pursuant to the provisions described above under "—Guarantees and Release of Guarantors").

A substantial part of the operations of the Parent Guarantor is conducted through its Subsidiaries. Claims of creditors of such Subsidiaries, including trade creditors, and claims of preferred shareholders (if any) of such Subsidiaries will have priority with respect to the assets and earnings of such Subsidiaries over the claims of creditors of the Parent Guarantor, including Holders of the Notes, unless such Subsidiary is the Issuer or a Subsidiary Guarantor. The Notes, therefore, will be effectively subordinated to creditors (including trade creditors) and preferred shareholders (if any) of other Subsidiaries of the Parent Guarantor (other than the Issuer and Subsidiaries of the Parent Guarantor that are or become Subsidiary Guarantors). Certain of the operations of a Guarantor may be conducted through Subsidiaries thereof that are not also Guarantors. Claims of creditors of such Subsidiaries, including trade creditors, and claims of preferred shareholders (if any) of such Subsidiaries will have priority with respect to the assets and earnings of such Subsidiaries over the claims of creditors of such Guarantor, including claims under its Guarantee. Such Guarantee, if any, therefore, will be effectively subordinated to creditors (including trade creditors) and preferred shareholders (if any) of such Subsidiaries. Although the Indenture will limit the incurrence of Indebtedness (including preferred stock) by certain of the Parent Guarantor's Subsidiaries, such limitation is subject to a number of significant qualifications.

Change of Control

Upon the occurrence after the Issue Date of a Change of Control (as defined below), each Holder of Notes will have the right to require the Issuer to repurchase all or any part of such Notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, to the date of repurchase (subject to the right of Holders of record on the relevant record date to receive interest due on the relevant interest payment date); *provided*, *however*, that the Issuer shall not be obligated to repurchase Notes pursuant to this covenant in the event that it has exercised its right to redeem all of the Notes as described under "—Optional Redemption."

The term "*Change of Control*" means:

(i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act), other than one or more Permitted Holders or a Parent, becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the total voting power of the Voting

Stock of the Parent Guarantor, provided that so long as the Parent Guarantor is a Subsidiary of any Parent, no "person" shall be deemed to be or become a "beneficial owner" of more than 50% of the total voting power of the Voting Stock of the Parent Guarantor unless such "person" shall be or become a "beneficial owner" of more than 50% of the total voting power of the Voting Stock of such Parent;

(ii) the Parent Guarantor sells or transfers (in one or a series of related transactions) all or substantially all of the assets of the Parent Guarantor and its Restricted Subsidiaries to another Person (other than one or more Permitted Holders) and any "person" (as defined in clause (i) above), other than one or more Permitted Holders or any Parent, is or becomes the "beneficial owner" (as so defined), directly or indirectly, of more than 50% of the total voting power of the Voting Stock of the transferee Person in such sale or transfer of assets, provided that so long as such transferee Person is a Subsidiary of a parent Person, no "person" shall be deemed to be or become a "beneficial owner" of more than 50% of the total voting power of the Voting Stock of such surviving or transferee Person unless such "person" shall be or become a "beneficial owner" of more than 50% of the total voting power of the Voting Stock of such parent Person; or

(iii) if at any time the Parent Guarantor shall fail to directly or indirectly own 100% of the issued and outstanding Capital Stock of the Issuer or otherwise cease to control the Issuer other than pursuant to a transaction under the covenant described under "—Merger and Consolidation" where the Parent Guarantor directly or indirectly owns 100% of the issued and outstanding Capital Stock of the Successor Issuer (as defined under the second paragraph of "—Merger and Consolidation" below) and otherwise controls the Successor Issuer.

For the purpose of this definition, the Reorganization Assets (whether individually or in the aggregate) shall not be deemed at any time to constitute all or substantially all of the assets of the Parent Guarantor and its Restricted Subsidiaries, and any sale or transfer of all or any part of the Reorganization Assets (whether directly or indirectly, whether by sale or transfer of any such assets, or of any Capital Stock or other interest in any Person holding such assets, or of any combination thereof, and whether in one or more transactions, or otherwise) shall not be deemed at any time to constitute a sale or transfer of all or substantially all of the assets of the Parent Guarantor and its Restricted Subsidiaries.

In the event that, at the time of such Change of Control, the terms of any Credit Facility Indebtedness constituting Designated Senior Indebtedness restrict or prohibit the repurchase of the Notes pursuant to this covenant, then prior to the mailing of the notice to Holders provided for in the immediately following paragraph but in any event not later than 30 days following the date the Issuer or the Parent Guarantor obtains actual knowledge of any Change of Control having occurred (unless the Issuer has exercised its right to redeem all the Notes as described under "—Optional Redemption"), the Parent Guarantor shall, or shall cause one or more of its Subsidiaries to, (*i*) repay in full all such Credit Facility Indebtedness subject to such terms or offer to repay in full all such Credit Facility Indebtedness and repay the Credit Facility Indebtedness of each lender who has accepted such offer or (*ii*) obtain the requisite consent under the agreements governing such Credit Facility Indebtedness to permit the repurchase of the Notes as provided for in the immediately following paragraph. The Parent Guarantor shall first comply with the provisions of the immediately preceding sentence before the Issuer shall be required to repurchase Notes pursuant to the provisions described below. The Parent Guarantor's or the Issuer's failure to comply with such provisions or the provisions of the immediately following paragraph, as applicable, shall constitute an Event of Default described in clause (iv) and not in clause (ii) under "—Defaults" below.

Unless the Issuer has exercised its right to redeem all the Notes as described under "—Optional Redemption," the Issuer shall, not later than 30 days following the date the Issuer or the Parent Guarantor obtains actual knowledge of any Change of Control having occurred, mail a notice (a "*Change of Control Offer*") to each Holder with a copy to the Trustee and the Paying Agent stating: (*1*) that a Change of Control has occurred or may occur and that such Holder has, or upon such occurrence will have, the right to require the Issuer to purchase such Holder's Notes at a purchase price in cash equal to 101% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, to the date of purchase (subject to the right of Holders of record on a record date to receive interest on the relevant interest payment date); (*2*) the repurchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed); (*3*) the instructions determined by the Issuer, consistent with this covenant, that a Holder must follow in order to have its Notes purchased; and (*4*) if such notice is mailed prior to the occurrence of a Change of Control, that such offer is conditioned on the occurrence of such Change of Control. No Note will be repurchased in part if less than the Minimum Denomination in original principal amount of such Note would be left outstanding.

The Issuer will not be required to make a Change of Control Offer upon a Change of Control if a third party makes the Change of Control Offer in the manner, at the times and otherwise in compliance with the requirements set forth in the

Indenture applicable to a Change of Control Offer made by the Issuer and purchases all Notes validly tendered and not withdrawn under such Change of Control Offer.

The Issuer will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Issuer will comply with the applicable securities laws and regulations and will be deemed not to have breached its obligations under this covenant by virtue thereof.

The Change of Control purchase feature will be a result of negotiations between the Issuer, the Parent Guarantor and the initial purchasers of the Notes. The Parent Guarantor has no present plans to engage in a transaction involving a Change of Control, although it is possible that the Parent Guarantor could decide to do so in the future. Subject to the limitations discussed below, the Parent Guarantor could, in the future, enter into certain transactions, including acquisitions, refinancings or recapitalizations, that would not constitute a Change of Control under the Indenture, but that could increase the amount of Indebtedness outstanding at such time or otherwise affect the Parent Guarantor's capital structure or credit ratings. Restrictions on the ability of the Parent Guarantor to Incur additional Indebtedness are contained in the covenants described under "—Certain Covenants—Limitation on Indebtedness" and "—Certain Covenants—Limitation on Liens." Such restrictions can only be waived with the consent of the Holders of a majority in principal amount of the Notes then outstanding. Except for the limitations contained in such covenants, however, the Indenture will not contain any covenants or provisions that may afford Holders protection in the event of a highly leveraged transaction.

The occurrence of a Change of Control would constitute a default under each Senior Credit Agreement and under the Revolving Credit Facility. Agreements governing other Indebtedness of the Issuer, the Parent Guarantor or a Restricted Subsidiary may contain prohibitions of certain events that would constitute a Change of Control or require such Indebtedness to be repurchased or repaid upon a Change of Control. The agreements governing Indebtedness of the Issuer, the Parent Guarantor or a Restricted Subsidiary, including the Senior Credit Agreements and the Revolving Credit Facility, may prohibit the Issuer from repurchasing the Notes upon a Change of Control unless such Indebtedness has been repurchased or repaid (or an offer made to effect such repurchase or repayment has been made and the Indebtedness of those creditors accepting such offer has been repurchased or repaid) and/or other specified requirements have been met. Moreover, the exercise by the Holders of their right to require the Issuer to repurchase the Notes could cause a default under such agreements, even if the Change of Control itself does not, due to the financial effect of such repurchase on the Issuer, the Parent Guarantor or their Subsidiaries. Finally, the Parent Guarantor's ability to pay cash to the Holders upon a repurchase may be limited by the Parent Guarantor's then existing financial resources. There can be no assurance that sufficient funds will be available when necessary to make any required repurchases. The provisions under the Indenture relating to the Issuer's obligation to make an offer to purchase the Notes as a result of a Change of Control may be waived or modified with the written consent of the Holders of a majority in principal amount of the Notes. As described above under "—Optional Redemption," the Issuer also has the right to redeem the Notes at specified prices, in whole or in part, upon a Change of Control or otherwise.

The definition of Change of Control includes a phrase relating to the sale or other transfer of "all or substantially all" of the assets of the Parent Guarantor and its Restricted Subsidiaries. Although there is a developing body of case law interpreting the phrase "substantially all," there is no precise definition of the phrase under applicable law. Accordingly, in certain circumstances there may be a degree of uncertainty in ascertaining whether a particular transaction would involve a disposition of "all or substantially all" of the assets of the Parent Guarantor and its Restricted Subsidiaries and therefore it may be unclear as to whether a Change of Control has occurred and whether the Holders of the Notes have the right to require the Issuer to repurchase such Notes.

If and for so long as the Notes are listed on the Euro MTF and the rules of the Luxembourg Stock Exchange so require, the Issuer will publish notices relating to the Change of Control Offer in a leading newspaper of general circulation in Luxembourg (which is expected to be the *Luxemburger Wort*) or, to the extent and in the manner permitted by such rules, post such notice on the official website of the Luxembourg Stock Exchange (www.bourse.lu).

Additional Amounts

All payments made by or on behalf of the Issuer under or with respect to the Notes (whether or not in the form of Physical Notes) or any of the Guarantors on its Guarantee will be made free and clear of and without withholding or deduction for, or on account of, any present or future Taxes unless the withholding or deduction of such Taxes is then required by law. If any deduction or withholding for, or on account of, any Taxes imposed or levied by or on behalf of any jurisdiction in which the Issuer or any Guarantor (including any successor entity) is then incorporated, organized, engaged in business or resident for tax purposes or any political subdivision thereof or therein or any jurisdiction by or through which

payment is made by or on behalf of the Issuer or any Guarantor (including any successor entity) (including without limitation, the jurisdiction of any Paying Agent) or any political subdivision thereof or therein (each, a "*Tax Jurisdiction*"), will at any time be required to be made from, or Taxes imposed directly on any Holder or beneficial owner of the Notes on, any payments made by or on behalf of the Issuer under or with respect to the Notes or any of the Guarantors with respect to any Guarantee, including, without limitation, payments of principal, redemption price, purchase price, interest or premium, the Issuer or the relevant Guarantor, as applicable, will pay such additional amounts (the "*Additional Amounts*") as may be necessary in order that the net amounts received and retained in respect of such payments by each Holder (including Additional Amounts) after such withholding, deduction or imposition will equal the respective amounts which would have been received and retained in respect of such payments in the absence of such withholding, deduction or imposition; provided, however, that no Additional Amounts will be payable with respect to:

(a) any Taxes which would not have been imposed but for the Holder or the beneficial owner of the Notes being a citizen or resident or national of, incorporated in or carrying on a business in, the relevant Tax Jurisdiction in which such Taxes are imposed other than Taxes arising by the mere acquisition, ownership or holding of such Notes or enforcement of rights thereunder or the receipt of payments in respect thereof or any other connection solely with respect to the acquisition or holding of the Notes;

(b) any Taxes that are imposed or withheld as a result of the failure of the Holder or the beneficial owner of the Notes, to the extent it is legally entitled and eligible to do so, to comply with any reasonable written request, made to that Holder or beneficial owner in writing at least 90 days before any such withholding or deduction would be payable, by the Issuer or any of the Guarantors to provide timely and accurate information concerning the nationality, residence or identity of such Holder or beneficial owner or to make any valid and timely declaration or similar claim or satisfy any certification, information or other reporting requirement, which is required or imposed by a statute, treaty, regulation or administrative practice of the relevant Tax Jurisdiction as a precondition to exemption from all or part of such Taxes;

(c) any Taxes to the extent such Taxes were imposed as a result of the presentation of any Note for payment (where Notes are in the form of Physical Notes and presentation is required) more than 30 days after the relevant payment is first made available for payment to the Holder (except to the extent that the Holder would have been entitled to Additional Amounts had the Note been presented on the last day of such 30 day period);

(d) any estate, inheritance, gift, sale, transfer, personal property or similar tax or assessment;

(e) any Taxes withheld, deducted or imposed on a payment to an individual and which are required to be made pursuant to the Council of the European Union Directive 2003/48/EC or any other directive implementing the conclusions of the ECOFIN meeting of 26 and 27 November 2000 on the taxation of savings income or any law implementing or complying with or introduced in order to conform to, such directive;

(f) any Taxes imposed on or with respect to a payment made to a Holder of Notes who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a member state of the European Union; or

(g) any combination of items (a) through (f) above.

In addition to the foregoing, the Issuer and the Guarantors will also pay and indemnify each Holder and beneficial owner for any present or future stamp, issue, registration, transfer, court or documentary taxes, or any other excise or property taxes, charges or similar levies or Taxes (including penalties, interest and any other reasonable expenses related thereto) which are levied by the European Union or any member state thereof, the United States, the Swiss Confederation, any other Tax Jurisdiction or any political subdivision or authority thereof having the power to tax on the execution, delivery, enforcement or registration of any of the Notes, the Indenture, any Guarantee, or any other document or instrument referred to therein, or the receipt of any payments with respect to the Notes or the Guarantees (other than transfers of the Notes following the initial resale of the Notes by initial purchasers of the Notes), or any such Taxes, charges or similar levies imposed by any jurisdiction as a result of, or in connection with, the enforcement of any of the Notes or any Guarantee.

If the Issuer or any Guarantor, as the case may be, becomes aware that it will be obligated to pay Additional Amounts with respect to any payment under or with respect to the Notes or any Guarantee, the Issuer or the relevant Guarantor, as the case may be, will deliver to the Trustee, with a copy to the Paying Agent, on a date which is at least 30 days prior to the date of that payment (unless the obligation to pay Additional Amounts arises after the 30th day prior to that payment date, in which case the Issuer or the relevant Guarantor shall notify the Trustee promptly thereafter) an Officer's Certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable. The Officer's Certificate must also set forth any other information reasonably necessary to enable the Paying Agent to pay Additional Amounts to Holders on the relevant payment date. The Trustee shall be entitled to rely absolutely on such Officer's Certificate as conclusive proof that such payments are necessary. The Issuer or the relevant Guarantor will provide the Trustee with documentation reasonably satisfactory to the Trustee evidencing the payment of Additional Amounts.

The Issuer or the relevant Guarantor will make all withholdings and deductions required by law and will remit the full amount deducted or withheld to the relevant Tax authority in accordance with applicable law. The Issuer or the relevant Guarantor will use its reasonable efforts to obtain Tax receipts from each Tax authority evidencing the payment of any Taxes so deducted or withheld. The Issuer or the relevant Guarantor will furnish to the Holders, within 60 days after the date the payment of any Taxes so deducted or withheld is made, certified copies of Tax receipts evidencing payment by the Issuer or a Guarantor, as the case may be, or if, notwithstanding such entity's efforts to obtain receipts, receipts are not obtained, other evidence of payments by such entity.

Whenever in the Indenture or in this "Description of Notes" there is mentioned, in any context, the payment of amounts based upon the principal amount of the Notes or of principal, interest or of any other amount payable under, or with respect to, any of the Notes, such mention shall be deemed to include mention of the payment of Additional Amounts to the extent that, in such context, Additional Amounts are, were or would be payable in respect thereof.

The foregoing obligations will survive any termination, defeasance or discharge of the Indenture or any transfer by a Holder or beneficial owner of its Notes.

Certain Covenants

Termination of Certain Covenants.

The Indenture will contain covenants including, among others, the covenants as described below. If on any day following the Issue Date (*a*) the Notes have Investment Grade Ratings from both Rating Agencies, and (*b*) no Default has occurred and is continuing under the Indenture, then, beginning on that day (the "*Termination Date*") and continuing at all times thereafter regardless of any subsequent changes in the rating of the Notes, the covenants specifically listed under the following captions in this "Description of Notes" section of this offering memorandum will cease to be effective and will not be applicable to the Issuer, the Parent Guarantor and the Restricted Subsidiaries:

(i) "—Limitation on Indebtedness";

(ii) "—Limitation on Restricted Payments";

(iii) "—Limitation on Restrictions on Distributions from Restricted Subsidiaries";

(iv) "—Limitation on Sales of Assets and Subsidiary Stock";

(v) "—Limitation on Transactions with Affiliates";

(vi) "—Future Subsidiary Guarantors"; and

(vii) clause (iii) of the first paragraph of "—Merger and Consolidation".

Following the Termination Date, the Board of Directors may not designate any of its Subsidiaries as Unrestricted Subsidiaries unless such designation would have complied with the covenant described under "—Limitation on Restricted Payments" as if such covenant would have been in effect during such period.

At any time after the Termination Date, any reference in the definitions of "Permitted Liens" and "Unrestricted Subsidiary" to the covenant described under "—Limitation on Indebtedness" or any provision thereof shall be construed as if such covenant were in effect.

There can be no assurance that the Notes will ever achieve or maintain Investment Grade Ratings.

Limitation on Indebtedness. The Indenture will provide as follows:

(a) The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, Incur any Indebtedness; *provided*, *however*, that the Parent Guarantor or any Restricted Subsidiary may Incur Indebtedness if on the date of the Incurrence of such Indebtedness, after giving effect to the Incurrence thereof, the Consolidated Coverage Ratio would be equal to or greater than 2.00:1.00.

(b) Notwithstanding the foregoing paragraph (a), the Parent Guarantor and its Restricted Subsidiaries may Incur the following Indebtedness:

(i) Indebtedness Incurred pursuant to any Credit Facility (including but not limited to in respect of letters of credit or bankers' acceptances issued or created thereunder) and Indebtedness Incurred other than under any Credit Facility, and (without limiting the foregoing), in each case, any Refinancing Indebtedness in respect thereof, in a maximum principal amount at any time outstanding not exceeding in the aggregate the amount equal to (*A*) $2,250.0 million, plus (*B*) the greater of (*x*) $1,600.0 million and (*y*) an amount equal to (*1*) the Borrowing Base less (*2*) the aggregate principal amount of Indebtedness Incurred by Special Purpose Subsidiaries that are Domestic Subsidiaries and then outstanding pursuant to clause (ix) of this paragraph (b), plus (*C*) in the event of any refinancing of any such Indebtedness, the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses incurred in connection with such refinancing;

(ii) Indebtedness (*A*) of any Restricted Subsidiary to the Parent Guarantor or (*B*) of the Parent Guarantor or any Restricted Subsidiary to any Restricted Subsidiary; *provided*, that any subsequent issuance or transfer of any Capital Stock of such Restricted Subsidiary to which such Indebtedness is owed, or other event, that results in such Restricted Subsidiary ceasing to be a Restricted Subsidiary or any other subsequent transfer of such Indebtedness (except to the Parent Guarantor or a Restricted Subsidiary) will be deemed, in each case, an Incurrence of such Indebtedness by the issuer thereof not permitted by this clause (ii);

(iii) Indebtedness represented by the Notes (other than any newly-issued Additional Notes), any Indebtedness (other than the Indebtedness under the Revolving Credit Facility, the Senior ABL Facility or the Senior Term Facility) outstanding on the Issue Date and any Refinancing Indebtedness Incurred in respect of any Indebtedness described in this clause (iii) or paragraph (a) above;

(iv) Purchase Money Obligations and Capitalized Lease Obligations, and any Refinancing Indebtedness with respect thereto;

(v) Indebtedness consisting of (*w*) accommodation guarantees for the benefit of trade creditors of the Parent Guarantor or any of its Restricted Subsidiaries, (x) Guarantees in connection with the construction or improvement of all or any portion of a Public Facility to be used by the Parent Guarantor or any Restricted Subsidiary, (*y*) Guarantees required (in the good faith determination

of the Parent Guarantor) in connection with Vehicle Rental Concession Rights or (*z*) any Guarantee in respect of any Franchise Vehicle Indebtedness or Franchise Lease Obligation;

(vi) (*A*) Guarantees by the Parent Guarantor or any Restricted Subsidiary of Indebtedness or any other obligation or liability of the Parent Guarantor or any Restricted Subsidiary (other than any Indebtedness Incurred by the Parent Guarantor or such Restricted Subsidiary, as the case may be, in violation of the covenant described under "—Limitation on Indebtedness"), or (*B*) without limiting the covenant described under "—Limitation on Liens," Indebtedness of the Parent Guarantor or any Restricted Subsidiary arising by reason of any Lien granted by or applicable to such Person securing Indebtedness of the Parent Guarantor or any Restricted Subsidiary (other than any Indebtedness Incurred by the Parent Guarantor or such Restricted Subsidiary, as the case may be, in violation of the covenant described under "—Limitation on Indebtedness");

(vii) Indebtedness of the Parent Guarantor or any Restricted Subsidiary (*A*) arising from the honoring of a check, draft or similar instrument of such Person drawn against insufficient funds, provided that such Indebtedness is extinguished within five Business Days of its Incurrence, or (*B*) consisting of guarantees, indemnities, obligations in respect of earnouts or other purchase price adjustments, or similar obligations, Incurred in connection with the acquisition or disposition of any business, assets or Person;

(viii) Indebtedness of the Parent Guarantor or any Restricted Subsidiary in respect of (*A*) letters of credit, bankers' acceptances or other similar instruments or obligations issued, or relating to liabilities or obligations incurred, in the ordinary course of business (including those issued to governmental entities in connection with self-insurance under applicable workers' compensation statutes), or (*B*) completion guarantees, surety, judgment, appeal or performance bonds, or other similar bonds, instruments or obligations, provided, or relating to liabilities or obligations incurred, in the ordinary course of business, or (*C*) Hedging Obligations, entered into for bona fide hedging purposes, or (*D*) Management Guarantees, or (*E*) the financing of insurance premiums in the ordinary course of business, or (*F*) take-or-pay obligations under supply arrangements incurred in the ordinary course of business, or (*G*) netting, overdraft protection and other arrangements arising under standard business terms of any bank at which the Parent Guarantor or any Restricted Subsidiary maintains an overdraft, cash pooling or other similar facility or arrangement or (*H*) Bank Products Obligations;

(ix) Indebtedness (*A*) of a Special Purpose Subsidiary secured by a Lien on all or part of the assets disposed of in, or otherwise Incurred in connection with, a Financing Disposition or (*B*) otherwise Incurred in connection with a Special Purpose Financing; provided that (*1*) such Indebtedness is not recourse to the Parent Guarantor or any Restricted Subsidiary that is not a Special Purpose Subsidiary (other than with respect to Special Purpose Financing Undertakings), (*2*) in the event such Indebtedness shall become recourse to the Parent Guarantor or any Restricted Subsidiary that is not a Special Purpose Subsidiary (other than with respect to Special Purpose Financing Undertakings), such Indebtedness will be deemed to be, and must be classified by the Parent Guarantor as, Incurred at such time (or at the time initially Incurred) under one or more of the other provisions of this covenant for so long as such Indebtedness shall be so recourse; and (*3*) in the event that at any time thereafter such Indebtedness shall comply with the provisions of the preceding subclause (1), the Parent Guarantor may classify such Indebtedness in whole or in part as Incurred under this clause (b)(ix) of this covenant;

(x) Indebtedness of (*A*) the Parent Guarantor or any Restricted Subsidiary Incurred to finance or refinance, or otherwise Incurred in connection with, any acquisition of assets (including Capital Stock), business or Person, or any merger or consolidation of any Person with or into the Parent Guarantor or any Restricted Subsidiary, or (*B*) any Person that is acquired by or merged or consolidated with or into the Parent Guarantor or any Restricted Subsidiary (including Indebtedness thereof Incurred in connection with any such acquisition, merger or consolidation), *provided* that on the date of such acquisition, merger or consolidation, after giving effect thereto, either (*1*) the Parent Guarantor could Incur at least $1.00 of additional Indebtedness pursuant to paragraph (a) above or (*2*) the Consolidated Coverage Ratio of the Parent Guarantor would equal or be greater than the Consolidated Coverage Ratio of the Parent Guarantor immediately prior to giving effect thereto; and any Refinancing Indebtedness with respect to any such Indebtedness;

(xi) Indebtedness of the Parent Guarantor or any Restricted Subsidiary in an aggregate principal amount at any time outstanding not exceeding an amount equal to (*A*) the greater of (*x*) $2,900.0 million and (*y*) an amount equal to (*1*) the Foreign Borrowing Base less (*2*) the aggregate principal amount of Indebtedness Incurred by Special Purpose Subsidiaries that are Foreign Subsidiaries and then outstanding pursuant to clause (ix) of this paragraph (b) plus (*B*) in the event of any refinancing of any Indebtedness Incurred under this clause (xi), the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses incurred in connection with such refinancing;

(xii) Contribution Indebtedness, and any Refinancing Indebtedness with respect thereto;

(xiii) Indebtedness issuable upon the conversion or exchange of shares of Disqualified Stock issued in accordance with paragraph (a) above, and any Refinancing Indebtedness with respect thereto;

(xiv) Non-Recourse Indebtedness of HERC; and

(xv) Indebtedness of the Parent Guarantor or any Restricted Subsidiary in an aggregate principal amount at any time outstanding not exceeding an amount equal to 3.25% of Consolidated Tangible Assets.

(c) For purposes of determining compliance with, and the outstanding principal amount of any particular Indebtedness Incurred pursuant to and in compliance with, this covenant, (*i*) any other obligation of the obligor on such Indebtedness (or of any other Person who could have Incurred such Indebtedness under this covenant) arising under any Guarantee, Lien or letter of credit, bankers' acceptance or other similar instrument or obligation supporting such Indebtedness shall be disregarded to the extent that such Guarantee, Lien or letter of credit, bankers' acceptance or other similar instrument or obligation secures the principal amount of such Indebtedness; (*ii*) in the event that Indebtedness meets the criteria of more than one of the types of Indebtedness described in paragraph (b) above, the Parent Guarantor, in its sole discretion, shall classify such item of Indebtedness and may include the amount and type of such Indebtedness in one or more of the clauses of paragraph (b) above (including in part under one such clause and in part under another such clause) provided that (if the Parent Guarantor shall so determine) any Indebtedness Incurred pursuant to clause (b)(xv) of this covenant shall cease to be deemed Incurred or outstanding for purposes of such clause but shall be deemed Incurred for the purposes of paragraph (a) of this covenant from and after the first date on which the Parent Guarantor or any Restricted Subsidiary could have Incurred such Indebtedness under paragraph (a) of this covenant without reliance on such clause; (iii) in the event that Indebtedness could be Incurred in part under paragraph (a) above, the Parent Guarantor, in its sole discretion, may classify a portion of such Indebtedness as having been Incurred under paragraph (a) above and thereafter the remainder of such Indebtedness as having been Incurred under paragraph (b) above; (iv) the amount of Indebtedness issued at a price that is less than the principal amount thereof shall be equal to the amount of the liability in respect thereof determined in accordance with GAAP; and (v) the principal amount of Indebtedness outstanding under any clause of paragraph (b) above shall be determined after giving effect to the application of proceeds of any such Indebtedness to refinance any such other Indebtedness.

(d) For purposes of determining compliance with any Dollar-denominated restriction on the Incurrence of Indebtedness denominated in a foreign currency, the Dollar-equivalent principal amount of such Indebtedness Incurred pursuant thereto shall be calculated based on the relevant currency exchange rate in effect on the date that such Indebtedness was Incurred, in the case of term Indebtedness, or first committed, in the case of revolving or deferred draw Indebtedness, provided that (*x*) the Dollar-equivalent principal amount of any such Indebtedness outstanding on the Issue Date shall be calculated based on the relevant currency exchange rate in effect on the Issue Date, (*y*) if such Indebtedness is Incurred to refinance other Indebtedness denominated in a foreign currency (or in a different currency from such Indebtedness so being Incurred), and such refinancing would cause the applicable Dollar-denominated restriction to be exceeded if calculated at the relevant currency exchange rate in effect on the date of such refinancing, such Dollar-denominated restriction shall be deemed not to have been exceeded so long as the principal amount of such refinancing Indebtedness does not exceed (*i*) the outstanding or committed principal amount (whichever is higher) of such Indebtedness being refinanced plus (*ii*) the aggregate amount of fees, underwriting discounts, premiums and other costs and expenses incurred in connection with such refinancing and (*z*) the Dollar-equivalent principal amount of Indebtedness denominated in a foreign currency and Incurred

pursuant to a Senior Credit Facility or the Revolving Credit Facility shall be calculated based on the relevant currency exchange rate in effect on, at the Parent Guarantor's option, (*i*) the Issue Date, (*ii*) any date on which any of the respective commitments under such Senior Credit Facility or the Revolving Credit Facility shall be reallocated between or among facilities or subfacilities thereunder, or on which such rate is otherwise calculated for any purpose thereunder, or (*iii*) the date of such Incurrence. The principal amount of any Indebtedness Incurred to refinance other Indebtedness, if Incurred in a different currency from the Indebtedness being refinanced, shall be calculated based on the currency exchange rate applicable to the currencies in which such respective Indebtedness is denominated that is in effect on the date of such refinancing.

Limitation on Restricted Payments. The Indenture will provide as follows:

(a) The Parent Guarantor shall not, and shall not permit any Restricted Subsidiary, directly or indirectly, to (*i*) declare or pay any dividend or make any distribution on or in respect of its Capital Stock (including any such payment in connection with any merger or consolidation to which the Parent Guarantor is a party) except (*x*) dividends or distributions payable solely in its Capital Stock (other than Disqualified Stock) and (*y*) dividends or distributions payable to the Parent Guarantor or any Restricted Subsidiary (and, in the case of any such Restricted Subsidiary making such dividend or distribution, to other holders of its Capital Stock on no more than a pro rata basis, measured by value), (*ii*) purchase, redeem, retire or otherwise acquire for value any Capital Stock of the Parent Guarantor held by Persons other than the Parent Guarantor or a Restricted Subsidiary (other than any acquisition of Capital Stock deemed to occur upon the exercise of options if such Capital Stock represents a portion of the exercise price thereof), (*iii*) voluntarily purchase, repurchase, redeem, defease or otherwise voluntarily acquire or retire for value, prior to scheduled maturity, scheduled repayment or scheduled sinking fund payment, any Subordinated Obligations (other than a purchase, repurchase, redemption, defeasance or other acquisition or retirement for value in anticipation of satisfying a sinking fund obligation, principal installment or final maturity, in each case due within one year of the date of such purchase, repurchase, redemption, defeasance or other acquisition or retirement) or (*iv*) make any Investment (other than a Permitted Investment) in any Person (any such dividend, distribution, purchase, repurchase, redemption, defeasance, other acquisition or retirement or Investment being herein referred to as a "*Restricted Payment*"), if at the time the Parent Guarantor or such Restricted Subsidiary makes such Restricted Payment and after giving effect thereto:

(1) a Default shall have occurred and be continuing (or would result therefrom);

(2) the Parent Guarantor could not Incur at least an additional $1.00 of Indebtedness pursuant to paragraph (a) of the covenant described under "—Limitation on Indebtedness"; or

(3) the aggregate amount of such Restricted Payment and all other Restricted Payments (the amount so expended, if other than in cash, to be as determined in good faith by the Parent Guarantor, whose determination shall be conclusive) declared or made subsequent to the Issue Date and then outstanding would exceed, without duplication, the sum of:

(A) 50% of the Consolidated Net Income accrued during the period (treated as one accounting period) beginning on July 1, 2012 to the end of the most recent fiscal quarter ending prior to the date of such Restricted Payment for which consolidated financial statements of the Parent Guarantor are available (or, in case such Consolidated Net Income shall be a negative number, 100% of such negative number); *plus*

(B) the aggregate Net Cash Proceeds and the fair value (as determined in good faith by the Parent Guarantor) of property or assets received (*x*) by the Parent Guarantor as capital contributions to the Parent Guarantor after the 2012 Reference Date or from the issuance or sale (other than to a Restricted Subsidiary) of its Capital Stock (other than Disqualified Stock) after the 2012 Reference Date (other than Excluded Contributions and Contribution Amounts) or (*y*) by the Parent Guarantor or any Restricted Subsidiary from the Incurrence by the Parent Guarantor or any Restricted Subsidiary after the 2012 Reference Date of Indebtedness that shall have been converted into or exchanged for Capital Stock of the Parent Guarantor (other than Disqualified Stock) or Capital Stock of any Parent, plus the amount of any cash and the fair value (as determined in good faith by

the Parent Guarantor) of any property or assets, received by the Parent Guarantor or any Restricted Subsidiary upon such conversion or exchange; *plus*

(C) the aggregate amount equal to the net reduction in Investments in Unrestricted Subsidiaries after the 2012 Reference Date resulting from (*i*) dividends, distributions, interest payments, return of capital, repayments of Investments or other transfers of assets to the Parent Guarantor or any Restricted Subsidiary from any Unrestricted Subsidiary after the 2012 Reference Date, including dividends or other distributions related to dividends or other distributions made pursuant to clause (x) of the following paragraph (b), or (*ii*) the redesignation after the 2012 Reference Date of any Unrestricted Subsidiary as a Restricted Subsidiary (valued in each case as provided in the definition of "*Investment*"), not to exceed in the case of any such Unrestricted Subsidiary the aggregate amount of Investments (other than Permitted Investments) made by the Parent Guarantor or any Restricted Subsidiary in such Unrestricted Subsidiary after the 2012 Reference Date (in each case under this clause (C), treating as an Unrestricted Subsidiary or Restricted Subsidiary any Person that was designated as an "Unrestricted Subsidiary" or redesignated as a "Restricted Subsidiary" under the 2012 Senior Indenture on or prior to the Issue Date); *plus*

(D) in the case of any disposition or repayment of any Investment constituting a Restricted Payment after the 2012 Reference Date (without duplication of any amount deducted in calculating the amount of Investments at any time outstanding included in the amount of Restricted Payments), an amount in the aggregate equal to the lesser of the return of capital, repayment or other proceeds with respect to all such Investments received by the Parent Guarantor or a Restricted Subsidiary after the 2012 Reference Date and the initial amount of all such Investments constituting Restricted Payments made after the 2012 Reference Date (in each case under this clause (D), treating as a Restricted Payment any Investment constituting a "Restricted Payment" under the 2012 Senior Indenture made on or prior to the Issue Date); *plus*

(E) an amount equal to the amount available as of the 2012 Reference Date for making Restricted Payments pursuant to clause (a)(3) of Section 409 of the 2010 Senior Indenture; *minus*

(F) as of any date of determination, an amount equal to the aggregate amount of Restricted Payments made pursuant to clause (a)(3) of Section 409 of the 2012 Senior Indenture after the 2012 Reference Date and prior to the Issue Date and outstanding as of such date of determination.

(b) The provisions of the foregoing paragraph (a) will not prohibit any of the following (each, a "*Permitted Payment*"):

(i) any purchase, redemption, repurchase, defeasance or other acquisition or retirement of Capital Stock of the Parent Guarantor or Subordinated Obligations made by exchange (including any such exchange pursuant to the exercise of a conversion right or privilege in connection with which cash is paid in lieu of the issuance of fractional shares) for, or out of the proceeds of the issuance or sale of, Capital Stock of the Parent Guarantor (other than Disqualified Stock and other than Capital Stock issued or sold to a Subsidiary) or a capital contribution to the Parent Guarantor, in each case other than Excluded Contributions and Contribution Amounts; *provided*, that the Net Cash Proceeds from such issuance, sale or capital contribution shall be excluded in subsequent calculations under clause (3)(B) of the preceding paragraph (a);

(ii) any purchase, redemption, repurchase, defeasance or other acquisition or retirement of Subordinated Obligations (*w*) made by exchange for, or out of the proceeds of the Incurrence of, Indebtedness of the Parent Guarantor or the Issuer or Refinancing Indebtedness Incurred in compliance with the covenant described under "—Limitation on Indebtedness," (*x*) from Net Available Cash to the extent permitted by the covenant described under "—Limitation on Sales of Assets and Subsidiary Stock," (*y*) following the occurrence of a Change of Control (or other similar event described therein as a "*change of control*"), but only if the Issuer shall have

complied with the covenant described under "—Change of Control" and, if required, purchased all Notes tendered pursuant to the offer to repurchase all the Notes required thereby, prior to purchasing or repaying such Subordinated Obligations or (*z*) constituting Acquired Indebtedness;

(iii) any dividend paid or redemption made within 60 days after the date of declaration thereof or of the giving of notice thereof, as applicable, if at such date of declaration or notice, such dividend or redemption would have complied with the preceding paragraph (a);

(iv) Investments or other Restricted Payments in an aggregate amount outstanding at any time not to exceed the amount of Excluded Contributions;

(v) loans, advances, dividends or distributions by the Parent Guarantor to any Parent to permit any Parent to repurchase or otherwise acquire its Capital Stock (including any options, warrants or other rights in respect thereof), or payments by the Parent Guarantor to repurchase or otherwise acquire Capital Stock of any Parent or the Parent Guarantor (including any options, warrants or other rights in respect thereof), in each case from Management Investors (including any repurchase or acquisition by reason of the Parent Guarantor or any Parent retaining any Capital Stock, option, warrant or other right in respect of tax withholding obligations, and any related payment in respect of any such obligation), such payments, loans, advances, dividends or distributions not to exceed an amount (net of repayments of any such loans or advances) equal to (*x*) (*1*) $20.0 million, plus (*2*) $5.0 million multiplied by the number of calendar years that have commenced since September 30, 2010, plus (*y*) the Net Cash Proceeds received by the Parent Guarantor since the 2012 Reference Date from, or as a capital contribution from, the issuance or sale to Management Investors of Capital Stock (including any options, warrants or other rights in respect thereof), to the extent such Net Cash Proceeds are not included in any calculation under clause (3)(B)(x) of the preceding paragraph (a), plus (*z*) the cash proceeds of key man life insurance policies received by the Parent Guarantor or any Restricted Subsidiary (or by any Parent and contributed to the Parent Guarantor) since the Issue Date to the extent such cash proceeds are not included in any calculation under clause (3)(A) of the preceding paragraph (a);

(vi) the payment by the Parent Guarantor of, or loans, advances, dividends or distributions by the Parent Guarantor to any Parent to pay, dividends on the common stock or equity of the Parent Guarantor or any Parent following a public offering of such common stock or equity in an amount not to exceed in any fiscal year 6% of the aggregate gross proceeds received by the Parent Guarantor (whether directly, or indirectly through a contribution to common equity capital) in or from such public offering;

(vii) Restricted Payments (including loans or advances) in an aggregate amount outstanding at any time not to exceed an amount (net of repayments of any such loans or advances) equal to 1.0% of Consolidated Tangible Assets;

(viii) loans, advances, dividends or distributions to any Parent or other payments by the Parent Guarantor or any Restricted Subsidiary (*A*) to satisfy or permit any Parent to satisfy obligations under the Management Agreements, (*B*) pursuant to the Tax Sharing Agreement, or (*C*) to pay or permit any Parent to pay any Parent Expenses or any Related Taxes;

(ix) payments by the Parent Guarantor, or loans, advances, dividends or distributions by the Parent Guarantor to any Parent to make payments, to holders of Capital Stock of the Parent Guarantor or any Parent in lieu of issuance of fractional shares of such Capital Stock, not to exceed $5.0 million in the aggregate outstanding at any time;

(x) dividends or other distributions of, or Investments paid for or made with, Capital Stock, Indebtedness or other securities of either (*A*) Unrestricted Subsidiaries or (*B*) HERC;

(xi) any Restricted Payment pursuant to or in connection with the Transactions;

(xii) the declaration and payment of dividends to holders of any class or series of Disqualified Stock, or of any Preferred Stock of a Restricted Subsidiary, Incurred in accordance with the terms of the covenant described under "Certain Covenants—Limitation on Indebtedness" above;

(xiii) Restricted Payments in an aggregate amount outstanding at any time not to exceed the amount of (*A*) the Net Cash Proceeds to the Parent Guarantor or any Restricted Subsidiary of any HERC Offering and/or (*B*) the Net Available Cash to the Parent Guarantor or any Restricted Subsidiary from any HERC Disposition; *provided* that, upon and after giving effect to any such Restricted Payment, no Default or Event of Default shall have occurred and be continuing; and

(xiv) loans, advances, dividends or distributions to any Parent or other payments by the Parent Guarantor or any Restricted Subsidiary to pay or permit any Parent to pay principal, interest and premiums, if any, in respect of Holding's 5.25% Convertible Senior Notes due 2014 in accordance with such notes and the indenture governing such notes;

provided, that (*A*) in the case of clauses (iii), (vi), (vii) and (ix), the net amount of any such Permitted Payment shall be included in subsequent calculations of the amount of Restricted Payments, (*B*) in the case of clause (v), at the time of any calculation of the amount of Restricted Payments, the net amount of Permitted Payments that have then actually been made under clause (v) that is in excess of 50% of the total amount of Permitted Payments then permitted under clause (v) shall be included in such calculation of the amount of Restricted Payments, (*C*) in all cases other than pursuant to clauses (A) and (B) immediately above, the net amount of any such Permitted Payment shall be excluded in subsequent calculations of the amount of Restricted Payments and (*D*) solely with respect to clause (vii), no Default or Event of Default shall have occurred and be continuing at the time of any such Permitted Payment after giving effect thereto. The Parent Guarantor, in its sole discretion, may classify any Investment or other Restricted Payment as being made in part under one of the provisions of this covenant (or, in the case of any Investment, the clauses of Permitted Investments) and in part under one or more other such provisions (or, as applicable, clauses).

Limitation on Restrictions on Distributions from Restricted Subsidiaries. The Indenture will provide that the Parent Guarantor will not, and will not permit any Restricted Subsidiary to, create or otherwise cause to exist or become effective any consensual encumbrance or restriction on the ability of any Restricted Subsidiary to (*i*) pay dividends or make any other distributions on its Capital Stock or pay any Indebtedness or other obligations owed to the Parent Guarantor, (*ii*) make any loans or advances to the Parent Guarantor or (*iii*) transfer any of its property or assets to the Parent Guarantor (provided that dividend or liquidation priority between classes of Capital Stock, or subordination of any obligation (including the application of any remedy bars thereto) to any other obligation, will be deemed not to constitute such an encumbrance or restriction), except any encumbrance or restriction:

(1) pursuant to an agreement or instrument in effect at or entered into on the Issue Date, any Credit Facility, the Indenture or the Notes;

(2) pursuant to any agreement or instrument of a Person, or relating to Indebtedness or Capital Stock of a Person, which Person is acquired by or merged or consolidated with or into the Parent Guarantor or any Restricted Subsidiary, or which agreement or instrument is assumed by the Parent Guarantor or any Restricted Subsidiary in connection with an acquisition from or other transaction with such Person, as in effect at the time of such acquisition, merger, consolidation or transaction (except to the extent that such Indebtedness was incurred to finance, or otherwise in connection with, such acquisition, merger, consolidation or transaction); provided that for purposes of this clause (2), if a Person other than the Parent Guarantor is the Successor Parent Guarantor with respect thereto, any Subsidiary thereof or agreement or instrument of such Person or any such Subsidiary shall be deemed acquired or assumed, as the case may be, by the Parent Guarantor or a Restricted Subsidiary, as the case may be, when such Person becomes such Successor Parent Guarantor;

(3) pursuant to an agreement or instrument (a "*Refinancing Agreement*") effecting a refinancing of Indebtedness Incurred or outstanding pursuant or relating to, or that otherwise extends, renews, refunds, refinances or replaces, any agreement or instrument referred to in clause (1) or (2) of this covenant or this clause (3) (an "*Initial Agreement*") or that is, or is contained in, any amendment, supplement or other modification to any Initial Agreement or Refinancing Agreement (an "*Amendment*"); *provided*, *however*, that the restrictions contained in any such Refinancing Agreement or Amendment taken as a whole are not materially less favorable to the Holders of the Notes than restrictions contained in the Initial Agreement or Initial Agreements to which such Refinancing Agreement or Amendment relates (as determined in good faith by the Parent Guarantor);

(4) (*A*) pursuant to any agreement or instrument that restricts in a customary manner the assignment or transfer thereof, or the subletting, assignment or transfer of any property or asset subject thereto, (*B*) by virtue of

any transfer of, agreement to transfer, option or right with respect to, or Lien on, any property or assets of the Parent Guarantor or any Restricted Subsidiary not otherwise prohibited by the Indenture, (*C*) contained in mortgages, pledges or other security agreements to the extent restricting the transfer of the property or assets subject thereto, (*D*) pursuant to customary provisions restricting dispositions of real property interests set forth in any reciprocal easement agreements of the Parent Guarantor or any Restricted Subsidiary, (*E*) pursuant to Purchase Money Obligations that impose encumbrances or restrictions with respect to the property or assets so acquired, (*F*) on cash or other deposits or net worth imposed by customers or suppliers under agreements entered into in the ordinary course of business, (*G*) pursuant to customary provisions contained in agreements and instruments entered into in the ordinary course of business (including but not limited to leases and joint venture and other similar agreements entered into in the ordinary course of business), (*H*) that arises or is agreed to in the ordinary course of business and does not detract from the value of property or assets of the Parent Guarantor or any Restricted Subsidiary in any manner material to the Parent Guarantor or such Restricted Subsidiary, (*I*) pursuant to Hedging Obligations, (*J*) in connection with or relating to any Vehicle Rental Concession Right or (*K*) Bank Products Obligations;

(5) with respect to any agreement for the direct or indirect disposition of Capital Stock or property or assets of any Person, imposed with respect to such Person, Capital Stock, property or assets pending the closing of such disposition;

(6) by reason of any applicable law, rule, regulation or order, or required by any regulatory authority having jurisdiction over the Parent Guarantor or any Subsidiary or any of their businesses, including any such law, rule, regulation, order or requirement applicable in connection with such Subsidiary's status (or the status of any Subsidiary of such Subsidiary) as a Captive Insurance Subsidiary; or

(7) pursuant to an agreement or instrument (*A*) relating to any Indebtedness permitted to be Incurred subsequent to the Issue Date pursuant to the provisions of the covenant described under "—Limitation on Indebtedness" (*i*) if the encumbrances and restrictions contained in any such agreement or instrument taken as a whole are not materially less favorable to the Holders of the Notes than the encumbrances and restrictions contained in the Initial Agreements (as determined in good faith by the Parent Guarantor), or (*ii*) if such encumbrance or restriction is not materially more disadvantageous to the Holders of the Notes than is customary in comparable financings (as determined in good faith by the Parent Guarantor) and either (*x*) the Parent Guarantor determines in good faith that such encumbrance or restriction will not materially affect the Parent Guarantor's ability to make principal or interest payments on the Notes or (*y*) such encumbrance or restriction applies only if a default occurs in respect of a payment or financial covenant relating to such Indebtedness, (*B*) relating to any sale of receivables by or Indebtedness of a Foreign Subsidiary, (*C*) relating to Indebtedness of or a Franchise Financing Disposition by or to or in favor of any Franchisee or Franchise Special Purpose Entity or to any Franchise Lease Obligation or (*D*) relating to Indebtedness of or a Financing Disposition by or to or in favor of any Special Purpose Entity.

Limitation on Sales of Assets and Subsidiary Stock. The Indenture will provide as follows:

(a) The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, make any Asset Disposition unless

(i) the Parent Guarantor or such Restricted Subsidiary receives consideration (including by way of relief from, or by any other Person assuming responsibility for, any liabilities, contingent or otherwise) at the time of such Asset Disposition at least equal to the fair market value of the shares and assets subject to such Asset Disposition, as such fair market value may be determined (and shall be determined, to the extent such Asset Disposition or any series of related Asset Dispositions involves aggregate consideration in excess of $25.0 million) in good faith by the Parent Guarantor, whose determination shall be conclusive (including as to the value of all noncash consideration),

(ii) in the case of any Asset Disposition (or series of related Asset Dispositions) having a fair market value of $25.0 million or more, at least 75% of the consideration therefor (excluding, in the case of an Asset Disposition (or series of related Asset Dispositions), any consideration by way of relief from, or by any other Person assuming responsibility for, any liabilities, contingent or otherwise,

that are not Indebtedness) received by the Parent Guarantor or such Restricted Subsidiary is in the form of cash, and

(iii) an amount equal to 100% of the Net Available Cash from such Asset Disposition is applied by the Parent Guarantor (or any Restricted Subsidiary, as the case may be) as follows:

(A) *first*, either (*x*) to the extent the Parent Guarantor elects (or is required by the terms of any Credit Facility Indebtedness, any Senior Indebtedness of the Parent Guarantor or any Subsidiary Guarantor or any Indebtedness of a Restricted Subsidiary that is not a Subsidiary Guarantor), to prepay, repay or purchase any such Indebtedness or (in the case of letters of credit, bankers' acceptances or other similar instruments) cash collateralize any such Indebtedness (in each case other than Indebtedness owed to the Parent Guarantor or a Restricted Subsidiary) within 365 days after the later of the date of such Asset Disposition and the date of receipt of such Net Available Cash, (*y*) to the extent the Parent Guarantor or such Restricted Subsidiary elects, to invest in Additional Assets (including by means of an investment in Additional Assets by a Restricted Subsidiary with an amount equal to Net Available Cash received by the Parent Guarantor or another Restricted Subsidiary) within 365 days from the later of the date of such Asset Disposition and the date of receipt of such Net Available Cash, or, if such investment in Additional Assets is a project authorized by the Board of Directors that will take longer than such 365 days to complete, the period of time necessary to complete such project or (*z*) in the case of any HERC Offering, to make one or more Restricted Payments pursuant to clause (b)(xiii) of the covenant described under "—Limitation on Restricted Payments" above;

(B) *second*, to the extent of the balance of such Net Available Cash after application in accordance with clause (A) above (such balance, the "*Excess Proceeds*"), to make an offer to purchase Notes and (to the extent the Parent Guarantor or such Restricted Subsidiary elects, or is required by the terms thereof) to purchase, redeem or repay any other Senior Indebtedness of the Parent Guarantor or a Restricted Subsidiary, pursuant and subject to the conditions of the Indenture and the agreements governing such other Indebtedness; and

(C) *third*, to the extent of the balance of such Net Available Cash after application in accordance with clauses (A) and (B) above, to fund (to the extent consistent with any other applicable provision of the Indenture) any general corporate purpose (including but not limited to the repurchase, repayment or other acquisition or retirement of any Subordinated Obligations);

provided, *however*, that in connection with any prepayment, repayment or purchase of Indebtedness pursuant to clause (A)(x) or (B) above, the Parent Guarantor or such Restricted Subsidiary will retire such Indebtedness and will cause the related loan commitment (if any) to be permanently reduced in an amount equal to the principal amount so prepaid, repaid or purchased.

Notwithstanding the foregoing provisions of this covenant, the Parent Guarantor and the Restricted Subsidiaries shall not be required to apply any Net Available Cash or equivalent amount in accordance with this covenant except to the extent that the aggregate Net Available Cash from all Asset Dispositions or equivalent amount that is not applied in accordance with this covenant exceeds $50.0 million. If the aggregate principal amount of Notes and/or other Indebtedness of the Parent Guarantor or a Restricted Subsidiary validly tendered and not withdrawn (or otherwise subject to purchase, redemption or repayment) in connection with an offer pursuant to clause (B) above exceeds the Excess Proceeds, the Excess Proceeds will be apportioned between such Notes and such other Indebtedness of the Parent Guarantor or a Restricted Subsidiary, with the portion of the Excess Proceeds payable in respect of such Notes to equal the lesser of (*x*) the Excess Proceeds amount multiplied by a fraction, the numerator of which is the outstanding principal amount of such Notes and the denominator of which is the sum of the outstanding principal amount of the Notes and the outstanding principal amount of the relevant other Indebtedness of the Parent Guarantor or a Restricted Subsidiary, and (*y*) the aggregate principal amount of Notes validly tendered and not withdrawn.

For the purposes of clause (ii) of paragraph (a) above, the following are deemed to be cash: (*1*) Temporary Cash Investments, Investment Grade Securities and Cash Equivalents, (*2*) the assumption of Indebtedness of the Parent Guarantor (other than Disqualified Stock of the Parent Guarantor) or any Restricted Subsidiary and the release of the Parent Guarantor or such Restricted Subsidiary from all liability on payment of the principal amount of such Indebtedness in connection with such Asset Disposition, (*3*) Indebtedness of any Restricted Subsidiary that is no longer a Restricted Subsidiary as a result of such Asset Disposition, to the extent that the Parent Guarantor and each other Restricted Subsidiary are released from any Guarantee of payment of the principal amount of such Indebtedness in connection with such Asset Disposition, (*4*) securities received by the Parent Guarantor or any Restricted Subsidiary from the transferee that are converted by the Parent Guarantor or such Restricted Subsidiary into cash within 180 days, (*5*) consideration consisting of Indebtedness of the Parent Guarantor or any Restricted Subsidiary, (*6*) Additional Assets and (*7*) any Designated Noncash Consideration received by the Parent Guarantor or any of its Restricted Subsidiaries in an Asset Disposition having an aggregate Fair Market Value, taken together with all other Designated Noncash Consideration received pursuant to this clause, not to exceed an aggregate amount at any time outstanding equal to 1.25% of Consolidated Tangible Assets (with the Fair Market Value of each item of Designated Noncash Consideration being measured at the time received and without giving effect to subsequent changes in value).

(b) In the event of an Asset Disposition that requires the purchase of Notes pursuant to clause (iii)(B) of paragraph (a) above, the Issuer will be required to purchase Notes tendered pursuant to an offer by the Issuer for the Notes (the "*Offer*") at a purchase price of 100% of their principal amount plus accrued and unpaid interest and Additional Amounts to the date of purchase in accordance with the procedures (including prorating in the event of oversubscription) set forth in the Indenture. If the aggregate purchase price of the Notes tendered pursuant to the Offer is less than the Net Available Cash allotted to the purchase of Notes, the remaining Net Available Cash will be available to the Issuer or the Parent Guarantor for use in accordance with clause (iii)(B) of paragraph (a) above (to repay other Indebtedness of the Parent Guarantor or a Restricted Subsidiary) or clause (iii)(C) of paragraph (a) above. The Issuer shall not be required to make an Offer for Notes pursuant to this covenant if the Net Available Cash available therefor (after application of the proceeds as provided in clause (iii)(A) of paragraph (a) above) is less than $50.0 million for any particular Asset Disposition (which lesser amounts shall be carried forward for purposes of determining whether an Offer is required with respect to the Net Available Cash from any subsequent Asset Disposition). No Note will be repurchased in part if less than the Minimum Denomination in original principal amount of such Note would be left outstanding.

(c) The Issuer shall, not later than 45 days after the Issuer becomes obligated to make an Offer pursuant to this covenant, mail a notice to each Holder with a copy to the Trustee stating: (1) that an Asset Disposition that requires the purchase of a portion of the Notes has occurred and that such Holder has the right (subject to the prorating described below) to require the Issuer to purchase a portion of such Holder's Notes at a purchase price in cash equal to 100% of the principal amount thereof, plus accrued and unpaid interest and Additional Amounts, if any, to the date of purchase (subject to the provisions in the Indenture); (2) the repurchase date (which shall be no earlier than 30 days nor later than 60 days from the date such notice is mailed); (3) the instructions determined by the Issuer, consistent with this covenant, that a Holder must follow in order to have its Notes purchased; and (4) the amount of the Offer. If, upon the expiration of the period for which the Offer remains open, the aggregate principal amount of Notes surrendered by Holders exceeds the amount of the Offer, the Issuer shall select the Notes to be purchased on a pro rata basis (with such adjustments as may be deemed appropriate by the Issuer so that only Notes in the Minimum Denomination or integral multiples of €1,000 in excess thereof shall be purchased).

(d) The Issuer and the Parent Guarantor will comply, to the extent applicable, with the requirements of Section 14(e) of the Exchange Act and any other securities laws or regulations in connection with the repurchase of Notes pursuant to this covenant. To the extent that the provisions of any securities laws or regulations conflict with provisions of this covenant, the Issuer and the Parent Guarantor will comply with the applicable securities laws and regulations and will be deemed not to have breached its obligations under this covenant by virtue thereof.

Limitation on Transactions with Affiliates. The Indenture will provide as follows:

(a) The Parent Guarantor will not, and will not permit any Restricted Subsidiary to, directly or indirectly, enter into or conduct any transaction or series of related transactions (including the purchase, sale, lease or exchange of any property or the rendering of any service) with any Affiliate of the Parent Guarantor (an

"*Affiliate Transaction*") unless (*i*) the terms of such Affiliate Transaction are not materially less favorable to the Parent Guarantor or such Restricted Subsidiary, as the case may be, than those that could be obtained at the time in a transaction with a Person who is not such an Affiliate and (*ii*) if such Affiliate Transaction involves aggregate consideration in excess of $50.0 million, the terms of such Affiliate Transaction have been approved by a majority of the Disinterested Directors. For purposes of this paragraph, any Affiliate Transaction shall be deemed to have satisfied the requirements set forth in this paragraph if (*x*) such Affiliate Transaction is approved by a majority of the Disinterested Directors or (*y*) in the event there are no Disinterested Directors, a fairness opinion is provided by an internationally recognized appraisal or investment banking firm with respect to such Affiliate Transaction.

(b) The provisions of the preceding paragraph (a) will not apply to:

(i) any Restricted Payment Transaction,

(ii) (*1*) the entering into, maintaining or performance of any employment or consulting contract, collective bargaining agreement, benefit plan, program or arrangement, related trust agreement or any other similar arrangement for or with any current or former employee, officer or director or consultant of or to the Parent Guarantor, any Restricted Subsidiary or any Parent heretofore or hereafter entered into in the ordinary course of business, including vacation, health, insurance, deferred compensation, severance, retirement, savings or other similar plans, programs or arrangements, (*2*) payments, compensation, performance of indemnification or contribution obligations, the making or cancellation of loans or any issuance, grant or award of stock, options, other equity related interests or other securities, to any such employees, officers, directors or consultants in the ordinary course of business, (*3*) the payment of reasonable fees to directors of the Parent Guarantor or any of its Subsidiaries or any Parent (as determined in good faith by the Parent Guarantor, such Subsidiary or such Parent), (*4*) any transaction with an officer or director of the Parent Guarantor or any of its Subsidiaries or any Parent in the ordinary course of business not involving more than $100,000 in any one case, or (5) Management Advances and payments in respect thereof (or in reimbursement of any expenses referred to in the definition of such term),

(iii) any transaction between or among any of the Parent Guarantor, one or more Restricted Subsidiaries or one or more Special Purpose Entities,

(iv) any transaction arising out of agreements or instruments in existence on the Issue Date (other than any Tax Sharing Agreement or Management Agreement referred to in clause (b)(vii) of this covenant), and any payments made pursuant thereto,

(v) any transaction in the ordinary course of business on terms that are fair to the Parent Guarantor and its Restricted Subsidiaries in the reasonable determination of the Board of Directors or senior management of the Parent Guarantor, or are not materially less favorable to the Parent Guarantor or the relevant Restricted Subsidiary than those that could be obtained at the time in a transaction with a Person who is not an Affiliate of the Parent Guarantor,

(vi) any transaction in the ordinary course of business, or approved by a majority of the Board of Directors, between the Parent Guarantor or any Restricted Subsidiary and any Affiliate of the Parent Guarantor controlled by the Parent Guarantor that is a Franchisee, a Franchise Special Purpose Entity, a joint venture or similar entity,

(vii) the execution, delivery and performance of any Tax Sharing Agreement and any Management Agreements, including payment to CDR, Carlyle or ML or any of their respective Affiliates of fees of up to $7.5 million in the aggregate in any fiscal year, and fees in connection with any acquisition, disposition, merger, recapitalization or similar transaction as provided in any such Management Agreement, plus all out-of-pocket expenses incurred by CDR, Carlyle or ML or any such Affiliate in connection with its performance of management consulting, monitoring, financial advisory or other services with respect to the Parent Guarantor and its Restricted Subsidiaries,

(viii) the Transactions, all transactions in connection therewith (including but not limited to the financing thereof), and all fees and expenses paid or payable in connection with the Transactions, and

(ix) any issuance or sale of Capital Stock (other than Disqualified Stock) of the Parent Guarantor or capital contribution to the Parent Guarantor.

Limitation on Liens. The Indenture will provide that the Parent Guarantor shall not, and shall not permit any Restricted Subsidiary to, directly or indirectly, create or permit to exist any Lien (other than Permitted Liens) on any of its property or assets (including Capital Stock of any other Person), whether owned on the date of the Indenture or thereafter acquired, securing any Indebtedness (the "*Initial Lien*"), unless contemporaneously therewith effective provision is made to secure the Indebtedness due under the Indenture and the Notes or, in respect of Liens on any Restricted Subsidiary's property or assets, any Subsidiary Guarantee of such Restricted Subsidiary, equally and ratably with (or on a senior basis to, in the

case of Subordinated Obligations or Guarantor Subordinated Obligations) such obligation for so long as such obligation is so secured by such Initial Lien. Any such Lien thereby created in favor of the Notes or any such Subsidiary Guarantee will be automatically and unconditionally released and discharged upon (*i*) the release and discharge of the Initial Lien to which it relates, (*ii*) in the case of any such Lien in favor of any such Subsidiary Guarantee, upon the termination and discharge of such Subsidiary Guarantee in accordance with the terms of the Indenture or (*iii*) any sale, exchange or transfer (other than a transfer constituting a transfer of all or substantially all of the assets of the Parent Guarantor that is governed by the provisions of the covenant described under "—Merger and Consolidation" below) to any Person not an Affiliate of the Parent Guarantor of the property or assets secured by such Initial Lien, or of all of the Capital Stock held by the Parent Guarantor or any Restricted Subsidiary in, or all or substantially all the assets of, any Restricted Subsidiary creating such Initial Lien.

Future Subsidiary Guarantors. As set forth more particularly under "—Guarantees and Release of Guarantors," the Indenture will provide that the Parent Guarantor will cause, subject to certain limitations, each Restricted Subsidiary of the Parent Guarantor that becomes a guarantor of the Senior Credit Facilities or the Revolving Credit Facility to execute and deliver to the Trustee a supplemental indenture or other instrument pursuant to which such Restricted Subsidiary will guarantee payment of the Notes, whereupon such Restricted Subsidiary will become a Subsidiary Guarantor for all purposes under the Indenture. The Parent Guarantor will also have the right to cause any other Subsidiary that is not a Subsidiary Guarantor to so guarantee payment of the Notes and become a Subsidiary Guarantor. Subsidiary Guarantees will be subject to release and discharge under certain circumstances prior to payment in full of the Notes. See "—Guarantees and Release of Guarantors."

The Parent Guarantor will not be obligated to cause any Restricted Subsidiary to guarantee the Notes to the extent such Guarantee would reasonably be expected to give rise to or result in (i) any conflict with or violation of applicable law; (ii) material risk of personal liability for the officers, directors, shareholders or partners of such Restricted Subsidiary; or (iii) any cost, expense, liability or obligation (including with respect to any Taxes but excluding any reasonable guarantee or similar fee payable to the Parent Guarantor or any Restricted Subsidiary) other than reasonable out of pocket expenses and other than reasonable governmental expenses incurred in connection with any governmental or regulatory filings required as a result of, or any measures undertaken in connection with, such Guarantee, in each case, which cannot be prevented or otherwise avoided through measures reasonably available to the Parent Guarantor and its Restricted Subsidiaries (including to the extent necessary to allow for the issuance of such Guarantee, limiting such Guarantee as necessary to recognize certain defenses generally available to guarantors); provided that the Parent Guarantor will procure that the relevant Restricted Subsidiary becomes a Guarantor at such time as all of the items described in clauses (i) through (iii) above no longer apply to it or no longer would prohibit such Restricted Subsidiary from becoming a Guarantor (or prevent the Parent Guarantor from causing such Restricted Subsidiary to become a Guarantor).

SEC Reports. The Indenture will provide as follows:

Notwithstanding that the Parent Guarantor may not be required to be or remain subject to the reporting requirements of Section 13(a) or 15(d) of the Exchange Act, the Parent Guarantor will file with the SEC (unless such filing is not permitted under the Exchange Act or by the SEC), so long as the Notes are outstanding, the annual reports, information, documents and other reports that the Parent Guarantor is required to file with the SEC pursuant to such Section 13(a) or 15(d) or would be so required to file if the Parent Guarantor were so subject. The Parent Guarantor will also, within 15 days after the date on which the Parent Guarantor was so required to file or would be so required to file if the Parent Guarantor were so subject, transmit by mail to all Holders, as their names and addresses appear in the Note Register, and to the Trustee (or make available on a Parent Guarantor website) copies of any such information, documents and reports (without exhibits) so required to be filed. Notwithstanding the foregoing, if any audited or reviewed financial statements or information required to be included in any such filing are not reasonably available on a timely basis as a result of the Parent Guarantor's accountants not being "independent" (as defined pursuant to the Exchange Act and the rules and regulations of the SEC thereunder), the Parent Guarantor may, in lieu of making such filing or transmitting or making available the information, documents and reports so required to be filed, elect to make a filing on an alternative form or transmit or make available unaudited or unreviewed financial statements or information substantially similar to such required audited or reviewed financial statements or information, provided that (*a*) the Parent Guarantor shall in any event be required to make such filing and so transmit or make available such audited or reviewed financial statements or information no later than the first anniversary of the date on which the same was otherwise required pursuant to the preceding provisions of this paragraph (such initial date, the "*Reporting Date*") and (*b*) if the Parent Guarantor makes such an election and such filing has not been made, or such information, documents and reports have not been transmitted or made available, as the case may be, within 90 days after such Reporting Date, liquidated damages will accrue on the Notes at a rate of 0.50% per annum from the date that is 90 days after such Reporting Date to the earlier of (*x*) the date on which such filing has been made, or such information, documents and reports have been transmitted or made available, as the case may be, and (*y*) the first anniversary of such Reporting Date (provided that not more than 0.50% per annum in liquidated damages shall be payable for any period regardless of the

number of such elections by the Parent Guarantor). The Parent Guarantor will be deemed to have satisfied the requirements of this paragraph if any Parent files and provides reports, documents and information of the types otherwise so required, in each case within the applicable time periods, and the Parent Guarantor is not required to file such reports, documents and information separately under the applicable rules and regulations of the SEC (after giving effect to any exemptive relief) because of the filings by such Parent. If the rules of the Luxembourg Stock Exchange so require, and so long as the Notes are listed on the Euro MTF market, all reports referred to in this section will be available at the offices of the Paying Agent.

Listing. The Indenture will provide as follows:

The Issuer will use its reasonable efforts to maintain the listing of the Notes on the Euro MTF market for so long as such Notes are outstanding; provided that if at any time the Issuer determines that it will not maintain such listing, it will obtain prior to the delisting of the Notes from the Euro MTF market, and thereafter use its reasonable efforts to maintain, a listing of such Notes on another internationally recognized stock exchange.

Merger and Consolidation

The Indenture will provide that the Parent Guarantor will not consolidate with or merge with or into, or convey, transfer or lease all or substantially all its assets to, any Person, unless:

(i) the resulting, surviving or transferee Person (the "*Successor Parent Guarantor*") will be a Person organized and existing under the laws of the United States of America, any State thereof or the District of Columbia and the Successor Parent Guarantor (if not the Parent Guarantor) will expressly assume all the obligations of the Parent Guarantor under the Notes and the Indenture by executing and delivering to the Trustee a supplemental indenture or one or more other documents or instruments in form reasonably satisfactory to the Trustee;

(ii) immediately after giving effect to such transaction (and treating any Indebtedness that becomes an obligation of the Successor Parent Guarantor or any Restricted Subsidiary as a result of such transaction as having been Incurred by the Successor Parent Guarantor or such Restricted Subsidiary at the time of such transaction), no Default will have occurred and be continuing;

(iii) immediately after giving effect to such transaction, either (*A*) the Parent Guarantor (or, if applicable, the Successor Parent Guarantor with respect thereto) could Incur at least $1.00 of additional Indebtedness pursuant to paragraph (a) of the covenant described under "—Certain Covenants—Limitation on Indebtedness," or (*B*) the Consolidated Coverage Ratio of the Parent Guarantor (or, if applicable, the Successor Parent Guarantor with respect thereto) would equal or exceed the Consolidated Coverage Ratio of the Parent Guarantor immediately prior to giving effect to such transaction;

(iv) the Issuer and each Subsidiary Guarantor (other than (*x*) any Subsidiary Guarantor that will be released from its obligations under its Subsidiary Guarantee in connection with such transaction and (*y*) any party to any such consolidation or merger) shall have delivered a supplemental indenture or other document or instrument in form reasonably satisfactory to the Trustee, confirming, with regard to the Issuer, its obligations under the Notes, and with regard to a Subsidiary Guarantor, its Subsidiary Guarantee (other than any Subsidiary Guarantee that will be discharged or terminated in connection with such transaction); and

(v) the Parent Guarantor will have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each to the effect that such consolidation, merger or transfer complies with the provisions described in this paragraph, provided that (*x*) in giving such opinion such counsel may rely on an Officer's Certificate as to compliance with the foregoing clauses (ii) and (iii) and as to any matters of fact, and (*y*) no Opinion of Counsel will be required for a consolidation, merger or transfer described in the penultimate paragraph of this covenant.

The Indenture will also provide that the Issuer will not consolidate with or merge with or into any Person, unless:

(i) the resulting or surviving Person (the "*Successor Issuer*") will be a Person organized and existing under the laws of the United States of America, any State thereof or the District of Columbia or a member state of the European Union and the Successor Issuer (if not the Issuer) will expressly assume all the obligations of the

Issuer under the Notes and the Indenture by executing and delivering to the Trustee a supplemental indenture or one or more other documents or instruments in form reasonably satisfactory to the Trustee;

(ii) immediately after giving effect to such transaction (and treating any Indebtedness that becomes an obligation of the Parent Guarantor or any Restricted Subsidiary as a result of such transaction as having been Incurred by the Parent Guarantor or such Restricted Subsidiary at the time of such transaction), no Default will have occurred and be continuing;

(iii) each applicable Guarantor (other than (*x*) any Guarantor that will be released from its obligations under its Guarantee in connection with such transaction and (*y*) any party to any such consolidation or merger) shall have delivered a supplemental indenture or other document or instrument in form reasonably satisfactory to the Trustee, confirming its Guarantee (other than any Guarantee that will be discharged or terminated in connection with such transaction); and

(iv) the Parent Guarantor will have delivered to the Trustee an Officer's Certificate and an Opinion of Counsel, each to the effect that such consolidation, merger or transfer complies with the provisions described in this paragraph, provided that (*x*) in giving such opinion such counsel may rely on an Officer's Certificate as to compliance with the foregoing clauses (i) and (ii) and as to any matters of fact, and (*y*) no Opinion of Counsel will be required for a consolidation, merger or transfer described in the penultimate paragraph of this covenant.

Any Indebtedness that becomes an obligation of the Successor Issuer, the Successor Parent Guarantor or any Restricted Subsidiary (or that is deemed to be Incurred by any Restricted Subsidiary that becomes a Restricted Subsidiary) as a result of any such transaction undertaken in compliance with this covenant, and any Refinancing Indebtedness with respect thereto, shall be deemed to have been Incurred in compliance with the covenant described under "—Certain Covenants—Limitation on Indebtedness."

The Successor Issuer or the Successor Parent Guarantor, as applicable, will succeed to, and be substituted for, and may exercise every right and power of, the Issuer or the Parent Guarantor, as applicable, under the Indenture, and thereafter the predecessor Issuer or the predecessor Parent Guarantor, as applicable, shall be relieved of all obligations and covenants under the Indenture, except that the predecessor Issuer or the predecessor Parent Guarantor, as applicable, in the case of a lease of all or substantially all its assets will not be released from the obligation to pay the principal of and interest on the Notes.

Clauses (ii) and (iii) of the first paragraph and clause (ii) of the second paragraph of this "Merger and Consolidation" covenant will not apply to any transaction in which the Parent Guarantor or the Issuer, as applicable, consolidates or merges with or into or transfers all or substantially all its properties and assets to (*x*) an Affiliate incorporated or organized for the purpose of reincorporating or reorganizing the Parent Guarantor or the Issuer, as applicable, in another jurisdiction or changing its legal structure to a corporation or other entity or (*y*) a Restricted Subsidiary of the Parent Guarantor so long as all assets of the Parent Guarantor and the Restricted Subsidiaries immediately prior to such transaction (other than Capital Stock of such Restricted Subsidiary) are owned by such Restricted Subsidiary and its Restricted Subsidiaries immediately after the consummation thereof. The first paragraph of this "Merger and Consolidation" covenant will not apply to (1) any transaction in which any Restricted Subsidiary consolidates with, merges into or transfers all or part of its assets to the Parent Guarantor or (2) any of the Transactions.

For the purpose of this covenant, the Reorganization Assets (whether individually or in the aggregate) shall not be deemed at any time to constitute all or substantially all of the assets of the Parent Guarantor and any sale or transfer of all or any part of the Reorganization Assets (whether directly or indirectly, whether by sale or transfer of any such assets, or of any Capital Stock or other interest in any Person holding such assets, or of any combination thereof, and whether in one or more transactions, or otherwise) shall not be deemed at any time to constitute a sale or transfer of all or substantially all of the assets of the Parent Guarantor.

Defaults

An Event of Default will be defined in the Indenture as:

(i) a default in any payment of interest on any Note when due, continued for 30 days;

(ii) a default in the payment of principal of any Note when due, whether at its Stated Maturity, upon optional redemption, upon required repurchase, upon declaration of acceleration or otherwise;

(iii) the failure by the Parent Guarantor or the Issuer, as the case may be, to comply with its obligations under the first or second paragraph, as applicable, of the covenant described under "—Merger and Consolidation" above;

(iv) the failure by the Parent Guarantor or the Issuer, as the case may be, to comply for 30 days after notice with any of its obligations under the covenant described under "—Change of Control" above (other than a failure to purchase Notes);

(v) the failure by the Issuer to comply for 60 days after notice with its other agreements contained in the Notes or the Indenture;

(vi) the failure by any Guarantor to comply for 60 days after notice with its obligations under its Guarantee;

(vii) the failure by the Parent Guarantor or any Restricted Subsidiary to pay any Indebtedness for borrowed money (other than Indebtedness owed to the Parent Guarantor or any Restricted Subsidiary) within any applicable grace period after final maturity or the acceleration of any such Indebtedness by the holders thereof because of a default, if the total amount of such Indebtedness so unpaid or accelerated exceeds $75.0 million or its foreign currency equivalent; *provided*, that no Default or Event of Default will be deemed to occur with respect to any such Indebtedness that is paid or otherwise acquired or retired (or for which such failure to pay or acceleration is waived or rescinded) within 20 Business Days after such failure to pay or such acceleration (the "*cross acceleration provision*");

(viii) certain events of bankruptcy, insolvency or reorganization of the Parent Guarantor, the Issuer or a Significant Subsidiary, or of other Restricted Subsidiaries that are not Significant Subsidiaries but would in the aggregate constitute a Significant Subsidiary if considered as a single Person (the "*bankruptcy provisions*");

(ix) the rendering of any judgment or decree for the payment of money in an amount (net of any insurance or indemnity payments actually received in respect thereof prior to or within 90 days from the entry thereof, or to be received in respect thereof in the event any appeal thereof shall be unsuccessful) in excess of $75.0 million or its foreign currency equivalent against the Parent Guarantor or a Significant Subsidiary (including the Issuer), or jointly and severally against other Restricted Subsidiaries that are not Significant Subsidiaries but would in the aggregate constitute a Significant Subsidiary if considered as a single Person, that is not discharged, or bonded or insured by a third Person, if such judgment or decree remains outstanding for a period of 90 days following such judgment or decree and is not discharged, waived or stayed (the "*judgment default provision*"); or

(x) the failure of any Guarantee by the Parent Guarantor or a Subsidiary Guarantor that is a Significant Subsidiary to be in full force and effect (except as contemplated by the terms thereof or of the Indenture) or the denial or disaffirmation in writing by the Parent Guarantor or any Subsidiary Guarantor that is a Significant Subsidiary of its obligations under the Indenture or its Guarantee (except as contemplated by the terms of such Guarantee or of the Indenture), if such Default continues for 10 days.

The foregoing will constitute Events of Default whatever the reason for any such Event of Default and whether it is voluntary or involuntary or is effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body.

However, a Default under clause (*iv*), (*v*) or (*vi*) will not constitute an Event of Default until the Trustee or the Holders of at least 30% in principal amount of the outstanding Notes notify the Issuer in writing of the Default and the Issuer does not cure such Default within the time specified in such clause after receipt of such notice. Such notice must specify the Default, demand that it be remedied and state that such notice is a "Notice of Default." When a Default or an Event of Default is cured, it ceases.

If an Event of Default (other than a Default relating to certain events of bankruptcy, insolvency or reorganization of the Parent Guarantor or the Issuer) occurs and is continuing under the Indenture, the Trustee by written notice to the Issuer and the Parent Guarantor, or the Holders of at least 30% in principal amount of the outstanding Notes by written notice to the

Issuer and the Parent Guarantor and the Trustee, in either case specifying in such notice the respective Event of Default and that such notice is a "notice of acceleration" may declare the principal of and accrued but unpaid interest on all the Notes to be due and payable. Upon the effectiveness of such a declaration, such principal and interest will be due and payable immediately.

Notwithstanding the foregoing, if an Event of Default relating to certain events of bankruptcy, insolvency or reorganization of the Parent Guarantor or the Issuer occurs and is continuing, the principal of and accrued but unpaid interest on all the outstanding Notes will *ipso facto* become immediately due and payable without any declaration or other act on the part of the Trustee or any Holder. Under certain circumstances, the Holders of a majority in principal amount of the outstanding Notes may rescind an acceleration with respect to the Notes and its consequences.

Subject to the provisions of the Indenture relating to the duties of the Trustee, in case an Event of Default occurs and is continuing, the Trustee will be under no obligation to exercise any of the rights or powers under the Indenture at the request or direction of any of the Holders unless such Holders have offered to the Trustee indemnity or security satisfactory to it against any loss, liability or expense. Except to enforce the right to receive payment of principal, premium (if any) or interest when due, no Holder may pursue any remedy with respect to the Indenture or the Notes unless (*i*) such Holder has previously given the Trustee written notice that an Event of Default is continuing, (*ii*) Holders of at least 30% in principal amount of the outstanding Notes have requested the Trustee in writing to pursue the remedy, (*iii*) such Holders have offered the Trustee security or indemnity satisfactory to it against any loss, liability or expense, (*iv*) the Trustee has not complied with such request within 60 days after the receipt of the request and the offer of security or indemnity and (*v*) the Holders of a majority in principal amount of the outstanding Notes have not given the Trustee a direction inconsistent with such request within such 60-day period. Subject to certain restrictions, the Holders of a majority in principal amount of the outstanding Notes are given the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or of exercising any trust or power conferred on the Trustee. The Trustee, however, may refuse to follow any direction that conflicts with law or the Indenture or that the Trustee determines is unduly prejudicial to the rights of any other Holder or that would involve the Trustee in personal liability; provided, however, that the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction. Prior to taking any action under the Indenture, the Trustee will be entitled to indemnification or security satisfactory to it in its sole discretion against all losses and expenses caused by taking or not taking such action.

The Indenture will provide that if a Default occurs and is continuing and is known to the Trustee, the Trustee must mail to each Holder notice of the Default within 90 days after it occurs. Except in the case of a Default in the payment of principal of, or premium (if any) or interest on, any Note, the Trustee may withhold notice if and so long as the Trustee in good faith determines that withholding such notice is in the interests of the Noteholders. In addition, the Parent Guarantor and the Issuer are required to deliver to the Trustee, within 120 days after the end of each fiscal year, a certificate indicating whether the signers thereof know of any Default occurring during the previous year. The Parent Guarantor and the Issuer are also required to deliver to the Trustee, within 30 days after the occurrence thereof, written notice of any event that would constitute certain Defaults, their status and what action the Parent Guarantor and the Issuer are taking or proposes to take in respect thereof.

Amendments and Waivers

Subject to certain exceptions, the Indenture and the Notes may be amended or supplemented with the written consent of the Holders of not less than a majority in aggregate principal amount of the Notes then outstanding and any past default or compliance with any provisions may be waived with the consent of the Holders of not less than a majority in principal amount of the Notes then outstanding (including in each case, consents obtained in connection with a tender offer or exchange offer for Notes). However, without the consent of each Holder of an outstanding Note affected, no amendment or waiver may (*i*) reduce the principal amount of Notes whose Holders must consent to an amendment or waiver, (*ii*) reduce the rate of or extend the time for payment of interest on any Note or make any change in the provisions of the Indenture and the Notes relating to the payment of Additional Amounts that adversely affect the rights of any Holder in any material respect, (*iii*) reduce the principal of or extend the Stated Maturity of any Note, (*iv*) reduce the premium payable upon the redemption of any Note, or change the date on which any Note may be redeemed as described under "—Optional Redemption" above, (*v*) make any Note payable in money other than that stated in such Note, (*vi*) impair the right of any Holder to receive payment of principal of and interest or Additional Amounts on such Holder's Notes on or after the due dates therefor or to institute suit for the enforcement of any such payment on or with respect to such Holder's Notes, or (*vii*) make any change in the amendment or waiver provisions described in this sentence.

Without the consent of (or notice to) the Holders, the Issuer, the Trustee and (as applicable) any Guarantor may amend or supplement the Indenture or any Note: to cure any ambiguity, mistake, omission, defect or inconsistency; to

provide for the assumption by a successor of the obligations of the Issuer or a Guarantor under the Indenture or any Note; to provide for uncertificated Notes in addition to or in place of certificated Notes; to add Guarantees with respect to the Notes, to secure the Notes, to evidence a successor Trustee, to confirm and evidence the release, termination or discharge of any Guarantee or Lien with respect to or securing the Notes when such release, termination or discharge is provided for under the Indenture or the Notes; to add to the covenants of the Parent Guarantor or the Issuer for the benefit of the Noteholders or to surrender any right or power conferred upon the Parent Guarantor or the Issuer; to provide for or confirm the issuance of the initial Notes or Additional Notes; to conform the text of the Indenture (including any supplemental indenture), the Notes (including any Additional Notes) or any Guarantee to any provision of this "Description of Notes"; to increase or decrease the Minimum Denomination of the Notes (including for the purposes of redemption or repurchase of any Note in part); to make any change that does not materially adversely affect the rights of any Holder; or to comply with any requirement of the SEC.

In formulating its opinion on such matters, the Trustee will be entitled to request, and rely absolutely on, such evidence as it deems appropriate, including Opinions of Counsel and Officer's Certificates.

The consent of the Noteholders is not necessary under the Indenture to approve the particular form of any proposed amendment, supplement or waiver. It is sufficient if such consent approves the substance of the proposed amendment, supplement or waiver. Until an amendment, supplement or waiver becomes effective, a consent to it by a Noteholder is a continuing consent by such Noteholder and every subsequent Holder of all or part of the related Note. Any such Noteholder or subsequent Holder may revoke such consent as to its Note by written notice to the Trustee or the Issuer, received thereby before the date on which the Issuer certifies to the Trustee that the Holders of the requisite principal amount of Notes have consented to such amendment, supplement or waiver. After an amendment, supplement or waiver that requires consent of Noteholders under the Indenture becomes effective, the Issuer is required to mail to Noteholders a notice briefly describing such amendment, supplement or waiver. However, the failure to give such notice to all Noteholders, or any defect therein, will not impair or affect the validity of the amendment, supplement or waiver.

Defeasance

The Issuer at any time may terminate all of its obligations under the Notes and the Indenture ("*legal defeasance*"), except for certain obligations, including those relating to the defeasance trust and obligations to register the transfer or exchange of the Notes, to replace mutilated, destroyed, lost or stolen Notes and to maintain a Registrar and Paying Agent in respect of the Notes. The Issuer at any time may terminate its obligations under certain covenants under the Indenture, including the covenants described under "—Certain Covenants" (other than the covenant described under "—Listing") and "—Change of Control," the operation of the default provisions relating to such covenants described under "—Defaults" above, the operation of the cross acceleration provision, the bankruptcy provisions with respect to Subsidiaries and the judgment default provision described under "—Defaults" above, and the limitations contained in clauses (iii), (iv) and (v) of the first paragraph and clauses (iii) and (iv) of the second paragraph under "—Merger and Consolidation" above ("*covenant defeasance*"). If the Issuer exercises its legal defeasance option or its covenant defeasance option, each Guarantor will be released from all of its obligations with respect to its Guarantee.

The Issuer may exercise its legal defeasance option notwithstanding its prior exercise of its covenant defeasance option. If the Issuer exercises its legal defeasance option, payment of the Notes may not be accelerated because of an Event of Default with respect thereto. If the Issuer exercises its covenant defeasance option, payment of the Notes may not be accelerated because of an Event of Default specified in clause (iv), (v) (as it relates to the covenants described under "—Certain Covenants" above (other than the covenant described under "—Listing")), (vi), (vii), (viii) (but only with respect to events of bankruptcy, insolvency or reorganization of a Subsidiary other than the Issuer), (ix) or (x) under "—Defaults" above or because of the failure of the Parent Guarantor or the Issuer to comply with clause (iii), (iv) or (v) of the first paragraph and clause (iii) or (iv) of the second paragraph under "—Merger and Consolidation" above.

Either defeasance option may be exercised to any Redemption Date or to the maturity date for the Notes. In order to exercise either defeasance option, the Issuer must irrevocably deposit or cause to be deposited in trust (the "*defeasance trust*") with the Trustee (or such other entity directed, designated or appointed by (and acting for) the Trustee for this purpose) money or European Government Obligations, or a combination thereof, sufficient (without reinvestment) to pay principal of, and premium (if any) and interest on, the Notes to redemption or maturity, as the case may be (provided that if such redemption is made pursuant to the provisions described in the sixth paragraph under "—Optional Redemption," (*x*) the amount of money or European Government Obligations, or a combination thereof, that the Issuer must irrevocably deposit or cause to be deposited will be determined using an assumed Applicable Premium calculated as of the date of such deposit, as calculated by the Issuer, and (*y*) the Issuer must irrevocably deposit or cause to be deposited additional money in trust on the applicable Redemption Date as necessary to pay the Applicable Premium as determined on such date), and must comply with

certain other conditions, including delivery to the Trustee of (1) an Opinion of Counsel to the effect that Holders of the Notes will not recognize gain or loss for U.S. federal income tax purposes as a result of such defeasance and will be subject to U.S. federal income tax on the same amount and in the same manner and at the same times as would have been the case if such defeasance had not occurred (and, in the case of legal defeasance only, such Opinion of Counsel (*x*) must be based on a ruling of the Internal Revenue Service or other change in applicable U.S. federal income tax law since the Issue Date and (*y*) need not be delivered if all Notes not theretofore delivered to the Trustee for cancellation have become due and payable, will become due and payable at their Stated Maturity within one year, or have been or are to be called for redemption within one year, under arrangements reasonably satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Issuer) and (2) of an Opinion of Counsel in the jurisdiction of organization of the Issuer and reasonably acceptable to the Trustee to the effect that the Holders of the Notes will not recognize gain or loss for income tax purposes of such jurisdiction as a result of such defeasance and will be subject to income tax in such jurisdiction on the same amounts and in the same manner and at the same times as would have been the case if such defeasance had not occurred.

Satisfaction and Discharge

The Indenture will be discharged and cease to be of further effect (except as to surviving rights of registration of transfer or exchange of the Notes, as expressly provided for in the Indenture) as to all outstanding Notes when (*i*) either (*a*) all Notes previously authenticated and delivered (other than certain lost, stolen or destroyed Notes, and certain Notes for which provision for payment was previously made and thereafter the funds have been released to the Issuer) have been cancelled or delivered to the Trustee for cancellation or (*b*) all Notes not previously cancelled or delivered to the Trustee for cancellation (*1*) have become due and payable, (*2*) will become due and payable at their Stated Maturity within one year or (*3*) have been or are to be called for redemption within one year under arrangements reasonably satisfactory to the Trustee for the giving of notice of redemption by the Trustee in the name, and at the expense, of the Issuer; (*ii*) the Issuer has irrevocably deposited or caused to be deposited with the Trustee (or such other entity directed, designated or appointed by (and acting for) the Trustee for this purpose) money, European Government Obligations, or a combination thereof, sufficient (without reinvestment) to pay and discharge the entire indebtedness on the Notes not previously cancelled or delivered to the Trustee for cancellation, for principal, premium, if any, and interest to the date of such deposit (in the case of Notes that have become due and payable), or to the Stated Maturity or Redemption Date, as the case may be (provided that if such redemption is made pursuant to the provisions described in the sixth paragraph under "—Optional Redemption," (*1*) the amount of money or European Government Obligations, or a combination thereof, that the Issuer must irrevocably deposit or cause to be deposited will be determined using an assumed Applicable Premium calculated as of the date of such deposit, as calculated by the Issuer, and (*2*) the Issuer must irrevocably deposit or cause to be deposited additional money in trust on the applicable Redemption Date as necessary to pay the Applicable Premium as determined on such date); (*iii*) the Issuer has paid or caused to be paid all other sums payable under the Indenture by the Issuer; and (*iv*) the Issuer has delivered to the Trustee an Officer's Certificate and an Opinion of Counsel each to the effect that all conditions precedent under the "Satisfaction and Discharge" section of the Indenture relating to the satisfaction and discharge of the Indenture have been complied with, provided that any such counsel may rely on any Officer's Certificate as to matters of fact (including as to compliance with the foregoing clauses (i), (ii) and (iii)).

Judgment Currency

Any payment on account of an amount that is payable in Euros (the "*Required Currency*") which is made to or for the account of any Holder or the Trustee in lawful currency of any other jurisdiction (the "*Judgment Currency*"), whether as a result of any judgment or order or the enforcement thereof or the liquidation of the Issuer or any Guarantor, shall constitute a discharge of the Issuer's or the Guarantor's obligation under the Indenture and the Notes, as the case may be, only to the extent of the amount of the Required Currency which such Holder or the Trustee, as the case may be, could purchase in the London foreign exchange markets with the amount of the Judgment Currency in accordance with normal banking procedures at the rate of exchange prevailing on the first Business Day following receipt of the payment in the Judgment Currency. If the amount of the Required Currency that could be so purchased is less than the amount of the Required Currency originally due to such Holder or the Trustee, as the case may be, under the Indenture or the Notes, the Issuer shall indemnify and hold harmless the Holder or the Trustee, as the case may be, from and against all loss sustained by such recipient as a result of such deficiency. This indemnity shall constitute an obligation separate and independent from the other obligations contained in the Indenture or the Notes, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by any Holder or the Trustee from time to time and shall continue in full force and effect notwithstanding any judgment or order for a liquidated sum in respect of an amount due under the Indenture, the Notes or any judgment or order.

No Personal Liability of Directors, Officers, Employees, Incorporators and Stockholders

No director, officer, employee, incorporator or stockholder of the Issuer, any Guarantor or any Subsidiary of any thereof shall have any liability for any obligation of the Issuer or any Guarantor under the Indenture, the Notes or any Guarantee, or for any claim based on, in respect of, or by reason of, any such obligation or its creation. Each Noteholder, by accepting the Notes, waives and releases all such liability. The waiver and release are part of the consideration for issuance of the Notes.

Concerning the Trustee

Wilmington Trust, National Association, will be the Trustee under the Indenture.

The Indenture will provide that, except during the continuance of an Event of Default, the Trustee will perform only such duties as are set forth specifically in the Indenture. During the existence of an Event of Default, the Trustee will exercise such of the rights and powers vested in it under the Indenture and use the same degree of care and skill in its exercise as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

The Indenture will impose certain limitations on the rights of the Trustee, should it become a creditor of the Issuer, to obtain payment of claims in certain cases or to realize on certain property received by it in respect of any such claims, as security or otherwise. The Trustee is permitted to engage in other transactions; *provided*, that if it acquires any conflicting interest, it must eliminate such conflict or resign.

Listing

Application has been made to list the Notes on the Official List of the Luxembourg Stock Exchange and to admit the Notes to trading on the Euro MTF market. As long as the Notes are listed on the Luxembourg Stock Exchange, an agent for making transfers of Notes will be maintained in Luxembourg. The Issuer has initially designated Deutsche Bank Luxembourg S.A. as its agent for those purposes. The address of Deutsche Bank Luxembourg S.A. is 2, boulevard Konrad Adenauer, L-1115 Luxembourg.

Transfer and Exchange

The Global Notes (as defined below) may be transferred only to Euroclear, Clearstream, their common depositary or a successor or nominee of such entities. Ownership of interests in the Global Notes (*"Book-Entry Interests"*) will be subject to certain restrictions on transfer and certification requirements.

All transfers of Book-Entry Interests between participants in Euroclear or participants in Clearstream will be effected by Euroclear or Clearstream pursuant to the Indenture and customary procedures established by Euroclear or Clearstream.

Notes sold within the United States to qualified institutional buyers pursuant to Rule 144A under the Securities Act will initially be represented by one Global Note in registered form without interest coupons attached (the "*144A Global Note*"), and notes sold outside the United States pursuant to Regulation S under the Securities Act will initially be represented by one Global Note in registered form without interest coupons attached (the "*Reg S Global Note*," and together with the 144A Global Note, the *"Global Notes"*). Book-Entry Interests in the 144A Global Note, or the *"Restricted Book-Entry Interests,"* may be transferred to a Person who takes delivery in the form of Book-Entry Interests in the Reg S Global Note, or the *"Reg S Book-Entry Interests,"* only upon delivery by the transferor of a written order given in accordance with the procedures of Euroclear or Clearstream, as applicable, containing information regarding the participant account of Euroclear or Clearstream to be credited with a Book-Entry Interest, together with certifications and other information satisfactory to the Issuer and the Trustee. Prior to 40 days after the date of initial issuance of the Notes, ownership of Reg S Book-Entry Interests will be limited to Persons who have accounts with Euroclear or Clearstream or Persons who hold interests through Euroclear or Clearstream, and any sale or transfer of such interest to U.S. Persons shall not be permitted during such period unless such resale or transfer is made pursuant to Rule 144A. Subject to the foregoing, Reg S Book-Entry Interests may be transferred to a Person who takes delivery in the form of Restricted Book-Entry Interests only upon delivery by the transferor of a written order given in accordance with the procedures of Euroclear or Clearstream, as applicable, together with a written certification (in the form provided in the Indenture) to the effect that such transfer is being made to a Person who the transferor reasonably believes is a "qualified institutional buyer" within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with applicable transfer restrictions and all applicable securities laws of the United States, any state of the United States or any other jurisdiction.

Any Book-Entry Interest that is so transferred will, upon transfer, cease to be a Book-Entry Interest in the Global Note from which it was transferred and become a Book-Entry Interest in the Global Note to which it was transferred, and accordingly, will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to Book-Entry Interests in such Global Note to which it was transferred for as long as it remains such a Book-Entry Interest. In connection with such transfer, appropriate adjustments will be made to reflect a decrease in the principal amount of the Global Note from which it was transferred and a corresponding increase in the principal amount of the Global Note to which it was transferred, as applicable.

If Physical Notes are issued, they will be issued only in the limited circumstances provided in the Indenture and in the Minimum Denomination and integral multiples of €1,000 in excess thereof, upon receipt by the Registrar of instructions relating thereto and any certificates and other documentation required by the applicable rules and procedures of Euroclear and Clearstream, as the case may be, and the Indenture. Physical Notes issued in exchange for a Book-Entry Interest will, except as set forth in the Indenture, be subject to, and will have a legend with respect to, certain transfer restrictions.

Subject to certain restrictions on transfer, Notes issued as Physical Notes may be transferred, in whole or in part, in the Minimum Denomination or integral multiples of €1,000 in excess thereof, to Persons who take delivery thereof in the form of Physical Notes. In connection with any such transfer, the Indenture will require the transferor to, among other things, furnish appropriate endorsements and transfer documents, furnish certain certificates and to pay any Taxes, duties and governmental charges in connection with such transfer. Any such transfer will be made without charge to the Holder, other than any Taxes, duties and governmental charges payable in connection with such transfer.

Notwithstanding the foregoing, the Issuer is not required to issue, exchange or transfer any Note:

(a) for a period of 15 Business Days before the day of the mailing of any notice of redemption or purchase;

(b) selected for redemption or purchase (in whole or in part);

(c) for a period of 15 calendar days prior to the regular record date with respect to any interest payment date; or

(d) which the Holder has tendered (and not withdrawn) for repurchase in connection with a Change of Control Offer or an Offer.

Additional Information

Anyone who receives this offering memorandum may, following the Issue Date, obtain a copy of the Indenture, without charge, to the extent not otherwise publicly filed with the SEC, by writing to the Issuer, care of The Hertz Corporation at 225 Brae Boulevard, Park Ridge, New Jersey 07656.

Governing Law

The Indenture will provide that it and the Notes will be governed by, and construed in accordance with, the laws of the State of New York.

Consent to Jurisdiction and Service of Process

The Issuer, each Guarantor, any other obligor in respect of the Notes and the Trustee will each irrevocably agree to submit to the jurisdiction of any New York state or U.S. federal court located in the Borough of Manhattan, City of New York, State of New York in relation to any legal action or proceeding (i) arising out of, related to or in connection with the Indenture or the Notes or (ii) arising under any U.S. federal or U.S. state securities laws. The Issuer and each Non-U.S. Subsidiary Guarantor will appoint CT Corporation System, 111 Eighth Avenue, 13th Floor, New York, New York 10011, U.S.A. as its agent for service of process in any such action or proceeding.

Certain Definitions

"*2010 Senior Indenture*" means the indenture, dated as of September 30, 2010, among the Parent Guarantor, the subsidiary guarantors party thereto and Wells Fargo Bank, National Association, as Trustee, governing the 7.50% Senior Notes due 2018 of the Parent Guarantor, as the same may be amended, supplemented, waived or otherwise modified from time to time.

"*2012 Senior Indenture*" means the indenture, dated as of October 16, 2012 (as amended, supplemented, waived or otherwise modified), among the Parent Guarantor (as successor-in-interest to HDTFS, Inc.), as issuer, the subsidiary guarantors from time to time party thereto and Wells Fargo Bank, National Association, as trustee.

"*2012 Reference Date*" means October 16, 2012.

"*Acquired Indebtedness*" means Indebtedness of a Person (*i*) existing at the time such Person becomes a Subsidiary or (*ii*) assumed in connection with the acquisition of assets from such Person, in each case other than Indebtedness Incurred in connection with, or in contemplation of, such Person becoming a Subsidiary or such acquisition. Acquired Indebtedness shall be deemed to be Incurred on the date of the related acquisition of assets from any Person or the date the acquired Person becomes a Subsidiary.

"*Additional Assets*" means (*i*) any property or assets that replace the property or assets that are the subject of an Asset Disposition; (*ii*) any property or assets (other than Indebtedness and Capital Stock) used or to be used by the Parent Guarantor or a Restricted Subsidiary or otherwise useful in a Related Business and any capital expenditures in respect of any property or assets already so used; (*iii*) the Capital Stock of a Person that is engaged in a Related Business and becomes a Restricted Subsidiary as a result of the acquisition of such Capital Stock by the Parent Guarantor or another Restricted Subsidiary; or (*iv*) Capital Stock of any Person that at such time is a Restricted Subsidiary acquired from a third party.

"*Affiliate*" of any specified Person means any other Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purposes of this definition, "*control*" when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "*controlling*" and "*controlled*" have meanings correlative to the foregoing.

"*Asset Disposition*" means any sale, lease, transfer or other disposition of shares of Capital Stock of a Restricted Subsidiary (other than directors' qualifying shares, or (in the case of a Foreign Subsidiary) to the extent required by applicable law), property or other assets (each referred to for the purposes of this definition as a "*disposition*") by the Parent

Guarantor or any of its Restricted Subsidiaries (including any disposition by means of a merger, consolidation or similar transaction), other than (*i*) a disposition to the Parent Guarantor or a Restricted Subsidiary, (*ii*) a disposition in the ordinary course of business, (*iii*) a disposition of Cash Equivalents, Investment Grade Securities or Temporary Cash Investments, (*iv*) the sale or discount (with or without recourse, and on customary or commercially reasonable terms) of accounts receivable or notes receivable arising in the ordinary course of business, or the conversion or exchange of accounts receivable for notes receivable, (*v*) any Restricted Payment Transaction, (*vi*) a disposition that is governed by the provisions described under "— Merger and Consolidation," (*vii*) any Financing Disposition, (*viii*) any "*fee in lieu*" or other disposition of assets to any governmental authority or agency that continue in use by the Parent Guarantor or any Restricted Subsidiary, so long as the Parent Guarantor or any Restricted Subsidiary may obtain title to such assets upon reasonable notice by paying a nominal fee, (*ix*) any exchange of property pursuant to or intended to qualify under Section 1031 (or any successor section) of the Code, or any exchange of equipment to be leased, rented or otherwise used in a Related Business, including pursuant to any LKE Program, (*x*) any financing transaction with respect to property built or acquired by the Parent Guarantor or any Restricted Subsidiary after the 2012 Reference Date, including without limitation any sale/leaseback transaction or asset securitization, (*xi*) any disposition arising from foreclosure, condemnation or similar action with respect to any property or other assets, or exercise of termination rights under any lease, license, concession or other agreement, or necessary or advisable (as determined by the Parent Guarantor in good faith) in order to consummate any acquisition of any Person, business or assets, or pursuant to buy/sell arrangements under any joint venture or similar agreement or arrangement, (*xii*) any disposition of Capital Stock, Indebtedness or other securities of an Unrestricted Subsidiary, (*xiii*) a disposition of Capital Stock of a Restricted Subsidiary pursuant to an agreement or other obligation with or to a Person (other than the Parent Guarantor or a Restricted Subsidiary) from whom such Restricted Subsidiary was acquired, or from whom such Restricted Subsidiary acquired its business and assets (having been newly formed in connection with such acquisition), entered into in connection with such acquisition, (*xiv*) a disposition of not more than 5% of the outstanding Capital Stock of a Foreign Subsidiary that is not the Issuer and that has been approved by the Board of Directors, (*xv*) any disposition or series of related dispositions for aggregate consideration not to exceed $50.0 million, (*xvi*) any disposition of all or any part of the Capital Stock or business or assets of (*a*) Car Rental System do Brasil Locação de Veículos Ltda or any successor in interest thereto or (*b*) any other Subsidiary engaged in, or Special Purpose Entity otherwise supporting or relating to, the business of leasing or renting Vehicles in Brazil, (*xvii*) the abandonment or other disposition of trademarks, copyrights, patents or other intellectual property that are, in the good faith determination of the Parent Guarantor, no longer economically practicable to maintain or useful in the conduct of the business of the Parent Guarantor and its Subsidiaries taken as a whole, (*xviii*) any HERC Disposition or (*xix*) any license, sublicense or other grant of right-of-use of any trademark, copyright, patent or other intellectual property, any lease or sublease of real or other property, or any disposition for Fair Market Value, to any Franchisee or any Franchise Special Purpose Entity.

"*Average Book Value*" means, for any period, the amount equal to (*x*) the sum of the respective book values of Rental Car Vehicles of the Parent Guarantor and its Restricted Subsidiaries as of the end of each of the most recent thirteen fiscal months of the Parent Guarantor that have ended at or prior to the end of such period, divided by (*y*) 13.

"*Average Interest Rate*" means, for any period, the amount equal to (*x*) the total interest expense of the Parent Guarantor and its Restricted Subsidiaries for such period (excluding any interest expense on any Indebtedness of any Special Purpose Subsidiary that is a Restricted Subsidiary directly or indirectly Incurred to finance or refinance the acquisition of, or secured by, Rental Car Vehicles and/or related rights and/or assets), divided by (*y*) the Average Principal Amount of Indebtedness of the Parent Guarantor and its Restricted Subsidiaries for such period (excluding any Indebtedness of any Special Purpose Subsidiary that is a Restricted Subsidiary directly or indirectly Incurred to finance or refinance the acquisition of, or secured by, Rental Car Vehicles and/or related rights and/or assets).

"*Average Principal Amount*" means, for any period, the amount equal to (*x*) the sum of the respective aggregate outstanding principal amounts of the applicable Indebtedness as of the end of each of the most recent thirteen fiscal months of the Parent Guarantor that have ended at or prior to the end of such period, divided by (*y*) 13.

"*Bank Products Agreement*" means any agreement pursuant to which a bank or other financial institution agrees to provide (*a*) treasury services, (*b*) credit card, merchant card, purchasing card or stored value card services (including, without limitation, the processing of payments and other administrative services with respect thereto), (*c*) cash management services (including, without limitation, controlled disbursement, automated clearinghouse transactions, return items, netting, overdraft, depository, lockbox, stop payment, electronic funds transfer, information reporting, wire transfer and interstate depository network services) and (*d*) other banking products or services as may be requested by any Restricted Subsidiary (other than letters of credit and other than loans and advances except indebtedness arising from services described in clauses (a) through (c) of this definition).

"*Bank Products Obligations*" of any Person means the obligations of such Person pursuant to any Bank Products Agreement.

"*Board of Directors*" means, for any Person, the board of directors or other governing body of such Person or, if such Person is owned or managed by a single entity, the board of directors or other governing body of such entity, or, in either case, any committee thereof duly authorized to act on behalf of such board or governing body. Unless otherwise provided, "*Board of Directors*" means the Board of Directors of the Parent Guarantor.

"*Borrowing Base*" means the sum of (*1*) 60% of the book value of Inventory (excluding Equipment) of the Parent Guarantor and its Domestic Subsidiaries, (*2*) 85% of the book value of Receivables of the Parent Guarantor and its Domestic Subsidiaries, (*3*) 90% of the book value of Equipment of the Parent Guarantor and its Domestic Subsidiaries and (*4*) cash, Cash Equivalents, Investment Grade Securities and Temporary Cash Investments of the Parent Guarantor and its Domestic Subsidiaries (in each case, determined as of the end of the most recently ended fiscal month of the Parent Guarantor for which internal consolidated financial statements of the Parent Guarantor are available, and, in the case of any determination relating to any Incurrence of Indebtedness, on a pro forma basis including (*x*) any property or assets of a type described above acquired since the end of such fiscal month and (*y*) any property or assets of a type described above being acquired in connection therewith). The Borrowing Base, as of any date of determination, shall not include Inventory and Equipment the acquisition of which shall have been financed or refinanced by the Incurrence of Purchase Money Obligations pursuant to clause (b)(iv) of the covenant described under "—Certain Covenants—Limitation on Indebtedness," to the extent such Purchase Money Obligations (or any Refinancing Indebtedness in respect thereof) shall then remain outstanding pursuant to such clause (on a pro forma basis after giving effect to any Incurrence of Indebtedness and the application of proceeds therefrom).

"*Business Day*" means a day other than a Saturday, Sunday or other day on which commercial banking institutions are authorized or required by law to close in New York City or London, United Kingdom (or any other city in which a Paying Agent maintains its office).

"*Capital Stock*" of any Person means any and all shares of, rights to purchase, warrants or options for, or other equivalents of or interests in (however designated) equity of such Person, including any Preferred Stock, but excluding any debt securities convertible into such equity.

"*Capitalized Lease Obligation*" means an obligation that is required to be classified and accounted for as a capitalized lease for financial reporting purposes in accordance with GAAP. The Stated Maturity of any Capitalized Lease Obligation shall be the date of the last payment of rent or any other amount due under the related lease.

"*Captive Insurance Subsidiary*" means any Subsidiary of the Parent Guarantor that is subject to regulation as an insurance company (or any Subsidiary thereof).

"*Carlyle*" means TC Group L.L.C. (which operates under the trade name The Carlyle Group).

"*Cash Equivalents*" means any of the following: (*a*) money, (*b*) securities issued or fully guaranteed or insured by the United States of America or Canada or a member state of the European Union or any agency or instrumentality of any thereof, (*c*) time deposits, certificates of deposit or bankers' acceptances of (*i*) any lender under a Senior Credit Agreement or the Revolving Credit Facility or any affiliate thereof or (*ii*) any commercial bank having capital and surplus in excess of $500,000,000 (or the foreign currency equivalent thereof as of the date of such investment) and the commercial paper of the holding company of which is rated at least A-2 or the equivalent thereof by S&P or at least P-2 or the equivalent thereof by Moody's (or if at such time neither is issuing ratings, then a comparable rating of another internationally recognized statistical rating agency), (*d*) repurchase obligations with a term of not more than seven days for underlying securities of the types described in clauses (b) and (c) above entered into with any financial institution meeting the qualifications specified in clause (c) above, (*e*) money market instruments, commercial paper or other short-term obligations rated at least A-2 or the equivalent thereof by S&P or at least P-2 or the equivalent thereof by Moody's (or if at such time neither is issuing ratings, then a comparable rating of another internationally recognized statistical rating agency), (*f*) investments in money market funds subject to the risk limiting conditions of Rule 2a-7 or any successor rule of the SEC under the Investment Parent Guarantor Act of 1940, as amended, (*g*) investments similar to any of the foregoing denominated in foreign currencies approved by the Board of Directors, and (h) solely with respect to any Captive Insurance Subsidiary, any investment that person is permitted to make in accordance with applicable law.

"*CDR*" means Clayton, Dubilier & Rice, LLC and any successor in interest thereto, and any successor to its investment management business.

"*Code*" means the Internal Revenue Code of 1986, as amended.

"*Commodities Agreement*" means, in respect of a Person, any commodity futures contract, forward contract, option or similar agreement or arrangement (including derivative agreements or arrangements), as to which such Person is a party or beneficiary.

"*Consolidated Coverage Ratio*" as of any date of determination means the ratio of (*i*) the aggregate amount of Consolidated EBITDA for the period of the most recent four consecutive fiscal quarters ending prior to the date of such determination for which consolidated financial statements of the Parent Guarantor are available to (*ii*) Consolidated Interest Expense for such four fiscal quarters, in each of the foregoing clauses (i) and (ii), determined for any fiscal quarter (or portion thereof) ending prior to the date of the Merger, on a pro forma basis to give effect to the Merger as if it had occurred at the beginning of such four-quarter period, *provided*, that

(1) if since the beginning of such period the Parent Guarantor or any Restricted Subsidiary has Incurred any Indebtedness that remains outstanding on such date of determination or if the transaction giving rise to the need to calculate the Consolidated Coverage Ratio is an Incurrence of Indebtedness, Consolidated EBITDA and Consolidated Interest Expense for such period shall be calculated after giving effect on a pro forma basis to such Indebtedness as if such Indebtedness had been Incurred on the first day of such period (except that in making such computation, the amount of Indebtedness under any revolving credit facility outstanding on the date of such calculation shall be computed based on (*A*) the average daily balance of such Indebtedness during such four fiscal quarters or such shorter period for which such facility was outstanding or (*B*) if such facility was created after the end of such four fiscal quarters, the average daily balance of such Indebtedness during the period from the date of creation of such facility to the date of such calculation),

(2) if since the beginning of such period the Parent Guarantor or any Restricted Subsidiary has repaid, repurchased, redeemed, defeased or otherwise acquired, retired or discharged any Indebtedness that is no longer outstanding on such date of determination (each, a "*Discharge*") or if the transaction giving rise to the need to calculate the Consolidated Coverage Ratio involves a Discharge of Indebtedness (in each case other than Indebtedness Incurred under any revolving credit facility unless such Indebtedness has been permanently repaid), Consolidated EBITDA and Consolidated Interest Expense for such period shall be calculated after giving effect on a pro forma basis to such Discharge of such Indebtedness, including with the proceeds of such new Indebtedness, as if such Discharge had occurred on the first day of such period,

(3) if since the beginning of such period the Parent Guarantor or any Restricted Subsidiary shall have disposed of any company, any business or any group of assets constituting an operating unit of a business (any such disposition, a "*Sale*"), the Consolidated EBITDA for such period shall be reduced by an amount equal to the Consolidated EBITDA (if positive) attributable to the assets that are the subject of such Sale for such period or increased by an amount equal to the Consolidated EBITDA (if negative) attributable thereto for such period and Consolidated Interest Expense for such period shall be reduced by an amount equal to (*A*) the Consolidated Interest Expense attributable to any Indebtedness of the Parent Guarantor or any Restricted Subsidiary repaid, repurchased, redeemed, defeased or otherwise acquired, retired or discharged with respect to the Parent Guarantor and its continuing Restricted Subsidiaries in connection with such Sale for such period (including but not limited to through the assumption of such Indebtedness by another Person) plus (*B*) if the Capital Stock of any Restricted Subsidiary is sold, the Consolidated Interest Expense for such period attributable to the Indebtedness of such Restricted Subsidiary to the extent the Parent Guarantor and its continuing Restricted Subsidiaries are no longer liable for such Indebtedness after such Sale,

(4) if since the beginning of such period the Parent Guarantor or any Restricted Subsidiary (by merger, consolidation or otherwise) shall have made an Investment in any Person that thereby becomes a Restricted Subsidiary, or otherwise acquired any company, any business or any group of assets constituting an operating unit of a business, including any such Investment or acquisition occurring in connection with a transaction causing a calculation to be made hereunder (any such Investment or acquisition, a "*Purchase*"), Consolidated EBITDA and Consolidated Interest Expense for such period shall be calculated after giving pro forma effect thereto (including the Incurrence of any related Indebtedness) as if such Purchase occurred on the first day of such period, and

(5) if since the beginning of such period any Person became a Restricted Subsidiary or was merged or consolidated with or into the Parent Guarantor or any Restricted Subsidiary, and since the beginning of such period such Person shall have Discharged any Indebtedness or made any Sale or Purchase that would have required an adjustment pursuant to clause (2), (3) or (*4*) above if made by the Parent Guarantor or a Restricted Subsidiary since the beginning of such period, Consolidated EBITDA and Consolidated Interest Expense for such period shall be calculated after giving pro forma effect thereto as if such Discharge, Sale or Purchase occurred on the first day of such period,

provided, that (in the event that the Parent Guarantor shall classify Indebtedness Incurred on the date of determination as Incurred in part under paragraph (a) of the covenant described under "—Certain Covenants—Limitation on Indebtedness" and in part under paragraph (b) of such covenant, as provided in paragraph (c)(iii) of such covenant) any such pro forma calculation of Consolidated Interest Expense shall not give effect to any such Incurrence of Indebtedness on the date of determination pursuant to such paragraph (b) or to any Discharge of Indebtedness from the proceeds of any such Incurrence pursuant to such paragraph (b).

For purposes of this definition, whenever pro forma effect is to be given to any Sale, Purchase or other transaction, or the amount of income or earnings relating thereto and the amount of Consolidated Interest Expense associated with any Indebtedness Incurred or repaid, repurchased, redeemed, defeased or otherwise acquired, retired or discharged in connection therewith, the pro forma calculations in respect thereof (including without limitation in respect of anticipated cost savings or synergies relating to any such Sale, Purchase or other transaction) shall be as determined in good faith by the Chief Financial Officer or an authorized Officer of the Parent Guarantor. If any Indebtedness bears a floating rate of interest and is being given pro forma effect, the interest expense on such Indebtedness shall be calculated as if the rate in effect on the date of determination had been the applicable rate for the entire period (taking into account any Interest Rate Agreement applicable to such Indebtedness). If any Indebtedness bears, at the option of the Parent Guarantor or a Restricted Subsidiary, a rate of interest based on a prime or similar rate, a eurocurrency interbank offered rate or other fixed or floating rate, and such Indebtedness is being given pro forma effect, the interest expense on such Indebtedness shall be calculated by applying such optional rate as the Parent Guarantor or such Restricted Subsidiary may designate. If any Indebtedness that is being given pro forma effect was Incurred under a revolving credit facility, the interest expense on such Indebtedness shall be computed based upon the average daily balance of such Indebtedness during the applicable period. Interest on a Capitalized Lease Obligation shall be deemed to accrue at an interest rate determined in good faith by a responsible financial or accounting officer of the Parent Guarantor to be the rate of interest implicit in such Capitalized Lease Obligation in accordance with GAAP.

"*Consolidated EBITDA*" means, for any period, the Consolidated Net Income for such period, plus (*x*) the following to the extent deducted in calculating such Consolidated Net Income, without duplication: (*i*) provision for all taxes (whether or not paid, estimated or accrued) based on income, profits or capital, (*ii*) Consolidated Interest Expense and any Special Purpose Financing Fees, (*iii*) depreciation (excluding Consolidated Vehicle Depreciation), amortization (including but not limited to amortization of goodwill and intangibles and amortization and write-off of financing costs) and all other noncash charges or noncash losses, (*iv*) any expenses or charges related to any Equity Offering, Investment or Indebtedness permitted by the Indenture (whether or not consummated or incurred, and including any offering or sale of Capital Stock to the extent the proceeds thereof were intended to be contributed to the equity capital of the Parent Guarantor or its Restricted Subsidiaries), (*v*) the amount of any minority interest expense and (*vi*) any management, monitoring, consulting and advisory fees and related expenses paid to any of Carlyle, CDR or ML and their respective Affiliates plus (*y*) the amount of net cost savings projected by the Parent Guarantor in good faith to be realized as the result of actions taken or to be taken on or prior to the date that is 24 months after the Issue Date, or 24 months after the consummation of any operational change, respectively (calculated on a pro forma basis as though such cost savings had been realized on the first day of such period), net of the amount of actual benefits realized during such period from such actions (provided that the aggregate amount of such net cost savings included in Consolidated EBITDA pursuant to this clause (y) for any four consecutive quarter period shall not exceed 10% of Consolidated EBITDA for such period (calculated after giving effect to any adjustment pursuant to this clause (y))) (which adjustments shall not be duplicative of pro forma adjustments made pursuant to the definition of "Consolidated Coverage Ratio" or "Consolidated Secured Leverage Ratio").

"*Consolidated Interest Expense*" means, for any period, (*i*) the total interest expense of the Parent Guarantor and its Restricted Subsidiaries to the extent deducted in calculating Consolidated Net Income, net of any interest income of the Parent Guarantor and its Restricted Subsidiaries, including without limitation any such interest expense consisting of (*a*) interest expense attributable to Capitalized Lease Obligations, (*b*) amortization of debt discount, (*c*) interest in respect of Indebtedness of any other Person that has been Guaranteed by the Parent Guarantor or any Restricted Subsidiary, but only to the extent that such interest is actually paid by the Parent Guarantor or any Restricted Subsidiary, (*d*) noncash interest expense, (*e*) the interest portion of any deferred payment obligation and (*f*) commissions, discounts and other fees and

charges owed with respect to letters of credit and bankers' acceptance financing, plus (*ii*) Preferred Stock dividends paid in cash in respect of Disqualified Stock of the Parent Guarantor held by Persons other than the Parent Guarantor or a Restricted Subsidiary and minus (*iii*) to the extent otherwise included in such interest expense referred to in clause (i) above, (*x*) Consolidated Vehicle Interest Expense and (*y*) amortization or write-off of financing costs, in each case under clauses (i) through (iii) as determined on a Consolidated basis in accordance with GAAP (to the extent applicable, in the case of Consolidated Vehicle Interest Expense); *provided*, that gross interest expense shall be determined after giving effect to any net payments made or received by the Parent Guarantor and its Restricted Subsidiaries with respect to Interest Rate Agreements.

"*Consolidated Net Income*" means, for any period, the net income (loss) of the Parent Guarantor and its Restricted Subsidiaries, determined on a Consolidated basis in accordance with GAAP and before any reduction in respect of Preferred Stock dividends; *provided*, that there shall not be included in such Consolidated Net Income:

(i) any net income (loss) of any Person if such Person is not the Parent Guarantor or a Restricted Subsidiary, except that (*A*) the Parent Guarantor's or any Restricted Subsidiary's equity in the net income of any such Person for such period shall be included in such Consolidated Net Income up to the aggregate amount actually distributed by such Person during such period to the Parent Guarantor or a Restricted Subsidiary as a dividend or other distribution (subject, in the case of a dividend or other distribution to a Restricted Subsidiary, to the limitations contained in clause (*ii*) below) and (*B*) the Parent Guarantor's or any Restricted Subsidiary's equity in the net loss of such Person shall be included to the extent of the aggregate Investment of the Parent Guarantor or any of its Restricted Subsidiaries in such Person,

(ii) solely for purposes of determining the amount available for Restricted Payment under clause (a)(3)(A) of the covenant described under "—Certain Covenants—Limitation on Restricted Payments," any net income (loss) of any Restricted Subsidiary that is not the Issuer or a Subsidiary Guarantor if such Restricted Subsidiary is subject to restrictions, directly or indirectly, on the payment of dividends or the making of similar distributions by such Restricted Subsidiary, directly or indirectly, to the Parent Guarantor by operation of the terms of such Restricted Subsidiary's charter or any agreement, instrument, judgment, decree, order, statute or governmental rule or regulation applicable to such Restricted Subsidiary or its stockholders (other than (*x*) restrictions that have been waived or otherwise released, (*y*) restrictions pursuant to the Notes or the Indenture and (*z*) restrictions in effect on the Issue Date with respect to a Restricted Subsidiary and other restrictions with respect to such Restricted Subsidiary that taken as a whole are not materially less favorable to the Noteholders than such restrictions in effect on the Issue Date as determined by the Parent Guarantor in good faith), except that (*A*) the Parent Guarantor's equity in the net income of any such Restricted Subsidiary for such period shall be included in such Consolidated Net Income up to the aggregate amount of any dividend or distribution that was or that could have been made by such Restricted Subsidiary during such period to the Parent Guarantor or another Restricted Subsidiary (subject, in the case of a dividend that could have been made to another Restricted Subsidiary, to the limitation contained in this clause) and (*B*) the net loss of such Restricted Subsidiary shall be included to the extent of the aggregate Investment of the Parent Guarantor or any of its other Restricted Subsidiaries in such Restricted Subsidiary,

(iii) (x) any gain or loss realized upon the sale, abandonment or other disposition of any asset of the Parent Guarantor or any Restricted Subsidiary (including pursuant to any sale/leaseback transaction) that is not sold, abandoned or otherwise disposed of in the ordinary course of business (as determined in good faith by the Parent Guarantor) and (y) any gain or loss realized upon the disposal, abandonment or discontinuation of operations of the Parent Guarantor or any Restricted Subsidiary, and any income (loss) from disposed, abandoned or discontinued operations, including in each case any closure of any branch,

(iv) any item classified as an extraordinary, unusual or nonrecurring gain, loss or charge (including fees, expenses and charges associated with the Transactions and any acquisition, merger or consolidation after the Issue Date),

(v) the cumulative effect of a change in accounting principles,

(vi) all deferred financing costs written off and premiums paid in connection with any early extinguishment of Indebtedness or Hedging Obligations or other derivative instruments,

(vii) any unrealized gains or losses in respect of Hedge Agreements,

(viii) any unrealized foreign currency transaction gains or losses in respect of Indebtedness of any Person denominated in a currency other than the functional currency of such Person,

(ix) any noncash compensation charge arising from any grant of stock, stock options or other equity based awards,

(x) to the extent otherwise included in Consolidated Net Income, any unrealized foreign currency translation or transaction gains or losses in respect of Indebtedness or other obligations of the Parent Guarantor or any Restricted Subsidiary owing to the Parent Guarantor or any Restricted Subsidiary, and

(xi) any noncash charge, expense or other impact attributable to application of the purchase or recapitalization method of accounting (including the total amount of depreciation and amortization, cost of sales or other noncash expense resulting from the write-up of assets to the extent resulting from such purchase or recapitalization accounting adjustments).

In the case of any unusual or nonrecurring gain, loss or charge not included in Consolidated Net Income pursuant to clause (iv) above in any determination thereof, the Parent Guarantor will deliver an Officer's Certificate to the Trustee promptly after the date on which Consolidated Net Income is so determined, setting forth the nature and amount of such unusual or nonrecurring gain, loss or charge. Notwithstanding the foregoing, for the purpose of clause (a)(3)(A) of the covenant described under "—Certain Covenants—Limitation on Restricted Payments" only, there shall be excluded from Consolidated Net Income, without duplication, any income consisting of dividends, repayments of loans or advances or other transfers of assets from Unrestricted Subsidiaries to the Parent Guarantor or a Restricted Subsidiary, and any income consisting of return of capital, repayment or other proceeds from dispositions or repayments of Investments consisting of Restricted Payments, in each case to the extent such income would be included in Consolidated Net Income and such related dividends, repayments, transfers, return of capital or other proceeds are applied by the Parent Guarantor to increase the amount of Restricted Payments permitted under such covenant pursuant to clause (a)(3)(C) or (D) thereof.

"*Consolidated Quarterly Tangible Assets*" means, as of any date of determination, the total assets less the sum of the goodwill, net, and other intangible assets, net, in each case reflected on the consolidated balance sheet of the Parent Guarantor and its Restricted Subsidiaries as at the end of any fiscal quarter of the Parent Guarantor for which such a balance sheet is available, determined on a Consolidated basis in accordance with GAAP (and, in the case of any determination relating to any Incurrence of Indebtedness or any Investment, on a pro forma basis including any property or assets being acquired in connection therewith).

"*Consolidated Secured Indebtedness*" means, as of any date of determination, an amount equal to (*a*) the Consolidated Total Indebtedness as of such date that in each case is then secured by Liens on property or assets of the Parent Guarantor and its Restricted Subsidiaries (other than property or assets held in a defeasance or similar trust or arrangement for the benefit of the Indebtedness secured thereby) minus (*b*) cash, Cash Equivalents, Investment Grade Securities and Temporary Cash Investments held by the Parent Guarantor and its Restricted Subsidiaries as of the end of the most recent four consecutive fiscal quarters ending prior to the date of such determination for which consolidated financial statements of the Parent Guarantor are available.

"*Consolidated Secured Leverage Ratio*" means, as of any date of determination, the ratio of (*x*) Consolidated Secured Indebtedness as at such date (after giving effect to any Incurrence or Discharge of Indebtedness on such date) to (*y*) the aggregate amount of Consolidated EBITDA for the period of the most recent four consecutive fiscal quarters ending prior to the date of such determination for which consolidated financial statements of the Parent Guarantor are available, in each of the foregoing clauses (x) and (y), determined for any fiscal quarter (or portion thereof) ending prior to the date of the Merger, on a pro forma basis to give effect to the Merger as if it had occurred at the beginning of such four-quarter period, *provided*, that:

(1) if since the beginning of such period the Parent Guarantor or any Restricted Subsidiary shall have made a Sale, the Consolidated EBITDA for such period shall be reduced by an amount equal to the Consolidated EBITDA (if positive) attributable to the assets that are the subject of such Sale for such period or increased by an amount equal to the Consolidated EBITDA (if negative) attributable thereto for such period;

(2) if since the beginning of such period the Parent Guarantor or any Restricted Subsidiary (by merger, consolidation or otherwise) shall have made a Purchase (including any Purchase occurring in connection with a transaction causing a calculation to be made hereunder), Consolidated EBITDA for such period shall

be calculated after giving pro forma effect thereto as if such Purchase occurred on the first day of such period; and

(3) if since the beginning of such period any Person became a Restricted Subsidiary or was merged or consolidated with or into the Parent Guarantor or any Restricted Subsidiary, and since the beginning of such period such Person shall have made any Sale or Purchase that would have required an adjustment pursuant to clause (1) or (2) above if made by the Parent Guarantor or a Restricted Subsidiary since the beginning of such period, Consolidated EBITDA for such period shall be calculated after giving pro forma effect thereto as if such Sale or Purchase occurred on the first day of such period,

provided, that (in the event that the Parent Guarantor shall classify Indebtedness Incurred on the date of determination as secured in part pursuant to clause (s) of the "Permitted Liens" definition and in part pursuant to one or more other clauses of such definition, as provided in clause (z) of the final paragraph of such definition) any calculation of Consolidated Secured Indebtedness shall not include any such Indebtedness (and shall not give effect to any Discharge of Consolidated Secured Indebtedness from the proceeds thereof) to the extent secured pursuant to any such other clause of such definition.

For purposes of this definition, whenever pro forma effect is to be given to any Sale, Purchase or other transaction, or the amount of income or earnings relating thereto, the pro forma calculations in respect thereof (including without limitation in respect of anticipated cost savings or synergies relating to any such Sale, Purchase or other transaction) shall be as determined in good faith by a responsible financial or accounting Officer of the Parent Guarantor.

"*Consolidated Tangible Assets*" means, as of any date of determination, the amount equal to (*x*) the sum of Consolidated Quarterly Tangible Assets as at the end of each of the most recently ended four fiscal quarters of the Parent Guarantor for which a calculation thereof is available, divided by (*y*) four; provided that for purposes of paragraph (b) of the covenant described in "—Certain Covenants—Limitation on Indebtedness," paragraph (b) of the covenant described under "—Certain Covenants—Limitation on Restricted Payments," the covenant described under "—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock" and the definitions of "*Permitted Investment*" and "*Permitted Liens*," Consolidated Tangible Assets shall not be less than $14,426.0 million.

"*Consolidated Total Indebtedness*" means, as of any date of determination, an amount equal to (*1*) the aggregate principal amount of outstanding Indebtedness of the Parent Guarantor and its Restricted Subsidiaries (other than Notes) as of such date consisting of (without duplication) Indebtedness for borrowed money (including Purchase Money Obligations and unreimbursed outstanding drawn amounts under funded letters of credit); Capitalized Lease Obligations; debt obligations evidenced by bonds, debentures, notes or similar instruments; Disqualified Stock; and (in the case of any Restricted Subsidiary that is not a Subsidiary Guarantor or the Issuer) Preferred Stock, determined on a Consolidated basis in accordance with GAAP (excluding items eliminated in Consolidation, and for the avoidance of doubt, excluding Hedging Obligations), minus (*2*) the amount of such Indebtedness consisting of Indebtedness of a type referred to in, or Incurred pursuant to, clause (b)(ix) of the covenant described under "—Certain Covenants—Limitation on Indebtedness," to the extent not Incurred to finance or refinance the acquisition of Rental Car Vehicles, and minus (*3*) the Consolidated Vehicle Indebtedness as of such date.

"*Consolidated Vehicle Depreciation*" means, for any period, depreciation on all Rental Car Vehicles (after adjustments thereto), to the extent deducted in calculating Consolidated Net Income for such period.

"*Consolidated Vehicle Indebtedness*" means, as of any date of determination, the amount equal to either (*a*) the sum of (*x*) the aggregate principal amount of then outstanding Indebtedness of any Special Purpose Subsidiary that is a Restricted Subsidiary directly or indirectly Incurred to finance or refinance the acquisition of, or secured by, Rental Car Vehicles and/or related rights and/or assets plus (*y*) the aggregate principal amount of other then outstanding Indebtedness of the Parent Guarantor and its Restricted Subsidiaries that is attributable to the financing or refinancing of Rental Car Vehicles and/or related rights and/or assets, as determined in good faith by the Chief Financial Officer or an authorized Officer of the Parent Guarantor (which determination shall be conclusive) or, at the Parent Guarantor's option, (*b*) 90% of the book value of Rental Car Vehicles of the Parent Guarantor and its Restricted Subsidiaries (such book value being determined as of the end of the most recently ended fiscal month of the Parent Guarantor for which internal consolidated financial statements of the Parent Guarantor are available, on a pro forma basis including (*x*) any Rental Car Vehicles acquired by the Parent Guarantor or any Restricted Subsidiary since the end of such fiscal month and (*y*) in the case of any determination relating to any Incurrence of Indebtedness, any Rental Car Vehicles being acquired by the Parent Guarantor or any Restricted Subsidiary in connection therewith).

"*Consolidated Vehicle Interest Expense*" means, for any period, the sum of (*a*) the aggregate interest expense for such period on any Indebtedness of any Special Purpose Subsidiary that is a Restricted Subsidiary directly or indirectly Incurred to finance or refinance the acquisition of, or secured by, Rental Car Vehicles and/or related rights and/or assets plus (*b*) either (*x*) the aggregate interest expense for such period on other Indebtedness of the Parent Guarantor and its Restricted Subsidiaries that is attributable to the financing or refinancing of Rental Car Vehicles and/or any related rights and/or assets, as determined in good faith by the Chief Financial Officer or an authorized Officer of the Parent Guarantor (which determination shall be conclusive) or, at the Parent Guarantor's option, (*y*) an amount of the total interest expense of the Parent Guarantor and its Restricted Subsidiaries for such period equal to (*i*) the Average Interest Rate for such period multiplied by (*ii*) the amount equal to (*1*) 90% of the Average Book Value for such period of Rental Car Vehicles of the Parent Guarantor and its Restricted Subsidiaries minus (*2*) the Average Principal Amount for such period of any Indebtedness of any Special Purpose Subsidiary that is a Restricted Subsidiary directly or indirectly Incurred to finance or refinance the acquisition of, or secured by, Rental Car Vehicles and/or related rights and/or assets.

"*Consolidation*" means the consolidation of the accounts of each of the Restricted Subsidiaries with those of the Parent Guarantor in accordance with GAAP; *provided* that "Consolidation" will not include consolidation of the accounts of any Unrestricted Subsidiary, but the interest of the Parent Guarantor or any Restricted Subsidiary in any Unrestricted Subsidiary will be accounted for as an investment. The term "*Consolidated*" has a correlative meaning.

"*Contribution Amounts*" means the aggregate amount of capital contributions applied by the Parent Guarantor to permit the Incurrence of Contribution Indebtedness pursuant to clause (b)(xii) of the covenant described under "—Certain Covenants—Limitation on Indebtedness."

"*Contribution Indebtedness*" means Indebtedness of the Parent Guarantor or any Restricted Subsidiary in an aggregate principal amount not greater than twice the aggregate amount of cash contributions (other than Excluded Contributions) made to the capital of the Parent Guarantor or such Restricted Subsidiary after the Issue Date (whether through the issuance or sale of Capital Stock or otherwise); provided that such Contribution Indebtedness (*a*) is incurred within 180 days after the making of the related cash contribution and (*b*) is so designated as Contribution Indebtedness pursuant to an Officer's Certificate on the date of Incurrence thereof.

"*Credit Facilities*" means one or more of (*i*) the Senior Term Facility, (*ii*) the Senior ABL Facility, (*iii*) the Revolving Credit Facility, and (*iv*) any other facilities or arrangements designated by the Parent Guarantor, in each case with one or more banks or other lenders or institutions providing for revolving credit loans, term loans, receivables or fleet financings (including without limitation through the sale of receivables or fleet assets to such institutions or to special purpose entities formed to borrow from such institutions against such receivables or fleet assets or the creation of any Liens in respect of such receivables or fleet assets in favor of such institutions), letters of credit or other Indebtedness, in each case, including all agreements, instruments and documents executed and delivered pursuant to or in connection with any of the foregoing, including but not limited to any notes and letters of credit issued pursuant thereto and any guarantee and collateral agreement, patent and trademark security agreement, mortgages or letter of credit applications and other guarantees, pledge agreements, security agreements and collateral documents, in each case as the same may be amended, supplemented, waived or otherwise modified from time to time, or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original banks, lenders or institutions or other banks, lenders or institutions or otherwise, and whether provided under any original Credit Facility or one or more other credit agreements, indentures, financing agreements or other Credit Facilities or otherwise). Without limiting the generality of the foregoing, the term "*Credit Facility*" shall include any agreement (*i*) changing the maturity of any Indebtedness Incurred thereunder or contemplated thereby, (*ii*) adding Subsidiaries as additional borrowers or guarantors thereunder, (*iii*) increasing the amount of Indebtedness Incurred thereunder or available to be borrowed thereunder or (*iv*) otherwise altering the terms and conditions thereof.

"*Credit Facility Indebtedness*" means any and all amounts, whether outstanding on the Issue Date or thereafter incurred, payable under or in respect of any Credit Facility, including without limitation principal, premium (if any), interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to the Parent Guarantor or any Restricted Subsidiary whether or not a claim for post-filing interest is allowed in such proceedings), fees, charges, expenses, reimbursement obligations, guarantees, other monetary obligations of any nature and all other amounts payable thereunder or in respect thereof.

"*Currency Agreement*" means, in respect of a Person, any foreign exchange contract, currency swap agreement or other similar agreement or arrangements (including derivative agreements or arrangements), as to which such Person is a party or a beneficiary.

"*Default*" means any event or condition that is, or after notice or passage of time or both would be, an Event of Default.

"*Designated Noncash Consideration*" means the Fair Market Value of noncash consideration received by the Parent Guarantor or one of its Restricted Subsidiaries in connection with an Asset Disposition that is so designated as Designated Noncash Consideration pursuant to an Officer's Certificate, setting forth the basis of such valuation.

"*Designated Senior Indebtedness*" means with respect to a Person (*i*) the Credit Facility Indebtedness under or in respect of the Senior Credit Facilities or the Revolving Credit Facility and (*ii*) any other Senior Indebtedness of such Person that, at the date of determination, has an aggregate principal amount equal to or under which, at the date of determination, the holders thereof are committed to lend up to, at least $25.0 million and is specifically designated by such Person in an agreement or instrument evidencing or governing such Senior Indebtedness as "*Designated Senior Indebtedness*" for purposes of the Indenture.

"*Disinterested Directors*" means, with respect to any Affiliate Transaction, one or more members of the Board of Directors of the Parent Guarantor, or one or more members of the Board of Directors of a Parent, having no material direct or indirect financial interest in or with respect to such Affiliate Transaction. A member of any such Board of Directors shall not

be deemed to have such a financial interest by reason of such member's holding Capital Stock of the Parent Guarantor or any Parent or any options, warrants or other rights in respect of such Capital Stock.

"*Disqualified Stock*" means, with respect to any Person, any Capital Stock (other than Management Stock) that by its terms (or by the terms of any security into which it is convertible or for which it is exchangeable or exercisable) or upon the happening of any event (other than following the occurrence of a Change of Control or other similar event described under such terms as a "*change of control*," or "*asset sale*" or "*asset disposition*") (*i*) matures or is mandatorily redeemable pursuant to a sinking fund obligation or otherwise, (*ii*) is convertible or exchangeable for Indebtedness or Disqualified Stock or (*iii*) is redeemable at the option of the holder thereof (other than following the occurrence of a Change of Control or other similar event described under such terms as a "*change of control*," or "*asset sale*" or "*asset disposition*"), in whole or in part, in each case on or prior to the final Stated Maturity of the Notes; provided that Capital Stock issued to any employee benefit plan, or by any such plan to any employees of the Parent Guarantor or any Subsidiary of the Parent Guarantor, shall not constitute Disqualified Stock solely because it may be required to be repurchased or otherwise acquired or retired in order to satisfy applicable statutory or regulatory obligations.

"*Dollars*" or "*$*" means dollars in lawful currency of the United States of America.

"*Domestic Subsidiary*" means any Restricted Subsidiary of the Parent Guarantor other than a Foreign Subsidiary.

"*Equipment*" means (*a*) any Vehicles and (*b*) any equipment owned by or leased to the Parent Guarantor or any of its Subsidiaries that is revenue earning equipment, or is classified as "*revenue earning equipment*" in the consolidated financial statements of the Parent Guarantor, including any such equipment consisting of (*i*) construction, industrial, commercial and office equipment, (*ii*) earthmoving, material handling, compaction, aerial and electrical equipment, (*iii*) air compressors, pumps and small tools, and (*iv*) other personal property.

"*Euros*" or "*€*" means the currency introduced at the start of the third stage of the Economic and Monetary Union pursuant to the "Treaty establishing the European Community", as amended by the "Treaty on European Union".

"*European Government Obligations*" means any security that is (i) a direct obligation of Belgium, the Netherlands, France, Germany, Ireland or any other country that is a member of the European Union, for the payment of which the full faith and credit of such country is pledged or (ii) an obligation of a person controlled or supervised by and acting as an agency or instrumentality of any such country the payment of which is unconditionally guaranteed as a full faith and credit obligation by such country, which, in either case under the preceding clause (i) or (ii), is not callable or redeemable at the option of the issuer thereof.

"*European Union*" means the European Union, including, among others, the countries of Austria, Belgium, Denmark, France, Finland, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden and the United Kingdom, but not including any country which becomes a member of the European Union after the Issue Date.

"*Exchange Act*" means the U.S. Securities Exchange Act of 1934, as amended.

"*Excluded Contribution*" means Net Cash Proceeds, or the Fair Market Value of property or assets, received by the Parent Guarantor as capital contributions to the Parent Guarantor after December 21, 2005, or from the issuance or sale (other than to a Restricted Subsidiary) of Capital Stock (other than Disqualified Stock) of the Parent Guarantor, in each case to the extent designated as an Excluded Contribution pursuant to an Officer's Certificate of the Parent Guarantor and not previously included in the calculation set forth in clause (a)(3)(B)(x) of the covenant described under "—Certain Covenants—Limitation on Restricted Payments" for purposes of determining whether a Restricted Payment may be made.

"*Fair Market Value*" means, with respect to any asset or property, the fair market value of such asset or property as determined in good faith by the Parent Guarantor, whose determination will be conclusive.

"*Financing Disposition*" means any sale, transfer, conveyance or other disposition of, or creation or incurrence of any Lien on, property or assets by the Parent Guarantor or any Subsidiary thereof to or in favor of any Special Purpose Entity, or by any Special Purpose Subsidiary, in each case in connection with the Incurrence by a Special Purpose Entity of Indebtedness, or obligations to make payments to the obligor on Indebtedness, which may be secured by a Lien in respect of such property or assets.

"*Fixed GAAP Date*" means December 21, 2005, provided that at any time after the Issue Date, the Issuer and the Parent Guarantor may by written notice to the Trustee elect to change the Fixed GAAP Date to be the date specified in such notice, and upon such notice, the Fixed GAAP Date shall be such date for all periods beginning on and after the date specified in such notice.

"*Fixed GAAP Terms*" means (*a*) the definitions of the terms "*Borrowing Base*," "*Capitalized Lease Obligation*," "*Consolidated Coverage Ratio*," "*Consolidated EBITDA*," "*Consolidated Interest Expense*," "*Consolidated Net Income*," "*Consolidated Quarterly Tangible Assets*," "*Consolidated Secured Indebtedness*," "*Consolidated Secured Leverage Ratio*," "*Consolidated Tangible Assets*," "*Consolidated Total Indebtedness*," "*Consolidated Vehicle Depreciation*," "*Consolidated Vehicle Indebtedness*," "*Consolidated Vehicle Interest Expense*," "*Foreign Borrowing Base*," "*Inventory*," and "*Receivable*," (*b*) all defined terms in the Indenture to the extent used in or relating to any of the foregoing definitions, and all ratios and computations based on any of the foregoing definitions, and (*c*) any other term or provision of the Indenture or the Notes that, at the election of the Issuer and the Parent Guarantor, may be specified by the Issuer and the Parent Guarantor by written notice to the Trustee from time to time.

"*Foreign Borrowing Base*" means the sum of (*1*) 60% of the book value of Inventory (excluding Equipment) of Foreign Subsidiaries, (*2*) 85% of the book value of Receivables of Foreign Subsidiaries, (*3*) 90% of the book value of Equipment of Foreign Subsidiaries and (*4*) cash, Cash Equivalents, Investment Grade Securities and Temporary Cash Investments of Foreign Subsidiaries (in each case, determined as of the end of the most recently ended fiscal month of the Parent Guarantor for which internal consolidated financial statements of the Parent Guarantor are available, and, in the case of any determination relating to any Incurrence of Indebtedness, on a pro forma basis including (*x*) any property or assets of a type described above acquired since the end of such fiscal month and (*y*) any property or assets of a type described above being acquired in connection therewith). The Foreign Borrowing Base, as of any date of determination, shall not include Inventory and Equipment the acquisition of which shall have been financed or refinanced by the Incurrence of Purchase Money Obligations pursuant to clause (b)(iv) of the covenant described under "—Certain Covenants—Limitation on Indebtedness," to the extent such Purchase Money Obligations (or any Refinancing Indebtedness in respect thereof) shall then remain outstanding pursuant to such clause (on a pro forma basis after giving effect to any Incurrence of Indebtedness and the application of proceeds therefrom).

"*Foreign Subsidiary*" means (*a*) any Restricted Subsidiary of the Parent Guarantor that is not organized under the laws of the United States of America or any state thereof or the District of Columbia and (*b*) any Restricted Subsidiary of the Parent Guarantor that has no material assets other than securities or Indebtedness of one or more Foreign Subsidiaries (or Subsidiaries thereof), intellectual property relating to such Foreign Subsidiaries (or Subsidiaries thereof) and other assets relating to an ownership interest in any such securities, Indebtedness, intellectual property or Subsidiaries.

"*Franchise Equipment*" means (*a*) any Franchise Vehicles and (*b*) any equipment owned by or leased to any Franchisee that is revenue earning equipment, or is of a type that would be classified as "*revenue earning equipment*" in the consolidated financial statements of the Parent Guarantor, including any such equipment consisting of (*i*) construction, industrial, commercial and office equipment, (*ii*) earthmoving, material handling, compaction, aerial and electrical equipment, (*iii*) air compressors, pumps and small tools, and (*iv*) other personal property.

"*Franchise Financing Disposition*" means any sale, transfer, conveyance or other disposition of, or creation or incurrence of any Lien on, property or assets by the Parent Guarantor or any Subsidiary thereof to or in favor of any Franchise Special Purpose Entity, in connection with the Incurrence by a Franchise Special Purpose Entity of Indebtedness, or obligations to make payments to the obligor on Indebtedness, which may be secured by a Lien in respect of such property or assets.

"*Franchise Lease Obligation*" means any Capitalized Lease Obligation, and any other lease, of any Franchisee relating to any property used, occupied or held for use or occupation by any Franchisee in connection with any of its Franchise Equipment operations.

"*Franchise Rental Car Vehicles*" means all passenger Franchise Vehicles owned by or leased to any Franchisee or any Franchise Special Purpose Entity that are or have been offered for lease or rental by any Franchisee in its car rental operations, including any such Franchise Vehicles being held for sale.

"*Franchise SPE Fleet Amount*" as of any date of determination means, with respect to any Indebtedness or Investment, an amount equal to 90% of the aggregate book value of Franchise Rental Car Vehicles and/or other Franchise Equipment of any Franchise Special Purpose Entity (such book value being determined as of the end of the most recently ended fiscal month of such Franchise Special Purpose Entity for which internal financial statements (or other requisite

borrowing base or financial information) are available to the Parent Guarantor, and (at the Parent Guarantor's option) on a pro forma basis including any Franchise Rental Car Vehicles and/or other Franchise Equipment acquired by such Franchise Special Purpose Entity since the end of such fiscal month or being acquired by such Franchise Special Purpose Entity in connection with its Incurrence of such Indebtedness or the making of such Investment).

"*Franchise Special Purpose Entity*" means any Person (*a*) that is engaged in the business of (*i*) acquiring, selling, collecting, financing or refinancing Receivables, accounts (as defined in the Uniform Commercial Code as in effect in any jurisdiction from time to time), other accounts and/or other receivables, and/or related assets, and/or (*ii*) acquiring, selling, leasing, financing or refinancing Franchise Rental Car Vehicles and/or other Franchise Equipment, and/or related rights (including under leases, manufacturer warranties and buy-back programs, and insurance policies) and/or assets (including managing, exercising and disposing of any such rights and/or assets), and (*b*) is designated as a "*Franchise Special Purpose Entity*" by the Parent Guarantor.

"*Franchise Vehicle Indebtedness*" as of any date of determination means (*a*) Indebtedness of any Franchise Special Purpose Entity directly or indirectly Incurred to finance or refinance the acquisition of, or secured by, Franchise Rental Car Vehicles and/or other Franchise Equipment and/or related rights and/or assets, in an aggregate principal amount (as to such Franchise Special Purpose Entity, and taken together with the aggregate amount of Investments then outstanding pursuant to clause (xix)(1) of the definition of "*Permitted Investments*") not exceeding the Franchise SPE Fleet Amount, (*b*) Indebtedness of any Franchisee or any Affiliate thereof that is attributable to the financing or refinancing of Franchise Rental Car Vehicles and/or other Franchise Equipment and/or related rights and/or assets, as determined in good faith by the Chief Financial Officer or an authorized Officer of the Parent Guarantor (which determination shall be conclusive), in an aggregate principal amount (as to such Franchisee and all Affiliates thereof, and taken together with the aggregate amount of Investments then outstanding pursuant to clause (xix)(2) of the definition of "*Permitted Investments*") not exceeding the Franchisee Asset Value Amount and (*c*) Indebtedness of any Franchisee in an aggregate principal amount (as to all such Franchisees, and taken together with the aggregate amount of Investments then outstanding pursuant to clause (xix)(3) of the definition of "*Permitted Investments*") not exceeding the Franchisee Revenue Amount.

"*Franchise Vehicles*" means vehicles owned or operated by, or leased or rented to or by, any Franchisee, including automobiles, trucks, tractors, trailers, vans, sport utility vehicles, buses, campers, motor homes, motorcycles and other motor vehicles.

"*Franchisee*" means any Person that is a franchisee of the Parent Guarantor or any of its Subsidiaries (or of any other Franchisee), or any Affiliate of such Person.

"*Franchisee Asset Value Amount*" as of any date of determination means, with respect to any Indebtedness or Investment, an amount equal to 80% of the aggregate fair market value of Franchise Rental Car Vehicles and/or other Franchise Equipment of any Franchisee or any Affiliate (such fair market value being as determined in good faith by the Chief Financial Officer or an authorized Officer of the Parent Guarantor (which determination shall be conclusive) as of the end of the most recently ended fiscal month of the Parent Guarantor for which internal consolidated financial statements of the Parent Guarantor are available, and (at the Parent Guarantor's option) on a pro forma basis including any Franchise Rental Car Vehicles and/or other Franchise Equipment acquired by such Franchisee or any Affiliate thereof since the end of such fiscal month or being acquired by such Franchisee or any Affiliate thereof in connection with its Incurrence of such Indebtedness or the making of such Investment).

"*Franchisee Revenue Amount*" as of any date of determination means, with respect to any Indebtedness or Investment, an amount equal to 10% of the aggregate revenues of all Franchisees for the period of the most recent four consecutive fiscal quarters ending prior to such date for which consolidated financial statements of the Parent Guarantor are available (such amount being as determined in good faith by the Chief Financial Officer or an authorized Officer of the Parent Guarantor, which determination shall be conclusive).

"*GAAP*" means generally accepted accounting principles in the United States of America as in effect on the Fixed GAAP Date (for purposes of the Fixed GAAP Terms) and as in effect from time to time (for all other purposes of the Indenture), including those set forth in the opinions and pronouncements of the Accounting Principles Board of the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or in such other statements by such other entity as approved by a significant segment of the accounting profession, and subject to the following: If at any time the SEC permits or requires U.S. domiciled companies subject to the reporting requirements of the Exchange Act to use IFRS in lieu of GAAP for financial reporting purposes, the Issuer and the Parent Guarantor may elect by written notice to the Trustee to so use IFRS in lieu of GAAP and, upon any such notice, references herein to GAAP shall thereafter be construed to mean (*a*) for periods beginning on and after the date specified in such notice, IFRS as in effect

on the date specified in such notice (for purposes of the Fixed GAAP Terms) and as in effect from time to time (for all other purposes of the Indenture) and (*b*) for prior periods, GAAP as defined in the first sentence of this definition. All ratios and computations based on GAAP contained in the Indenture shall be computed in conformity with GAAP.

"*Guarantee*" means any obligation, contingent or otherwise, of any Person directly or indirectly guaranteeing any Indebtedness or other obligation of any other Person; provided that the term "*Guarantee*" shall not include endorsements for collection or deposit in the ordinary course of business. The term "*Guarantee*" used as a verb has a corresponding meaning.

"*Guarantor Subordinated Obligations*" means, with respect to a Subsidiary Guarantor, any Indebtedness of such Subsidiary Guarantor (whether outstanding on the Issue Date or thereafter Incurred) that is expressly subordinated in right of payment to the obligations of such Subsidiary Guarantor under its Guarantee pursuant to a written agreement.

"*Hedge Agreements*" means, collectively, Interest Rate Agreements, Currency Agreements and Commodities Agreements.

"*Hedging Obligations*" of any Person means the obligations of such Person pursuant to any Interest Rate Agreement, Currency Agreement or Commodities Agreement.

"*HERC*" means Hertz Equipment Rental Corporation, a Delaware corporation, and any successor in interest thereto, and any of the Parent Guarantor's other Subsidiaries and successors in interest thereto to the extent any of such Subsidiaries form part of the HERC Business.

"*HERC Assets*" means the assets of HERC that relate to or form part of the HERC Business.

"*HERC Business*" means the industrial, construction and material handling equipment rental business of the Parent Guarantor and its Subsidiaries including, without limitation, the business of renting earthmoving equipment, material handling equipment, aerial and electrical equipment, air compressors, generators, pumps, small tools, compaction equipment and construction related trucks and the selling of new equipment and consumables.

"*HERC Disposition*" means (*i*) any sale or other disposition of Capital Stock of HERC (whether by issuance or sale of Capital Stock, merger, or otherwise) or any Subsidiary thereof to one or more Persons (other than the Parent Guarantor or a Restricted Subsidiary) in any transaction or series of related transactions following the consummation of which HERC or such Subsidiary is no longer a Restricted Subsidiary of the Parent Guarantor (excluding any HERC Offering) or (*ii*) any sale or other disposition of all or substantially all of the assets of HERC and/or one or more of its Subsidiaries to one or more Persons (other than the Parent Guarantor or a Restricted Subsidiary) in any transaction or series of related transactions.

"*HERC Offering*" means a public offering of Capital Stock of HERC pursuant to a registration statement filed with the SEC.

"*Hertz Investors*" means Hertz Investors, Inc., a Delaware corporation, and any successor in interest thereto.

"*Holder*" or "*Noteholder*" means the Person in whose name a Note is registered in the Note Register.

"*Holding*" means Hertz Global Holdings, Inc., a Delaware corporation, and any successor in interest thereto.

"*IFRS*" means International Financial Reporting Standards and applicable accounting requirements set by the International Accounting Standards Board or any successor thereto (or the Financial Accounting Standards Board, the Accounting Principles Board of the American Institute of Certified Public Accountants, or any successor to either such Board, or the SEC, as the case may be), as in effect from time to time.

"*Incur*" means issue, assume, enter into any Guarantee of, incur or otherwise become liable for; and the terms "*Incurs*," "*Incurred*" and "*Incurrence*" shall have a correlative meaning; *provided*, that any Indebtedness or Capital Stock of a Person existing at the time such Person becomes a Subsidiary (whether by merger, consolidation, acquisition or otherwise) shall be deemed to be Incurred by such Subsidiary at the time it becomes a Subsidiary. Accrual of interest, the accretion of accreted value, the payment of interest in the form of additional Indebtedness, and the payment of dividends on Capital Stock constituting Indebtedness in the form of additional shares of the same class of Capital Stock, will be deemed not to be an Incurrence of Indebtedness. Any Indebtedness issued at a discount (including Indebtedness on which interest is payable

through the issuance of additional Indebtedness) shall be deemed Incurred at the time of original issuance of the Indebtedness at the initial accreted amount thereof.

"*Indebtedness*" means, with respect to any Person on any date of determination (without duplication):

(i) the principal of indebtedness of such Person for borrowed money,

(ii) the principal of obligations of such Person evidenced by bonds, debentures, notes or other similar instruments,

(iii) all reimbursement obligations of such Person in respect of letters of credit, bankers' acceptances or other similar instruments (the amount of such obligations being equal at any time to the aggregate then undrawn and unexpired amount of such letters of credit, bankers' acceptances or other instruments plus the aggregate amount of drawings thereunder that have not then been reimbursed),

(iv) all obligations of such Person to pay the deferred and unpaid purchase price of property (except Trade Payables), which purchase price is due more than one year after the date of placing such property in final service or taking final delivery and title thereto,

(v) all Capitalized Lease Obligations of such Person,

(vi) the redemption, repayment or other repurchase amount of such Person with respect to any Disqualified Stock of such Person or (if such Person is a Subsidiary of the Parent Guarantor other than the Issuer or a Subsidiary Guarantor) any Preferred Stock of such Subsidiary, but excluding, in each case, any accrued dividends (the amount of such obligation to be equal at any time to the maximum fixed involuntary redemption, repayment or repurchase price for such Capital Stock, or if less (or if such Capital Stock has no such fixed price), to the involuntary redemption, repayment or repurchase price therefor calculated in accordance with the terms thereof as if then redeemed, repaid or repurchased, and if such price is based upon or measured by the fair market value of such Capital Stock, such fair market value shall be as determined in good faith by the Parent Guarantor),

(vii) all Indebtedness of other Persons secured by a Lien on any asset of such Person, whether or not such Indebtedness is assumed by such Person; provided that the amount of Indebtedness of such Person shall be the lesser of (*A*) the fair market value of such asset at such date of determination (as determined in good faith by the Parent Guarantor) and (*B*) the amount of such Indebtedness of such other Persons,

(viii) all Guarantees by such Person of Indebtedness of other Persons, to the extent so Guaranteed by such Person, and

(ix) to the extent not otherwise included in this definition, net Hedging Obligations of such Person (the amount of any such obligation to be equal at any time to the termination value of such agreement or arrangement giving rise to such Hedging Obligation that would be payable by such Person at such time).

The amount of Indebtedness of any Person at any date shall be determined as set forth above or otherwise provided in the Indenture, or otherwise shall equal the amount thereof that would appear as a liability on a balance sheet of such Person (excluding any notes thereto) prepared in accordance with GAAP.

"*Interest Rate Agreement*" means, with respect to any Person, any interest rate protection agreement, future agreement, option agreement, swap agreement, cap agreement, collar agreement, hedge agreement or other similar agreement or arrangement (including derivative agreements or arrangements), as to which such Person is party or a beneficiary.

"*Inventory*" means goods held for sale, lease or use by a Person in the ordinary course of business, net of any reserve for goods that have been segregated by such Person to be returned to the applicable vendor for credit, as determined in accordance with GAAP.

"*Investment*" in any Person by any other Person means any direct or indirect advance, loan or other extension of credit (other than to customers, dealers, licensees, franchisees, suppliers, consultants, directors, officers or employees of any Person in the ordinary course of business) or capital contribution (by means of any transfer of cash or other property to others

or any payment for property or services for the account or use of others) to, or any purchase or acquisition of Capital Stock, Indebtedness or other similar instruments issued by, such Person. For purposes of the definition of "*Unrestricted Subsidiary*" and the covenant described under "—Certain Covenants—Limitation on Restricted Payments" only, (*i*) "*Investment*" shall include the portion (proportionate to the Parent Guarantor's equity interest in such Subsidiary) of the Fair Market Value of the net assets of any Subsidiary of the Parent Guarantor at the time that such Subsidiary is designated an Unrestricted Subsidiary, provided that upon a redesignation of such Subsidiary as a Restricted Subsidiary, the Parent Guarantor shall be deemed to continue to have a permanent "*Investment*" in an Unrestricted Subsidiary in an amount (if positive) equal to (*x*) the Parent Guarantor's "*Investment*" in such Subsidiary at the time of such redesignation less (*y*) the portion (proportionate to the Parent Guarantor's equity interest in such Subsidiary) of the Fair Market Value of the net assets of such Subsidiary at the time of such redesignation, and (*ii*) any property transferred to or from an Unrestricted Subsidiary shall be valued at its fair market value (as determined in good faith by the Parent Guarantor) at the time of such transfer. Guarantees shall not be deemed to be Investments. The amount of any Investment outstanding at any time shall be the original cost of such Investment, reduced (at the Parent Guarantor's option) by any dividend, distribution, interest payment, return of capital, repayment or other amount or value received in respect of such Investment; *provided*, that to the extent that the amount of Restricted Payments outstanding at any time is so reduced by any portion of any such amount or value that would otherwise be included in the calculation of Consolidated Net Income, such portion of such amount or value shall not be so included for purposes of calculating the amount of Restricted Payments that may be made pursuant to paragraph (a) of the covenant described under "—Certain Covenants—Limitation on Restricted Payments."

"*Investment Grade Rating*" means a rating of Baa3 or better by Moody's and BBB− or better by S&P (or, in either case, the equivalent of such rating by such organization), or an equivalent rating by any other Rating Agency.

"*Investment Grade Securities*" means (*i*) securities issued or directly and fully guaranteed or insured by the United States government or any agency or instrumentality thereof (other than Cash Equivalents); (*ii*) debt securities or debt instruments with a rating of Baa3 or better by Moody's or BBB− or better by S&P (or, in either case, the equivalent of such rating by such organization) or an equivalent rating by any other Rating Agency, but excluding any debt securities or instruments constituting loans or advances among the Parent Guarantor and its Subsidiaries; (*iii*) investments in any fund that invests exclusively in investments of the type described in clauses (i) and (ii), which fund may also hold immaterial amounts of cash pending investment or distribution; and (*iv*) corresponding instruments in countries other than the United States customarily utilized for high quality investments.

"*Issue Date*" means the first date on which the Notes are issued.

"*Issuer*" means Hertz Holdings Netherlands B.V., a private company with limited liability incorporated under the laws of The Netherlands, with its corporate seat in Amsterdam, The Netherlands, and any successor in interest thereto.

"*Lien*" means any mortgage, pledge, security interest, encumbrance, lien or charge of any kind (including any conditional sale or other title retention agreement or lease in the nature thereof).

"*LKE Account*" means any deposit, trust, investment or similar account maintained by, for the benefit of, or under the control of the "qualified intermediary" in connection with an LKE Program.

"*LKE Program*" means any "like-kind-exchange program" with respect to certain of the Equipment and/or Vehicles of the Parent Guarantor and its Subsidiaries, under which such Equipment and/or Vehicles will be disposed from time to time and proceeds of such dispositions will be held in an LKE Account and used to acquire replacement Equipment and/or Vehicles and/or repay indebtedness secured by such Equipment and/or Vehicles, in a series of transactions intended to qualify as a "like-kind-exchange" within the meaning of the Code.

"*Management Advances*" means (*1*) loans or advances made to directors, officers, employees or consultants of any Parent, the Parent Guarantor or any Restricted Subsidiary (*x*) in respect of travel, entertainment or moving related expenses incurred in the ordinary course of business, (*y*) in respect of moving related expenses incurred in connection with any closing or consolidation of any facility, or (*z*) in the ordinary course of business and (in the case of this clause (z)) not exceeding $15.0 million in the aggregate outstanding at any time, (*2*) promissory notes of Management Investors acquired in connection with the issuance of Management Stock to such Management Investors, (*3*) Management Guarantees, or (*4*) other Guarantees of borrowings by Management Investors in connection with the purchase of Management Stock, which Guarantees are permitted under the covenant described under "—Certain Covenants—Limitation on Indebtedness."

"*Management Agreements*" means, collectively, (*i*) the Stock Subscription Agreements, each dated as of December 21, 2005, between Holding and each of the Investors party thereto, (*ii*) the Consulting Agreements, each dated as

of December 21, 2005, among Holding and Parent Guarantor and each of CDR, TC Group IV, L.L.C. and ML, or Affiliates thereof, respectively, (*iii*) the Indemnification Agreements, each dated as of December 21, 2005, among Holding and Parent Guarantor and each of CDR, TC Group IV, L.L.C., ML and the Investors party thereto, (*iv*) the Registration Rights Agreement, dated as of December 21, 2005, among Holding and the Investors party thereto and any other Person party thereto from time to time, (*v*) the Stockholders Agreement, dated as of December 21, 2005, by and among Holding and the Investors party thereto and any other Person party thereto from time to time, and (*vi*) the Stock Subscription Agreements, each dated May 19, 2009, between Holding and each of Clayton, Dubilier & Rice Fund VII, L.P., CD&R Parallel Fund VII, L.P., Carlyle Partners IV, L.P., and CP IV Coinvestment, L.P., in each case in clauses (*i*) through (*vi*) as the same may be amended, supplemented, waived or otherwise modified from time to time in accordance with the terms thereof and of the Indenture. As used herein, "*Investors*" means each of Clayton, Dubilier & Rice Fund VII, L.P., CDR CCMG Co-Investor L.P., CD&R Parallel Fund VII, L.P., Carlyle Partners IV, L.P., CEP II Participations S.à r.l., CP IV Co-investment, L.P., CEP II U.S. Investments, L.P., CMC-Hertz Partners, L.P., ML Global Private Equity Fund, L.P., Merrill Lynch Ventures L.P. 2001, CMC-Hertz Partners, L.P., and ML Hertz Co-Investor, L.P., any successors thereto or Affiliates of any thereof, and any successors in interest to any thereof.

"*Management Guarantees*" means guarantees (*x*) of up to an aggregate principal amount outstanding at any time of $20.0 million of borrowings by Management Investors in connection with their purchase of Management Stock or (*y*) made on behalf of, or in respect of loans or advances made to, directors, officers, employees or consultants of any Parent, the Parent Guarantor or any Restricted Subsidiary (*1*) in respect of travel, entertainment and moving related expenses incurred in the ordinary course of business, or (*2*) in the ordinary course of business and (in the case of this clause (2)) not exceeding $15.0 million in the aggregate outstanding at any time.

"*Management Investors*" means the officers, directors, employees and other members of the management of any Parent, the Parent Guarantor or any of their respective Subsidiaries, or family members or relatives thereof (provided that, solely for purposes of the definition of "*Permitted Holders*," such relatives shall include only those Persons who are or become Management Investors in connection with estate planning for or inheritance from other Management Investors, as determined in good faith by the Parent Guarantor, which determination shall be conclusive), or trusts, partnerships or limited liability companies for the benefit of any of the foregoing, or any of their heirs, executors, successors and legal representatives, who at any date beneficially own or have the right to acquire, directly or indirectly, Capital Stock of the Parent Guarantor or any Parent.

"*Management Stock*" means Capital Stock of the Parent Guarantor or any Parent (including any options, warrants or other rights in respect thereof) held by any of the Management Investors.

"*Merger*" means the merger of HDTMS, Inc., a Delaware corporation and wholly owned subsidiary of the Parent Guarantor, with and into Dollar Thrifty Automotive Group, Inc., a Delaware corporation, which merger occurred on November 19, 2012.

"*ML*" means Merrill Lynch Global Private Equity, Inc. (formerly known as Merrill Lynch Global Partners, Inc.), or any successor thereto.

"*Moody's*" means Moody's Investors Service, Inc., and its successors.

"*Net Available Cash*" from an Asset Disposition means an amount equal to the cash payments received (including any cash payments received by way of deferred payment of principal pursuant to a note or installment receivable or otherwise, but only as and when received, but excluding any other consideration received in the form of assumption by the acquiring Person of Indebtedness or other obligations relating to the properties or assets that are the subject of such Asset Disposition or received in any other noncash form) therefrom, in each case net of (*i*) all legal, title and recording tax expenses, commissions and other fees and expenses incurred, and all U.S. federal, state, provincial, foreign and local taxes required to be paid or to be accrued as a liability under GAAP, as a consequence of such Asset Disposition (including as a consequence of any transfer of funds in connection with the application thereof in accordance with the covenant described under "—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock"), (*ii*) all payments made, and all installment payments required to be made, on any Indebtedness (*x*) that is secured by any assets subject to such Asset Disposition, in accordance with the terms of any Lien upon such assets, or (*y*) that must by its terms, or in order to obtain a necessary consent to such Asset Disposition, or by applicable law, be repaid out of the proceeds from such Asset Disposition, including but not limited to any payments required to be made to increase borrowing availability under any revolving credit facility, (*iii*) all distributions and other payments required to be made to minority interest holders in Subsidiaries or joint ventures as a result of such Asset Disposition, or to any other Person (other than the Parent Guarantor or a Restricted Subsidiary) owning a beneficial interest in the assets disposed of in such Asset Disposition, (*iv*) any liabilities or obligations

associated with the assets disposed of in such Asset Disposition and retained, indemnified or insured by the Parent Guarantor or any Restricted Subsidiary after such Asset Disposition, including without limitation pension and other post-employment benefit liabilities, liabilities related to environmental matters, and liabilities relating to any indemnification obligations associated with such Asset Disposition, and (*v*) the amount of any purchase price or similar adjustment (*x*) claimed by any Person to be owed by the Parent Guarantor or any Restricted Subsidiary, until such time as such claim shall have been settled or otherwise finally resolved, or (*y*) paid or payable by the Parent Guarantor or any Restricted Subsidiary, in either case in respect of such Asset Disposition.

"*Net Cash Proceeds*" means with respect to any issuance or sale of any securities of the Parent Guarantor or any Subsidiary by the Parent Guarantor or any Subsidiary, or any capital contribution, means the cash proceeds of such issuance, sale or contribution net of attorneys' fees, accountants' fees, underwriters' or placement agents' fees, discounts or commissions and brokerage, consultant and other fees actually incurred in connection with such issuance, sale or contribution and net of taxes paid or payable as a result thereof.

"*Non-Recourse Indebtedness*" means Indebtedness of HERC:

(a) as to which neither the Parent Guarantor nor any of its Restricted Subsidiaries (other than HERC and its Subsidiaries) (*a*) provides any Guarantee or credit support of any kind (including any undertaking, guarantee, indemnity, Lien, agreement or instrument that would constitute Indebtedness) or (*b*) is directly or indirectly liable (as a guarantor or otherwise);

(b) no default with respect to which would permit, upon notice, lapse of time or both any holder of any other Indebtedness of the Parent Guarantor or any of its Restricted Subsidiaries (other than Indebtedness outstanding on, or otherwise committed as of, the Issue Date) to declare a default on such other Indebtedness or cause the payment of the Indebtedness to be accelerated or payable prior to its Stated Maturity; and

(c) the explicit terms of which provide there is no recourse against any of the assets of the Parent Guarantor or its Restricted Subsidiaries (other than HERC and its Subsidiaries and Capital Stock of HERC or any of its Subsidiaries).

"*Obligations*" means, with respect to any Indebtedness, any principal, premium (if any), interest (including interest accruing on or after the filing of any petition in bankruptcy or for reorganization relating to the Parent Guarantor or any Restricted Subsidiary whether or not a claim for post-filing interest is allowed in such proceedings), fees, charges, expenses, reimbursement obligations, Guarantees of such Indebtedness (or of Obligations in respect thereof), other monetary obligations of any nature and all other amounts payable thereunder or in respect thereof.

"*Officer*" means, with respect to the Parent Guarantor or any other obligor upon the Notes, the Chairman of the Board, the President, the Chief Executive Officer, the Chief Financial Officer, any Vice President, the Controller, the Treasurer or the Secretary (*a*) of such Person or (*b*) if such Person is owned or managed by a single entity, of such entity (or any other individual designated as an "*Officer*" for the purposes of the Indenture by the Board of Directors).

"*Officer's Certificate*" means, with respect to the Issuer, any other obligor upon the Notes or the Parent Guarantor, a certificate signed by one Officer of such Person.

"*Opinion of Counsel*" means a written opinion from legal counsel who is reasonably acceptable to the Trustee. The counsel may be an employee of or counsel to the Issuer and/or the Parent Guarantor.

"*Parent*" means any of Holding, Hertz Investors and any Other Parent and any other Person that is a Subsidiary of Holding, Hertz Investors or any Other Parent and of which the Parent Guarantor is a Subsidiary. As used herein, "*Other Parent*" means a Person of which the Parent Guarantor becomes a Subsidiary after the Issue Date, provided that either (*x*) immediately after the Parent Guarantor first becomes a Subsidiary of such Person, more than 50% of the Voting Stock of such Person shall be held by one or more Persons that held more than 50% of the Voting Stock of the Parent Guarantor or a Parent of the Parent Guarantor immediately prior to the Parent Guarantor first becoming such Subsidiary or (*y*) such Person shall be deemed not to be an Other Parent for the purpose of determining whether a Change of Control shall have occurred by reason of the Parent Guarantor first becoming a Subsidiary of such Person.

"*Parent Expenses*" means (*i*) costs (including all professional fees and expenses) incurred by any Parent in connection with maintaining its existence or in connection with its reporting obligations under, or in connection with

compliance with, applicable laws or applicable rules of any governmental, regulatory or self-regulatory body or stock exchange, the Indenture or any other agreement or instrument relating to Indebtedness of the Parent Guarantor or any Restricted Subsidiary, including in respect of any reports filed with respect to the Securities Act, the Exchange Act or the respective rules and regulations promulgated thereunder, (*ii*) expenses incurred by any Parent in connection with the acquisition, development, maintenance, ownership, prosecution, protection and defense of its intellectual property and associated rights (including but not limited to trademarks, service marks, trade names, trade dress, patents, copyrights and similar rights, including registrations and registration or renewal applications in respect thereof; inventions, processes, designs, formulae, trade secrets, know-how, confidential information, computer software, data and documentation, and any other intellectual property rights; and licenses of any of the foregoing) to the extent such intellectual property and associated rights relate to the business or businesses of the Parent Guarantor or any Subsidiary thereof, (*iii*) indemnification obligations of any Parent owing to directors, officers, employees or other Persons under its charter or by-laws or pursuant to written agreements with or for the benefit of any such Person, or obligations in respect of director and officer insurance (including premiums therefor), (*iv*) other administrative and operational expenses of any Parent incurred in the ordinary course of business, and (*v*) fees and expenses incurred by any Parent in connection with any offering of Capital Stock or Indebtedness, (*w*) which offering is not completed, or (*x*) where the net proceeds of such offering are intended to be received by or contributed or loaned to the Parent Guarantor or a Restricted Subsidiary, or (*y*) in a prorated amount of such expenses in proportion to the amount of such net proceeds intended to be so received, contributed or loaned, or (*z*) otherwise on an interim basis prior to completion of such offering so long as any Parent shall cause the amount of such expenses to be repaid to the Parent Guarantor or the relevant Restricted Subsidiary out of the proceeds of such offering promptly if completed.

"*Parent Guarantor*" means The Hertz Corporation, a Delaware corporation, and any successor in interest thereto.

"*Permitted Holder*" means any of the following: (*i*) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) whose status as a "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Exchange Act) constitutes or results in a Change of Control in respect of which a Change of Control Offer is made in accordance with the requirements of the Indenture, and any Affiliates thereof, (*ii*) the Management Investors, (*iii*) any "group" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) of which any of the Persons specified in clause (*i*) or (*ii*) above is a member (provided that (without giving effect to the existence of such "group" or any other "group") one or more of such Persons collectively have beneficial ownership, directly or indirectly, of more than 50% of the total voting power of the Voting Stock of the Parent Guarantor or any Parent held by such "group"), and any other Person that is a member of such "group" and (*iv*) any Person acting in the capacity of an underwriter in connection with a public or private offering of Capital Stock of any Parent or the Parent Guarantor.

"*Permitted Investment*" means an Investment by the Parent Guarantor or any Restricted Subsidiary in, or consisting of, any of the following:

(i) a Restricted Subsidiary, the Parent Guarantor, or a Person that will, upon the making of such Investment, become a Restricted Subsidiary (and any Investment held by such Person that was not acquired by such Person in contemplation of so becoming a Restricted Subsidiary);

(ii) another Person if as a result of such Investment such other Person is merged or consolidated with or into, or transfers or conveys all or substantially all its assets to, or is liquidated into, the Parent Guarantor or a Restricted Subsidiary (and, in each case, any Investment held by such other Person that was not acquired by such Person in contemplation of such merger, consolidation or transfer);

(iii) Temporary Cash Investments, Investment Grade Securities or Cash Equivalents;

(iv) receivables owing to the Parent Guarantor or any Restricted Subsidiary, if created or acquired in the ordinary course of business;

(v) any securities or other Investments received as consideration in, or retained in connection with, sales or other dispositions of property or assets, including Asset Dispositions made in compliance with the covenant described under "—Certain Covenants—Limitation on Sales of Assets and Subsidiary Stock";

(vi) securities or other Investments received in settlement of debts created in the ordinary course of business and owing to, or of other claims asserted by, the Parent Guarantor or any Restricted Subsidiary, or as a result of foreclosure, perfection or enforcement of any Lien, or in satisfaction of judgments, including in connection with any bankruptcy proceeding or other reorganization of another Person;

(vii) Investments in existence or made pursuant to legally binding written commitments in existence on the Issue Date;

(viii) Hedge Agreements and related Hedging Obligations, which obligations are Incurred in compliance with the covenant described under "—Certain Covenants—Limitation on Indebtedness";

(ix) pledges or deposits (*x*) with respect to leases or utilities provided to third parties in the ordinary course of business or (*y*) otherwise described in the definition of "*Permitted Liens*" or made in connection with Liens permitted under the covenant described under "—Certain Covenants—Limitation on Liens";

(x) (*1*) Investments in or by any Special Purpose Subsidiary, or in connection with a Financing Disposition by or to or in favor of any Special Purpose Entity, including Investments of funds held in accounts permitted or required by the arrangements governing such Financing Disposition or any related Indebtedness, or (2) any promissory note issued by the Parent Guarantor, or any Parent, provided that if such Parent receives cash from the relevant Special Purpose Entity in exchange for such note, an equal cash amount is contributed by any Parent to the Parent Guarantor;

(xi) bonds secured by assets leased to and operated by the Parent Guarantor or any Restricted Subsidiary that were issued in connection with the financing of such assets so long as the Parent Guarantor or any Restricted Subsidiary may obtain title to such assets at any time by paying a nominal fee, canceling such bonds and terminating the transaction;

(xii) Notes;

(xiii) any Investment to the extent made using Capital Stock of the Parent Guarantor (other than Disqualified Stock), or Capital Stock of any Parent, as consideration;

(xiv) Management Advances;

(xv) Investments consisting of, or arising out of or related to, Vehicle Rental Concession Rights, including any Investments referred to in the definition of the term "Vehicle Rental Concession Rights," and any Investments in Franchisees arising as a result of the Parent Guarantor or any Restricted Subsidiary being party to any Vehicle Rental Concession or any related agreement jointly with any Franchisee, or leasing or subleasing any part of a Public Facility or other property to any Franchisee, or guaranteeing any obligation of any Franchisee in respect of any Vehicle Rental Concession or any related agreement;

(xvi) Investments in Related Businesses in an aggregate amount outstanding at any time not to exceed 3% of Consolidated Tangible Assets;

(xvii) any transaction to the extent it constitutes an Investment that is permitted by and made in accordance with the provisions of paragraph (b) of the covenant described under "—Certain Covenants—Limitation on Transactions with Affiliates" (except transactions described in clauses (i), (v) and (vi) of such paragraph), including any Investment pursuant to any transaction described in clause (ii) of such paragraph (whether or not any Person party thereto is at any time an Affiliate of the Parent Guarantor);

(xviii) other Investments in an aggregate amount outstanding at any time not to exceed 1.0% of Consolidated Tangible Assets;

(xix) (*1*) Investments in Franchise Special Purpose Entities directly or indirectly to finance or refinance the acquisition of Franchise Rental Car Vehicles and/or other Franchise Equipment and/or related rights and/or assets, in an aggregate amount outstanding at any time (as to all such Franchise Special Purpose Entities, and taken together with the then outstanding aggregate principal amount of Indebtedness classified by the Parent Guarantor under clause (a) of the definition of "Franchise Vehicle Indebtedness") not exceeding the Franchise SPE Fleet Amount, (*2*) Investments in Franchisees attributable to the financing or refinancing of Franchise Rental Car Vehicles and/or other Franchise Equipment and/or related rights and/or assets, as determined in good faith by the Chief Financial Officer or an authorized Officer of the Parent Guarantor (which determination shall be conclusive), in an aggregate amount outstanding at any time (as to all such Franchisees, and taken together with the then outstanding aggregate principal amount of Indebtedness

classified by the Parent Guarantor under clause (b) of the definition of "Franchise Vehicle Indebtedness") not exceeding the Franchisee Asset Value Amount, (*3*) Investments in Franchisees in an aggregate amount outstanding at any time (as to all such Franchisees, and taken together with the then outstanding aggregate principal amount of Indebtedness classified by the Parent Guarantor under clause (c) of the definition of "Franchise Vehicle Indebtedness") not exceeding the Franchisee Revenue Amount, (*4*) Investments in Capital Stock of Franchisees and Franchise Special Purpose Entities (including pursuant to capital contributions), and (*5*) Investments in Franchisees arising as the result of Guarantees of Franchise Vehicle Indebtedness or Franchise Lease Obligations; and

(xx) any Investment by any Captive Insurance Subsidiary in connection with the provision of insurance to the Parent Guarantor or any of its Subsidiaries, which Investment is made in the ordinary course of business of such Captive Insurance Subsidiary, or by reason of applicable law, rule, regulation or order, or that is required or approved by any regulatory authority having jurisdiction over such Captive Insurance Subsidiary or its business, as applicable.

If any Investment pursuant to clause (xvi), (xviii) or (xix) above, or clause (b)(vii) of the covenant described under "—Certain Covenants—Limitation on Restricted Payments," as applicable, is made in any Person that is not a Restricted Subsidiary and such Person thereafter (*A*) becomes a Restricted Subsidiary or (*B*) is merged or consolidated into, or transfers or conveys all or substantially all its assets to, or is liquidated into, the Parent Guarantor or a Restricted Subsidiary, then such Investment shall thereafter be deemed to have been made pursuant to clause (i) or (ii) above, respectively, and not clause (xvi), (xviii) or (xix) above, or clause (b)(vii) of the covenant described under "—Certain Covenants—Limitation on Restricted Payments," as applicable.

"*Permitted Liens*" means:

(a) Liens for taxes, assessments or other governmental charges not yet delinquent or the nonpayment of which in the aggregate would not reasonably be expected to have a material adverse effect on the Parent Guarantor and its Restricted Subsidiaries or that are being contested in good faith and by appropriate proceedings if adequate reserves with respect thereto are maintained on the books of the Parent Guarantor or a Subsidiary thereof, as the case may be, in accordance with GAAP;

(b) Liens with respect to outstanding motor vehicle fines and carriers', warehousemen's, mechanics', landlords', materialmen's, repairmen's or other like Liens arising in the ordinary course of business in respect of obligations that are not overdue for a period of more than 60 days or that are bonded or that are being contested in good faith and by appropriate proceedings;

(c) pledges, deposits or Liens in connection with workers' compensation, unemployment insurance and other social security and other similar legislation or other insurance related obligations (including, without limitation, pledges or deposits securing liability to insurance carriers under insurance or self-insurance arrangements);

(d) pledges, deposits or Liens to secure the performance of bids, tenders, trade, government or other contracts (other than for borrowed money), obligations for utilities, leases, licenses, statutory obligations, completion guarantees, surety, judgment, appeal or performance bonds, other similar bonds, instruments or obligations, and other obligations of a like nature incurred in the ordinary course of business;

(e) easements (including reciprocal easement agreements), rights-of-way, building, zoning and similar restrictions, utility agreements, covenants, reservations, restrictions, encroachments, charges, and other similar encumbrances or title defects incurred, or leases or subleases granted to others, in the ordinary course of business, which do not in the aggregate materially interfere with the ordinary conduct of the business of the Parent Guarantor and its Subsidiaries, taken as a whole;

(f) Liens existing on, or provided for under written arrangements existing on, the Issue Date, or (in the case of any such Liens securing Indebtedness of the Parent Guarantor or any of its Subsidiaries existing or arising under written arrangements existing on the Issue Date) securing any Refinancing Indebtedness in respect of such Indebtedness so long as the Lien securing such Refinancing Indebtedness is limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or under such written arrangements could secure) the original Indebtedness;

(g) (*i*) mortgages, liens, security interests, restrictions, encumbrances or any other matters of record that have been placed by any developer, landlord or other third party on property over which the Parent Guarantor or any Restricted Subsidiary of the Parent Guarantor has easement rights or on any leased property and subordination or similar agreements relating thereto and (*ii*) any condemnation or eminent domain proceedings affecting any real property;

(h) Liens securing Indebtedness (including Liens securing any Obligations in respect thereof) consisting of Hedging Obligations, Bank Products Obligations, Purchase Money Obligations, or Capitalized Lease Obligations Incurred in compliance with the covenant described under "—Certain Covenants—Limitation on Indebtedness";

(i) Liens arising out of judgments, decrees, orders or awards in respect of which the Parent Guarantor or any Restricted Subsidiary shall in good faith be prosecuting an appeal or proceedings for review, which appeal or proceedings shall not have been finally terminated, or if the period within which such appeal or proceedings may be initiated shall not have expired;

(j) leases, subleases, licenses or sublicenses to or from third parties;

(k) Liens securing Indebtedness (including Liens securing any Obligations in respect thereof) consisting of (*A*)(*1*) Indebtedness Incurred in compliance with clause (b)(i), (b)(iv), (b)(v), (b)(vii), (b)(viii), (b)(ix) or (b)(xi) of the covenant described under "—Certain Covenants—Limitation on Indebtedness," or clause (b)(iii) thereof (other than Refinancing Indebtedness Incurred in respect of Indebtedness described in paragraph (a) thereof), (*2*) Credit Facility Indebtedness Incurred in compliance with paragraph (b) of the covenant described under "—Certain Covenants—Limitation on Indebtedness," (*3*) the Notes, (*4*) Indebtedness of any Restricted Subsidiary that is not a Subsidiary Guarantor, (*5*) Indebtedness or other obligations of any Special Purpose Entity or (*6*) obligations in respect of Management Advances or Management Guarantees; in each case under the foregoing clauses (1) through (6) including Liens securing any Guarantee of any thereof, or (*B*) Non-Recourse Indebtedness of HERC to the extent such Liens do not extend to property or assets other than HERC Assets;

(l) Liens existing on property or assets of a Person at the time such Person becomes a Subsidiary of the Parent Guarantor (or at the time the Parent Guarantor or a Restricted Subsidiary acquires such property or assets, including any acquisition by means of a merger or consolidation with or into the Parent Guarantor or any Restricted Subsidiary); *provided*, *however*, that such Liens are not created in connection with, or in contemplation of, such other Person becoming such a Subsidiary (or such acquisition of such property or assets), and that such Liens are limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or, under the written arrangements under which such Liens arose, could secure) the obligations to which such Liens relate; provided further, that for purposes of this clause (l), if a Person other than the Parent Guarantor is the Successor Parent Guarantor with respect thereto, any Subsidiary thereof shall be deemed to become a Subsidiary of the Parent Guarantor, and any property or assets of such Person or any such Subsidiary shall be deemed acquired by the Parent Guarantor or a Restricted Subsidiary, as the case may be, when such Person becomes such Successor Parent Guarantor;

(m) Liens on Capital Stock, Indebtedness or other securities of an Unrestricted Subsidiary that secure Indebtedness or other obligations of such Unrestricted Subsidiary;

(n) any encumbrance or restriction (including, but not limited to, pursuant to put and call agreements or buy/sell arrangements) with respect to Capital Stock of any joint venture or similar arrangement pursuant to any joint venture or similar agreement;

(o) Liens securing Indebtedness (including Liens securing any Obligations in respect thereof) consisting of Refinancing Indebtedness Incurred in respect of any Indebtedness secured by, or securing any refinancing, refunding, extension, renewal or replacement (in whole or in part) of any other obligation secured by, any other Permitted Liens, provided that any such new Lien is limited to all or part of the same property or assets (plus improvements, accessions, proceeds or dividends or distributions in respect thereof) that secured (or, under the written arrangements under which the original Lien arose, could secure) the obligations to which such Liens relate;

(p) Liens (*1*) arising by operation of law (or by agreement to the same effect) in the ordinary course of business, (*2*) on property or assets under construction (and related rights) in favor of a contractor or developer or arising from progress or partial payments by a third party relating to such property or assets, (*3*) on receivables (including related rights), (*4*) on cash set aside at the time of the Incurrence of any Indebtedness or government securities purchased with such cash, in either case to the extent that such cash or government securities prefund the payment of interest on such Indebtedness and are held in an escrow account or similar arrangement to be applied for such purpose, (*5*) securing or arising by reason of any netting or set-off arrangement entered into in the ordinary course of banking or other trading activities (including in connection with purchase orders and other agreements with customers), (*6*) in favor of the Parent Guarantor or any Subsidiary (other than Liens on property or assets of the Parent Guarantor, the Issuer or any Subsidiary Guarantor in favor of any Subsidiary that is not a Subsidiary Guarantor or the Issuer), (*7*) arising out of conditional sale, title retention, consignment or similar arrangements for the sale of goods entered into in the ordinary course of business, (*8*) on inventory or goods and proceeds securing the obligations in respect of bankers' acceptances issued or created to facilitate the purchase, shipment or storage of such inventory or other goods, (*9*) relating to pooled deposit or sweep accounts to permit satisfaction of overdraft, cash pooling or similar obligations incurred in the ordinary course of business,

(*10*) attaching to commodity trading or other brokerage accounts incurred in the ordinary course of business, (*11*) arising in connection with repurchase agreements permitted under the covenant described under "—Certain Covenants—Limitation on Indebtedness," on assets that are the subject of such repurchase agreements, (*12*) in favor of any Special Purpose Entity in connection with any Financing Disposition or (*13*) in favor of any Franchise Special Purpose Entity in connection with any Franchise Financing Disposition;

(q) Liens on or under, or arising out of or relating to, any Vehicle Rental Concession Rights;

(r) other Liens securing obligations, which do not exceed 0.50% of Consolidated Tangible Assets at any time outstanding; and

(s) Liens securing Indebtedness (including Liens securing any Obligations in respect thereof) consisting of Indebtedness Incurred in compliance with the covenant described under "—Certain Covenants—Limitation on Indebtedness," provided that on the date of the Incurrence of such Indebtedness after giving effect to such Incurrence (or on the date of the initial borrowing of such Indebtedness after giving pro forma effect to the Incurrence of the entire committed amount of such Indebtedness, in which case such committed amount may thereafter be borrowed and reborrowed, in whole or in part, from time to time, without further compliance with this clause), the Consolidated Secured Leverage Ratio shall not exceed 4.0 to 1.0.

For purposes of determining compliance with this definition, (*x*) a Lien need not be incurred solely by reference to one category of Permitted Liens described in this definition but may be incurred under any combination of such categories (including in part under one such category and in part under any other such category), (*y*) in the event that a Lien (or any portion thereof) meets the criteria of one or more of such categories of Permitted Liens, the Parent Guarantor shall, in its sole discretion, classify or reclassify such Lien (or any portion thereof) in any manner that complies with this definition, and (*z*) in the event that a portion of indebtedness secured by a Lien could be classified as secured in part pursuant to clause (s) above (giving effect to the Incurrence of such portion of such Indebtedness), the Parent Guarantor, in its sole discretion, may classify such portion of such Indebtedness (and any Obligations in respect thereof) as having been secured pursuant to clause (s) above and thereafter the remainder of the Indebtedness as having been secured pursuant to one or more of the other clauses of this definition.

"*Person*" means any individual, corporation, partnership, joint venture, association, joint stock company, limited liability company, trust, unincorporated organization, government or any agency or political subdivision thereof or any other entity.

"*Preferred Stock*" as applied to the Capital Stock of any corporation means Capital Stock of any class or classes (however designated) that by its terms is preferred as to the payment of dividends, or as to the distribution of assets upon any voluntary or involuntary liquidation or dissolution of such corporation, over shares of Capital Stock of any other class of such corporation.

"*Physical Notes*" means permanent certificated Notes issued and authenticated pursuant to, and substantially in the form set forth in, the Indenture.

"*Public Facility*" means (*i*) any airport; marine port; rail, subway, bus or other transit stop, station or terminal; stadium; convention center; or military camp, fort, post or base or (*ii*) any other facility owned or operated by any nation or government or political subdivision thereof, or agency, authority or other instrumentality of any thereof, or other entity exercising regulatory, administrative or other functions of or pertaining to government, or any organization of nations (including the United Nations, the European Union and the North Atlantic Treaty Organization).

"*Public Facility Operator*" means a Person that grants or has the power to grant a Vehicle Rental Concession.

"*Purchase Money Obligations*" means any Indebtedness Incurred to finance or refinance the acquisition, leasing, construction or improvement of property (real or personal) or assets, and whether acquired through the direct acquisition of such property or assets or the acquisition of the Capital Stock of any Person owning such property or assets, or otherwise; provided that for purposes of clause (b)(iv) of the covenant described under "—Certain Covenants—Limitation on Indebtedness," Purchase Money Obligations shall not include Indebtedness to the extent Incurred to finance or refinance the direct acquisition of Inventory or Equipment (not acquired through the acquisition of Capital Stock of any Person owning property or assets, or through the acquisition of property or assets, that include Inventory or Equipment).

"*Rating Agency*" means Moody's or S&P or, if Moody's or S&P or both shall not make a rating on the Notes publicly available, an internationally recognized statistical rating agency or agencies, as the case may be, selected by the Parent Guarantor or the Issuer which shall be substituted for Moody's or S&P or both, as the case may be.

"*Receivable*" means a right to receive payment pursuant to an arrangement with another Person pursuant to which such other Person is obligated to pay, as determined in accordance with GAAP.

"*Redemption Date*" means, when used with respect to any Note to be redeemed or purchased, the date fixed for such redemption or purchase by or pursuant to the Indenture.

"*refinance*" means refinance, refund, replace, renew, repay, modify, restate, defer, substitute, supplement, reissue, resell or extend (including pursuant to any defeasance or discharge mechanism); and the terms "*refinances*," "*refinanced*" and "*refinancing*" as used for any purpose in the Indenture shall have a correlative meaning.

"*Refinancing Credit Facility*" means any syndicated Credit Facility under which the Parent Guarantor incurs Indebtedness to refinance all or any portion of its Indebtedness under the Senior Credit Facilities or the Revolving Credit Facility.

"*Refinancing Indebtedness*" means Indebtedness that is Incurred to refinance any Indebtedness existing on the date of the Indenture or Incurred in compliance with the Indenture (including Indebtedness of the Parent Guarantor that refinances Indebtedness of any Restricted Subsidiary (to the extent permitted in the Indenture) and Indebtedness of any Restricted Subsidiary that refinances Indebtedness of another Restricted Subsidiary) including Indebtedness that refinances Refinancing Indebtedness; *provided*, that (*1*) if the Indebtedness being refinanced is Subordinated Obligations or Guarantor Subordinated Obligations, the Refinancing Indebtedness has a final Stated Maturity at the time such Refinancing Indebtedness is Incurred that is equal to or greater than the final Stated Maturity of the Indebtedness being refinanced (or if shorter, the Notes), (*2*) such Refinancing Indebtedness is Incurred in an aggregate principal amount (or if issued with original issue discount, an aggregate issue price) that is equal to or less than the sum of (*x*) the aggregate principal amount (or if issued with original issue discount, the aggregate accreted value) then outstanding of the Indebtedness being refinanced, plus (*y*) fees, underwriting discounts, premiums and other costs and expenses incurred in connection with such Refinancing Indebtedness and (*3*) Refinancing Indebtedness shall not include (*x*) Indebtedness of a Restricted Subsidiary that is not the Issuer or a Subsidiary Guarantor that refinances Indebtedness of the Issuer, the Parent Guarantor or a Subsidiary Guarantor that could not have been initially Incurred by such Restricted Subsidiary pursuant to the covenant described under "—Certain Covenants—Limitation on Indebtedness" or (*y*) Indebtedness of the Parent Guarantor or a Restricted Subsidiary that refinances Indebtedness of an Unrestricted Subsidiary.

"*Related Business*" means those businesses in which the Parent Guarantor or any of its Subsidiaries is engaged on the date of the Indenture, or that are related, complementary, incidental or ancillary thereto or extensions, developments or expansions thereof.

"*Related Taxes*" means any taxes, charges or assessments, including but not limited to sales, use, transfer, rental, ad valorem, value added, stamp, property, consumption, franchise, license, capital, net worth, gross receipts, excise, occupancy, intangibles or similar taxes, charges or assessments (other than federal, state or local taxes measured by income and federal, state or local withholding imposed by any government or other taxing authority on payments made by any Parent other than to another Parent), required to be paid by any Parent by virtue of its being incorporated or having Capital Stock outstanding (but not by virtue of owning stock or other equity interests of any corporation or other entity other than the Parent Guarantor, any of its Subsidiaries or any Parent), or being a holding company parent of the Parent Guarantor, any of its Subsidiaries or any Parent or receiving dividends from or other distributions in respect of the Capital Stock of the Parent Guarantor, any of its Subsidiaries or any Parent, or having guaranteed any obligations of the Parent Guarantor or any Subsidiary thereof, or having made any payment in respect of any of the items for which the Parent Guarantor or any of its Subsidiaries is permitted to make payments to any Parent pursuant to the covenant described under "—Certain Covenants—Limitation on Restricted Payments," or acquiring, developing, maintaining, owning, prosecuting, protecting or defending its intellectual property and associated rights (including but not limited to receiving or paying royalties for the use thereof) relating to the business or businesses of the Parent Guarantor or any Subsidiary thereof, or any other U.S. federal, state, foreign, provincial or local taxes measured by income for which any Parent is liable up to an amount not to exceed, with respect to U.S. federal taxes, the amount of any such taxes that the Parent Guarantor and its Subsidiaries would have been required to pay on a separate company basis, or on a consolidated basis as if the Parent Guarantor had filed a consolidated return on behalf of an affiliated group (as defined in Section 1504 of the Code) of which it were the common parent, or with respect to state and local taxes, the amount of any such taxes that the Parent Guarantor and its Subsidiaries would have been required to pay on a separate company basis, or on a consolidated, combined, unitary or affiliated basis as if the Parent Guarantor had filed a consolidated,

combined, unitary or affiliated return on behalf of an affiliated group (as defined in the applicable state or local tax laws for filing such return) consisting only of the Parent Guarantor and its Subsidiaries. Taxes include all interest, penalties and additions relating thereto.

"*Rental Car Vehicles*" means all passenger Vehicles owned by or leased to the Parent Guarantor or a Restricted Subsidiary that are classified as "revenue earning equipment" in the consolidated financial statements of the Parent Guarantor and are or have been offered for lease or rental by any of the Parent Guarantor and its Restricted Subsidiaries in their car rental operations (and not, for the avoidance of doubt, in connection with any business or operations involving the leasing or renting of other types of Equipment), including any such Vehicles being held for sale.

"*Reorganization Assets*" means HERC Assets and any assets sold, leased, transferred or otherwise disposed of to any Franchisee or any Franchise Special Purpose Entity.

"*Restricted Payment Transaction*" means any Restricted Payment permitted pursuant to the covenant described under "—Certain Covenants—Limitation on Restricted Payments," any Permitted Payment, any Permitted Investment, or any transaction specifically excluded from the definition of the term "*Restricted Payment*" (including pursuant to the exception contained in clause (i) and the parenthetical exclusions contained in clauses (ii) and (iii) of such definition).

"*Restricted Subsidiary*" means any Subsidiary of the Parent Guarantor other than an Unrestricted Subsidiary. For the avoidance of doubt, the Issuer is a Restricted Subsidiary.

"*Revolving Credit Facility*" means the Revolving Facility Agreement, dated June 24, 2010, among the Issuer, the Guarantors, Crédit Agricole Corporate and Investment Bank, as agent and security agent, and the other parties listed thereto, as amended on June 22, 2011 and June 13, 2012, and as such agreement may be further amended, restated, supplemented, waived or otherwise modified from time to time, or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original banks, lenders or institutions or other banks, lenders or institutions or otherwise, and whether provided under the original Revolving Credit Facility or one or more other credit agreements, indentures, financing agreements or other revolving credit facilities or otherwise). Without limiting the generality of the foregoing, the term "*Revolving Credit Facility*", shall include any agreement (i) changing the maturity of any Indebtedness Incurred thereunder or contemplated thereby, (ii) adding Subsidiaries as additional borrowers or guarantors thereunder, (iii) increasing the amount of Indebtedness Incurred thereunder or available to be borrowed thereunder or (iv) otherwise altering the terms and conditions thereof, in each case, to the extent otherwise permitted by the Indenture.

"*SEC*" means the U.S. Securities and Exchange Commission.

"*Securities Act*" means the U.S. Securities Act of 1933, as amended.

"*Senior ABL Agreement*" means the Credit Agreement, dated as of March 11, 2011, among HERC; the Parent Guarantor; the Canadian borrowers party thereto; Deutsche Bank AG New York Branch, as administrative agent and collateral agent; Deutsche Bank AG Canada Branch, as Canadian agent and Canadian collateral agent; Wells Fargo Bank, National Association, as co-collateral agent; Wells Fargo Bank, National Association, as syndication agent; Bank of America, N.A., Barclays Bank PLC, Citibank, N.A., Crédit Agricole Corporate and Investment Bank and JPMorgan Chase Bank N.A., as co-documentation agents; the lenders party thereto from time to time; Wells Fargo Capital Finance, LLC and Deutsche Bank Securities Inc., as joint lead arrangers; Deutsche Bank Securities Inc., Barclays Capital, Citigroup Global Markets Inc., Crédit Agricole Corporate and Investment Bank, J.P. Morgan Securities LLC and Merrill Lynch, Pierce, Fenner & Smith Incorporated as joint bookrunning managers, as such agreement may be amended, supplemented, waived or otherwise modified from time to time or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original administrative agent and lenders or other agents and lenders or otherwise, and whether provided under the original Senior ABL Agreement or other credit agreements or otherwise, unless such agreement, instrument or document expressly provides that it is not intended to be and is not a Senior ABL Agreement).

"*Senior ABL Facility*" means the collective reference to the Senior ABL Agreement, any Loan Documents (as defined therein), any notes and letters of credit issued pursuant thereto and any guarantee and collateral agreement, patent and trademark security agreement, mortgages, letter of credit applications and other guarantees, pledge agreements, security agreements and collateral documents, and other instruments and documents, executed and delivered pursuant to or in connection with any of the foregoing, in each case as the same may be amended, supplemented, waived or otherwise modified from time to time, or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original agent and lenders or other agents and lenders or otherwise, and

whether provided under the original Senior ABL Agreement or one or more other credit agreements, indentures (including the Indenture) or financing agreements or otherwise, unless such agreement, instrument or document expressly provides that it is not intended to be and is not a Senior ABL Facility). Without limiting the generality of the foregoing, the term "*Senior ABL Facility*" shall include any agreement (*i*) changing the maturity of any Indebtedness Incurred thereunder or contemplated thereby, (*ii*) adding Subsidiaries of the Parent Guarantor or HERC as additional borrowers or guarantors thereunder, (*iii*) increasing the amount of Indebtedness Incurred thereunder or available to be borrowed thereunder or (*iv*) otherwise altering the terms and conditions thereof.

"*Senior Credit Agreements*" means, collectively, the Senior ABL Agreement and the Senior Term Agreement.

"*Senior Credit Facilities*" means, collectively, the Senior ABL Facility and the Senior Term Facility.

"*Senior Indebtedness*" means any Indebtedness of the Parent Guarantor or any Restricted Subsidiary other than, in the case of the Issuer or the Parent Guarantor, Subordinated Obligations, and in the case of any Subsidiary Guarantor, Guarantor Subordinated Obligations.

"*Senior Term Agreement*" means the Credit Agreement, dated as of March 11, 2011, among the Parent Guarantor; any other borrowers party thereto from time to time; Deutsche Bank AG New York Branch, as administrative agent and collateral agent; Wells Fargo Bank, National Association, as syndication agent; the lenders party thereto from time to time; Bank of America, N.A., Barclays Bank PLC, Citibank, N.A., Crédit Agricole Corporate and Investment Bank and JPMorgan Chase Bank N.A., as co-documentation agents; Deutsche Bank Securities Inc., Barclays Capital, Citigroup Global Markets Inc., Crédit Agricole Corporate and Investment Bank, J.P. Morgan Securities LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated and Wells Fargo Securities, LLC as joint lead arrangers and joint bookrunning managers, as such agreement may be amended, supplemented, waived or otherwise modified from time to time or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original administrative agent and lenders or other agents and lenders or otherwise, and whether provided under the original Senior Term Agreement or other credit agreements or otherwise, unless such agreement, instrument or document expressly provides that it is not intended to be and is not a Senior Term Agreement).

"*Senior Term Facility*" means the collective reference to the Senior Term Agreement, any Loan Documents (as defined therein), any notes and letters of credit issued pursuant thereto and any guarantee and collateral agreement, patent and trademark security agreement, mortgages, letter of credit applications and other guarantees, pledge agreements, security agreements and collateral documents, and other instruments and documents, executed and delivered pursuant to or in connection with any of the foregoing, in each case as the same may be amended, supplemented, waived or otherwise modified from time to time, or refunded, refinanced, restructured, replaced, renewed, repaid, increased or extended from time to time (whether in whole or in part, whether with the original agent and lenders or other agents and lenders or otherwise, and whether provided under the original Senior Term Agreement or one or more other credit agreements, indentures (including the Indenture) or financing agreements or otherwise, unless such agreement, instrument or document expressly provides that it is not intended to be and is not a Senior Term Facility). Without limiting the generality of the foregoing, the term "*Senior Term Facility*" shall include any agreement (*i*) changing the maturity of any Indebtedness Incurred thereunder or contemplated thereby, (*ii*) adding Subsidiaries of the Parent Guarantor as additional borrowers or guarantors thereunder, (*iii*) increasing the amount of Indebtedness Incurred thereunder or available to be borrowed thereunder or (*iv*) otherwise altering the terms and conditions thereof.

"*Significant Subsidiary*" means the Issuer and any Restricted Subsidiary that would be a "*significant subsidiary*" of the Parent Guarantor within the meaning of Rule 1-02 under Regulation S-X promulgated by the SEC, as such Regulation is in effect on the Issue Date.

"*Special Purpose Entity*" means (*x*) any Special Purpose Subsidiary or (*y*) any other Person that is engaged in the business of (*i*) acquiring, selling, collecting, financing or refinancing Receivables, accounts (as defined in the Uniform Commercial Code as in effect in any jurisdiction from time to time), other accounts and/or other receivables, and/or related assets, and/or (*ii*) acquiring, selling, leasing, financing or refinancing Vehicles and/or other Equipment, and/or related rights (including under leases, manufacturer warranties and buy-back programs, and insurance policies) and/or assets (including managing, exercising and disposing of any such rights and/or assets).

"*Special Purpose Financing*" means any financing or refinancing of assets consisting of or including Receivables, Vehicles and/or other Equipment of the Parent Guarantor or any Restricted Subsidiary that have been transferred to a Special Purpose Entity or made subject to a Lien in a Financing Disposition.

"*Special Purpose Financing Fees*" means distributions or payments made directly or by means of discounts with respect to any participation interest issued or sold in connection with, and other fees paid to a Person that is not a Restricted Subsidiary in connection with, any Special Purpose Financing.

"*Special Purpose Financing Undertakings*" means representations, warranties, covenants, indemnities, guarantees of performance and (subject to clause (y) of the proviso below) other agreements and undertakings entered into or provided by the Parent Guarantor or any of its Restricted Subsidiaries that the Parent Guarantor determines in good faith (which determination shall be conclusive) are customary or otherwise necessary or advisable in connection with a Special Purpose Financing or a Financing Disposition; provided that (*x*) it is understood that Special Purpose Financing Undertakings may consist of or include (*i*) reimbursement and other obligations in respect of notes, letters of credit, surety bonds and similar instruments provided for credit enhancement purposes or (*ii*) Hedging Obligations, or other obligations relating to Interest Rate Agreements, Currency Agreements or Commodities Agreements entered into by the Parent Guarantor or any Restricted Subsidiary, in respect of any Special Purpose Financing or Financing Disposition, and (*y*) subject to the preceding clause (x), any such other agreements and undertakings shall not include any Guarantee of Indebtedness of a Special Purpose Subsidiary by the Parent Guarantor or a Restricted Subsidiary that is not a Special Purpose Subsidiary.

"*Special Purpose Subsidiary*" means a Subsidiary of the Parent Guarantor that (*a*) is engaged solely in (*x*) the business of (*i*) acquiring, selling, collecting, financing or refinancing Receivables, accounts (as defined in the Uniform Commercial Code as in effect in any jurisdiction from time to time) and other accounts and receivables (including any thereof constituting or evidenced by chattel paper, instruments or general intangibles), all proceeds thereof and all rights (contractual and other), collateral and other assets relating thereto, and/or (*ii*) acquiring, selling, leasing, financing or refinancing Vehicles and/or other Equipment, and/or related rights (including under leases, manufacturer warranties and buy-back programs, and insurance policies) and/or assets (including managing, exercising and disposing of any such rights and/or assets), all proceeds thereof and all rights (contractual and other), collateral and other assets relating thereto, and (*y*) any business or activities incidental or related to such business, and (*b*) is designated as a "*Special Purpose Subsidiary*" by the Parent Guarantor.

"*S&P*" means Standard & Poor's Ratings Group, a division of The McGraw-Hill Companies, Inc., and its successors.

"*Stated Maturity*" means, with respect to any Indebtedness, the date specified in such Indebtedness as the fixed date on which the payment of principal of such Indebtedness is due and payable, including pursuant to any mandatory redemption provision (but excluding any provision providing for the repurchase or repayment of such Indebtedness at the option of the holder thereof upon the happening of any contingency).

"*Subordinated Obligations*" means any Indebtedness of the Parent Guarantor or the Issuer (whether outstanding on the date of the Indenture or thereafter Incurred) that is expressly subordinated in right of payment to the Notes pursuant to a written agreement.

"*Subsidiary*" of any Person means any corporation, association, partnership or other business entity of which more than 50% of the total voting power of shares of Capital Stock or other equity interests (including partnership interests) entitled (without regard to the occurrence of any contingency) to vote in the election of directors, managers or trustees thereof is at the time owned or controlled, directly or indirectly, by (*i*) such Person or (*ii*) one or more Subsidiaries of such Person.

"*Subsidiary Guarantee*" means any guarantee of the Notes that may from time to time be entered into by a Restricted Subsidiary of the Parent Guarantor on or after the Issue Date pursuant to the covenant described under "—Certain Covenants—Future Subsidiary Guarantors."

"*Subsidiary Guarantor*" means any Restricted Subsidiary of the Parent Guarantor (other than the Issuer) that enters into a Subsidiary Guarantee. As used in the Indenture, "Subsidiary Guarantor" refers to a Subsidiary Guarantor of the Notes. For the avoidance of doubt, as of the Issue Date, the Subsidiary Guarantors are expected to consist of: Hertz Belgium BVBA; Hertz Fleet Limited; Hertz Autovermietung GmbH; Hertz Fleet (Italiana) S.r.l; Hertz Italiana S.r.l.; Hertz Luxembourg S.à r.l.; Hertz New Zealand Holdings Limited; Hertz New Zealand Limited; Tourism Enterprises Limited; Cinelease Holdings, Inc.; Cinelease, Inc.; Cinelease, LLC; Dollar Rent A Car, Inc.; Dollar Thrifty Automotive Group, Inc.; Donlen Corporation; DTG Operations, Inc.; DTG Supply, Inc.; HCM Marketing Corporation; Hertz Car Sales, LLC; Hertz Claim Management Corporation; Hertz Entertainment Services Corporation; Hertz Equipment Rental Corporation; Hertz Global Services Corporation; Hertz Local Edition Corp.; Hertz Local Edition Transporting, Inc.; Hertz System, Inc.; Hertz Technologies, Inc.; Hertz Transporting, Inc.; Smartz Vehicle Rental Corporation; Thrifty Car Sales, Inc.; Thrifty, Inc.; Thrifty Insurance Agency, Inc.; Thrifty Rent-A-Car System, Inc.; and TRAC Asia Pacific, Inc.

"*Tax*" means any tax, duty, levy, impost, assessment or other governmental charge (including penalties and interest and any other additions thereto, and, for the avoidance of doubt, including any withholding or deduction for or on account of Tax). "*Taxes*" and "*Taxation*" shall be construed to have corresponding meanings.

"*Tax Sharing Agreement*" means the Tax Sharing Agreement, dated as of December 21, 2005, among the Parent Guarantor, Holding and Hertz Investors, as the same may be amended, supplemented, waived or otherwise modified from time to time in accordance with the terms thereof and of the Indenture.

"*Temporary Cash Investments*" means any of the following: (*i*) any investment in (*x*) direct obligations of the United States of America, a member state of the European Union or any country in whose currency funds are being held pending their application in the making of an investment or capital expenditure by the Parent Guarantor or a Restricted Subsidiary in that country or with such funds, or any agency or instrumentality of any thereof or obligations Guaranteed by the United States of America or a member state of the European Union or any country in whose currency funds are being held pending their application in the making of an investment or capital expenditure by the Parent Guarantor or a Restricted Subsidiary in that country or with such funds, or any agency or instrumentality of any of the foregoing, or obligations guaranteed by any of the foregoing or (*y*) direct obligations of any foreign country recognized by the United States of America rated at least "A" by S&P or "A-1" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any internationally recognized statistical rating organization), (*ii*) overnight bank deposits, and investments in time deposit accounts, certificates of deposit, bankers' acceptances and money market deposits (or, with respect to foreign banks, similar instruments) maturing not more than one year after the date of acquisition thereof issued by (*x*) any bank or other institutional lender under a Credit Facility or any affiliate thereof or (*y*) a bank or trust company that is organized under the laws of the United States of America, any state thereof or any foreign country recognized by the United States of America having capital and surplus aggregating in excess of $250.0 million (or the foreign currency equivalent thereof) and whose long term debt is rated at least "A" by S&P or "A-1" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any internationally recognized statistical rating organization) at the time such Investment is made, (*iii*) repurchase obligations with a term of not more than 30 days for underlying securities or instruments of the types described in clause (i) or (ii) above entered into with a bank meeting the qualifications described in clause (ii) above, (*iv*) Investments in commercial paper, maturing not more than 270 days after the date of acquisition, issued by a Person (other than that of the Parent Guarantor or any of its Subsidiaries), with a rating at the time as of which any Investment therein is made of "P-2" (or higher) according to Moody's or "A-2" (or higher) according to S&P (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any internationally recognized statistical rating organization), (*v*) Investments in securities maturing not more than one year after the date of acquisition issued or fully guaranteed by any state, commonwealth or territory of the United States of America, or by any political subdivision or taxing authority thereof, and rated at least "A" by S&P or "A" by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any internationally recognized statistical rating organization), (*vi*) Preferred Stock (other than of the Parent Guarantor or any of its Subsidiaries) having a rating of "A" or higher by S&P or "A2" or higher by Moody's (or, in either case, the equivalent of such rating by such organization or, if no rating of S&P or Moody's then exists, the equivalent of such rating by any internationally recognized statistical rating organization), (*vii*) investment funds investing 95% of their assets in securities of the type described in clauses (i) through (vi) above (which funds may also hold reasonable amounts of cash pending investment and/or distribution), (*viii*) any money market deposit accounts issued or offered by a domestic commercial bank or a commercial bank organized and located in a country recognized by the United States of America, in each case, having capital and surplus in excess of $250.0 million (or the foreign currency equivalent thereof), or investments in money market funds subject to the risk limiting conditions of Rule 2a- 7 (or any successor rule) of the SEC under the Investment Parent Guarantor Act of 1940, as amended, and (*ix*) similar investments approved by the Board of Directors in the ordinary course of business.

"*Trade Payables*" means, with respect to any Person, any accounts payable or any indebtedness or monetary obligation to trade creditors created, assumed or guaranteed by such Person arising in the ordinary course of business in connection with the acquisition of goods or services.

"*Transactions*" means, collectively, any or all of the following (whether or not consummated): the entry into the Indenture, the offer of the Notes, the issuance of the Notes and all other transactions relating to any of the foregoing (including payment of fees and expenses related to any of the foregoing).

"*Trustee*" means the party named as such in the Indenture until a successor replaces it and, thereafter, means the successor.

"*Unrestricted Subsidiary*" means (*i*) any Subsidiary of the Parent Guarantor that at the time of determination is an Unrestricted Subsidiary, as designated by the Board of Directors in the manner provided below, and (*ii*) any Subsidiary of an Unrestricted Subsidiary. The Board of Directors may designate any Subsidiary of the Parent Guarantor (including any newly acquired or newly formed Subsidiary of the Parent Guarantor), other than the Issuer and any direct or indirect parent entity of the Issuer, to be an Unrestricted Subsidiary unless such Subsidiary or any of its Subsidiaries owns any Capital Stock or Indebtedness of, or owns or holds any Lien on any property of, the Parent Guarantor or any other Restricted Subsidiary of the Parent Guarantor that is not a Subsidiary of the Subsidiary to be so designated; *provided*, that (*A*) such designation was made at or prior to the Issue Date, or (*B*) the Subsidiary to be so designated has total consolidated assets of $1,000 or less or (*C*) if such Subsidiary has consolidated assets greater than $1,000, then such designation would be permitted under the covenant described under "—Certain Covenants—Limitation on Restricted Payments." The Board of Directors may designate any Unrestricted Subsidiary to be a Restricted Subsidiary; *provided*, that immediately after giving effect to such designation (*x*) the Parent Guarantor could Incur at least $1.00 of additional Indebtedness under paragraph (a) in the covenant described under "—Certain Covenants—Limitation on Indebtedness" or (*y*) the Consolidated Coverage Ratio would be greater than it was immediately prior to giving effect to such designation or (*z*) such Subsidiary shall be a Special Purpose Subsidiary with no Indebtedness outstanding other than Indebtedness that can be Incurred (and upon such designation shall be deemed to be Incurred and outstanding) pursuant to paragraph (b) of the covenant described under "—Certain Covenants—Limitation on Indebtedness." Any such designation by the Board of Directors shall be evidenced to the Trustee by promptly filing with the Trustee a copy of the resolution of the Parent Guarantor's Board of Directors giving effect to such designation and an Officer's Certificate of the Parent Guarantor certifying that such designation complied with the foregoing provisions.

"*Vehicle Rental Concession*" means any right, whether or not exclusive, to conduct a Vehicle rental business at a Public Facility, or to pick up or discharge persons or otherwise to possess or use all or part of a Public Facility in connection with such a business, and any related rights or interests.

"*Vehicle Rental Concession Rights*" means any or all of the following: (*a*) any Vehicle Rental Concession, (*b*) any rights of the Parent Guarantor, any Restricted Subsidiary or any Franchisee under or relating to (*i*) any law, regulation, license, permit, request for proposals, invitation to bid, lease, agreement or understanding with a Public Facility Operator in connection with which a Vehicle Rental Concession has been or may be granted to the Parent Guarantor, any Restricted Subsidiary or any Franchisee and (*ii*) any agreement with, or Investment or other interest or participation in, any Person, property or asset required (*x*) by any such law, ordinance, regulation, license, permit, request for proposals, invitation to bid, lease, agreement or understanding or (*y*) by any Public Facility Operator as a condition to obtaining or maintaining a Vehicle Rental Concession, and (*c*) any liabilities or obligations relating to or arising in connection with any of the foregoing.

"*Vehicles*" means vehicles owned or operated by, or leased or rented to or by, the Parent Guarantor or any of its Subsidiaries, including automobiles, trucks, tractors, trailers, vans, sport utility vehicles, buses, campers, motor homes, motorcycles and other motor vehicles.

"*Voting Stock*" of an entity means all classes of Capital Stock of such entity then outstanding and normally entitled to vote in the election of directors or all interests in such entity with the ability to control the management or actions of such entity.

BOOK-ENTRY; DELIVERY AND FORM

General

The Notes issued on the Issue Date will be issued in the form of Global Notes in fully registered form without interest coupons and the Global Notes in aggregate will represent the aggregate principal amount of the outstanding Notes. Each Global Note will be deposited with, or on behalf of, a common depositary for the Euroclear System, which we refer to in this offering memorandum as "Euroclear," and for Clearstream Banking, *société anonyme*, which we refer to in this offering memorandum as "Clearstream."

The Issuer will issue Notes in denominations of €100,000 and in integral multiples of €1,000 in excess thereof. Notes in denominations of less than €100,000 will not be available.

Notes sold within the United States to QIBs pursuant to Rule 144A under the Securities Act will initially be represented by the 144A Global Note, and Notes sold outside the United States pursuant to Regulation S under the Securities Act will initially be represented by the Regulation S Global Note. On the Issue Date, the Global Notes will be deposited with, and registered in the name of, a common depositary for Euroclear and Clearstream, or its nominee which we refer to as "Book-Entry Interests." The Notes will not be eligible for clearance with The Depository Trust Company.

Book-Entry Interests will be limited to persons that have accounts with Euroclear and/or Clearstream or persons that may hold interests through such participants. Book-Entry Interests will be shown on, and transfers thereof will be effected only through, records maintained in book-entry form by Euroclear and/or Clearstream and their participants.

The Book-Entry Interests will not be held in definitive form. Instead, Euroclear and/or Clearstream will credit on their respective book-entry registration and transfer systems a participant's account with the Book-Entry Interest beneficially owned by such participant. The laws of some jurisdictions, including certain states of the United States, may require that certain purchasers of securities take physical delivery of such securities in definitive form. The foregoing limitations may impair the ability to own, transfer or pledge Book-Entry Interests. In addition, while the Notes are in global form, owners of interest in the Global Notes will not have Notes registered in their names, will not receive physical delivery of notes in certificated form and will not be considered the registered owners or "Noteholders" thereof under the Indenture for any purpose.

Physical Notes

Under the terms of the Indenture, owners of Book-Entry Interests will receive Physical Notes in registered form only in the following circumstances:

- if either Euroclear or Clearstream, or their common depositary, notifies us that it is unwilling or unable to continue to act as depositary and a successor depositary is not appointed by us within 120 days;
- if the Issuer, at its option, notifies the Trustee that it elects to cause the issuance of Physical Notes; or
- if either Euroclear or Clearstream, or their common depositary, requests such exchange in writing following an Event of Default under the Indenture that shall be continuing.

Euroclear has advised the Issuer that upon request by an owner of a Book-Entry Interest following an Event of Default (as defined under the Indenture), its current procedure is to request that the Issuer issue or cause to be issued Physical Notes to all owners of Book-Entry Interests.

In such an event, the registrar will issue Physical Notes, registered in the name or names and issued in any approved denominations, requested by or on behalf of Euroclear and/or Clearstream, as applicable (in accordance with their respective customary procedures and based upon directions received from participants reflecting the beneficial ownership of Book-Entry Interests), and such Physical Notes will bear a restrictive legend with respect to certain transfer restrictions, unless that legend is not required by the Indenture or applicable law.

To the extent permitted by law, the Issuer, the Trustee, the Paying Agent, the transfer agent and the registrar shall be entitled to treat the registered holder of any Global Note as the absolute owner thereof.

The Issuer will not impose any fees or other charges in respect of the Notes except as set forth under the Indenture; however, holders of the Book-Entry Interests may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear and/or Clearstream.

So long as the Notes are held in global form, the common depositary for Euroclear and/or Clearstream (or its nominee) will be considered the sole Holder of Global Notes for all purposes under the Indenture. As such, participants must rely on the procedures of Euroclear and Clearstream and indirect participants must rely on the procedures of the participants through which they own Book-Entry Interests in order to exercise any rights of Noteholders under the Indenture.

Neither the Trustee nor any of its agents will have any responsibility or be liable for any aspect of the records relating to the Book-Entry Interests.

Redemption of Global Notes

In the event either Global Note, or any portion thereof, is redeemed, Euroclear and/or Clearstream, as applicable, will distribute the amount received by them in respect of the Global Note so redeemed to the holders of the Book-Entry Interests in such Global Note from the amount received by it in respect of the redemption of such Global Note. The redemption price payable in connection with the redemption of such Book-Entry Interests will be equal to the amount received by Euroclear or Clearstream, as applicable, in connection with the redemption of such Global Note (or any portion thereof). The Issuer understands that under existing practices of Euroclear and Clearstream, if fewer than all of the Notes are to be redeemed at any time, Euroclear and Clearstream will credit their respective participants' accounts on a proportionate basis (with adjustments to prevent fractions) or on such other basis as they deem fair and appropriate; provided, however, that no Book-Entry Interest of less than €100,000 in principal amount may be redeemed in part.

Payments on Global Notes

Payments of any amounts owing in respect of the Global Notes (including principal, premium interest and Additional Amounts) will be made by the Issuer in Euros to the Paying Agent. The Paying Agent will, in turn, make such payments to the common depositary for Euroclear and/or Clearstream, which will distribute such payments to participants in accordance with their respective procedures.

Under the terms of the Indenture, the Issuer and the Trustee will treat the registered holder of the Global Notes (e.g., the common depositary or its nominee) as the owner thereof for the purpose of receiving payments and for all other purposes. Consequently, neither the Issuer, the Trustee nor any of their respective agents has or will have any responsibility or liability for:

- any aspect of the records of Euroclear, Clearstream or any participant or indirect participant relating to or payments made on account of a Book-Entry Interest, for any such payments made by Euroclear, Clearstream or any participant or indirect participants, or for maintaining, supervising or reviewing any of the records of Euroclear, Clearstream or any participant or indirect participant relating to or payments made on account of a Book-Entry Interest; or

- Euroclear, Clearstream or any participant or indirect participant.

Payments by participants to owners of Book-Entry Interests held through participants are the responsibility of such participants, as is now the case with securities held for the accounts of customers registered in "street name."

In order to tender Book Entry Interests in a Change of Control Offer or an Offer, the Holder of the applicable Global Note must, within the time period specified in such offer, give notice of such tender to the Paying Agent and specify the principal amount of Book-Entry Interests to be tendered.

Action by Owners of Book-Entry Interests

Euroclear and Clearstream have advised the Issuer that they will take any action permitted to be taken by a Holder (including the presentation of Notes for exchange as described above) only at the direction of one or more participants to whose account the Book-Entry Interests in the Global Notes are credited and only in respect of such portion to the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. Euroclear and Clearstream will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of

the Global Notes. However, if there occurs an Event of Default that is continuing under the Notes, each of Euroclear and Clearstream reserves the right to exchange the Global Notes for Physical Notes in certificated form, and to distribute such Physical Notes to its participants.

Global Clearance and Settlement under the Book-Entry System

Initial Settlement

Initial settlement for the Notes will be made in euros. Book-Entry Interests owned through Euroclear or Clearstream accounts will follow the settlement procedures applicable to conventional eurobonds in registered form. Book- Entry Interests will be credited to the securities custody accounts of Euroclear and Clearstream holders on the business day following the settlement date against payment for value on the settlement date.

Secondary Market Trading

The Book-Entry Interests will trade through participants of Euroclear or Clearstream and will settle in same-day funds. Since the purchase determines the place of delivery, it is important to establish at the time of trading of any Book-Entry Interests where both the purchaser's and seller's accounts are located to ensure that settlement can be made on the desired value date.

Information Concerning Euroclear and Clearstream

Euroclear and Clearstream hold securities for participating organizations and facilitate the clearance and settlement of securities transactions between their respective participants through electronic book-entry changes in accounts of such participants. Euroclear and Clearstream provide to their participants, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream interface with domestic securities markets. Euroclear and Clearstream participants are financial institutions such as underwriters, securities brokers and dealers, banks, trust companies and certain other organizations. Indirect access to Euroclear or Clearstream is also available to others such as banks, brokers, dealers and trust companies that clear through or maintain a custodian relationship with a Euroclear or Clearstream participant, either directly or indirectly.

TAX CONSIDERATIONS

Certain United States Federal Income Tax Considerations

TO ENSURE COMPLIANCE WITH U.S. TREASURY DEPARTMENT CIRCULAR 230, EACH TAXPAYER IS HEREBY NOTIFIED THAT: (A) ANY DISCUSSION OF U.S. FEDERAL TAX ISSUES IN THIS OFFERING MEMORANDUM IS NOT INTENDED OR WRITTEN TO BE USED, AND CANNOT BE USED, BY A TAXPAYER FOR THE PURPOSE OF AVOIDING PENALTIES THAT MAY BE IMPOSED ON THE TAXPAYER UNDER U.S. FEDERAL TAX LAW; (B) ANY SUCH DISCUSSION IS WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE NOTES IN THIS OFFERING; AND (C) THE TAXPAYER SHOULD SEEK ADVICE BASED ON ITS PARTICULAR CIRCUMSTANCES FROM AN INDEPENDENT TAX ADVISOR.

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The following is a summary of certain U.S. federal income tax consequences of the acquisition, ownership and disposition of the Notes by a U.S. Holder (as defined below). This summary deals only with initial purchasers of Notes at the "issue price" (the first price at which a substantial amount of the Notes is sold for cash to investors other than to bond houses, brokers or similar persons acting in the capacity of underwriters, placement agents or wholesalers) that are U.S. Holders and that will hold the Notes as capital assets (generally, property held for investment). The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of the Notes by any particular investor, and does not address state, local, foreign or other tax laws. This summary also does not discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as banks or other financial institutions, insurance companies, dealers in securities or other persons that generally mark their securities to market for U.S. federal income tax purposes, tax-exempt entities, retirement plans, regulated investment companies, real estate investment trusts, former citizens or residents of the U.S., partnerships or other pass-through entities (or investors therein), persons that hold the Notes as part of a straddle, hedge, conversion or other integrated transaction, persons subject to the alternative minimum tax or U.S. Holders that have a "functional currency" other than the U.S. dollar.

As used herein, the term "U.S. Holder" means a beneficial owner of a Note that is, for U.S. federal income tax purposes, (i) an individual who is a citizen or resident of the United States, (ii) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof, or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source or (iv) a trust (x) with respect to which a court within the United States is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all of its substantial decisions, or (y) that has in effect a valid election under applicable U.S. Treasury regulations to be treated as a U.S. person.

If an entity treated as a partnership for U.S. federal income tax purposes invests in a Note, the tax treatment of a partner of such entity will depend in part upon the status and activities of the entity and of the particular partner. Any such entity should consult its own tax advisor regarding the U.S. federal income tax consequences applicable to it and its partners relating to the acquisition, ownership and disposition of the Notes.

This summary is based on the tax laws of the United States, including the Internal Revenue Code of 1986, as amended, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as in effect on the date hereof, and all of which are subject to change or to different interpretation, possibly with retroactive effect. This summary is for general information only and is not tax advice. This summary is not binding on the Internal Revenue Service ("IRS") or a court. We have not sought, and do not intend to seek, any ruling from the IRS with respect to any of the statements made in this summary, and there can be no assurance that the IRS will not take a position contrary to these statements, or that a contrary position taken by the IRS would not be sustained by a court.

PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR OWN TAX ADVISORS REGARDING THE U.S. FEDERAL, STATE AND LOCAL AND NON-U.S. TAX CONSIDERATIONS RELATING TO THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE NOTES IN LIGHT OF THEIR PARTICULAR CIRCUMSTANCES.

Effect of Certain Contingent Payments

In certain circumstances, we are required to make payments on the Notes in addition to stated interest and principal (*see, e.g.* "Description of Notes—Optional Redemption," "Description of Notes—Redemption for Changes in Taxes," "Description of Notes—Change of Control," and "Description of Notes—Additional Amounts"). U.S. Treasury regulations

provide special rules for contingent payment debt instruments which, if applicable, could cause the timing, amount and character of a U.S. Holder's income, gain or loss with respect to the Notes to be different from those described below. For purposes of determining whether a debt instrument is a contingent payment debt instrument, remote or incidental contingencies are ignored. We intend to treat the possibility of our making any of the above payments as remote and/or to treat such payments as incidental. Accordingly, we do not intend to treat the Notes as contingent payment debt instruments. Our position will be binding on all U.S. Holders, except a U.S. Holder that discloses its differing position in a statement attached to its timely filed U.S. federal income tax return for the taxable year during which the Notes were acquired by such U.S. Holder. However, our position is not binding on the IRS. If the IRS were to successfully challenge our position, a U.S. Holder might be required to accrue ordinary income on the Notes in excess of stated interest, to treat as ordinary income, rather than capital gain, any gain recognized on the taxable disposition of the Notes before the resolution of the contingencies, and to recognize foreign currency exchange gain or loss with respect to such income. In any event, if we actually make any such additional payment, the timing, amount and character of a U.S. Holder's income, gain or loss with respect to the Notes may be affected. The remainder of this discussion assumes that the Notes will not be treated as contingent payment debt instruments.

Payments of Interest

General

Interest on a Note will be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, depending on the holder's method of accounting for U.S. federal income tax purposes. It is expected, and this summary assumes, that the Notes will not be treated as issued with "original issue discount" for U.S. federal income tax purposes. Interest paid by the Issuer on the Notes generally will be considered income from sources outside the United States and, for purposes of the U.S. foreign tax credit, generally will be considered passive category income. U.S. Holders should consult their tax advisors concerning the applicability of the U.S. foreign tax credit and source of income rules to income attributable to the Notes.

Foreign Currency Denominated Interest

The amount of interest income recognized by a cash basis U.S. Holder will be the U.S. dollar value of the Euro interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars.

An accrual basis U.S. Holder may determine the amount of income recognized with respect to an interest payment denominated in Euros in accordance with either of two methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, in the case of an accrual period that spans two taxable years of a U.S. Holder, the part of the period within the taxable year).

Under the second method, a U.S. Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period (or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year). Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period, an electing accrual basis U.S. Holder may instead translate the accrued interest into U.S. dollars at the exchange rate in effect on the day the payment is received. A U.S. Holder that elects to use this second method must apply it consistently to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies and any debt instruments thereafter acquired by the U.S. Holder, and the U.S. Holder cannot revoke the election without the consent of the IRS.

Upon receipt of a Euro interest payment (including a payment attributable to accrued but unpaid interest upon the sale or retirement of a Note), an accrual basis U.S. Holder will generally recognize U.S. source exchange gain or loss (which is taxable as ordinary income or loss, and is generally not treated as an adjustment to interest income or expense) equal to the difference, if any, between the amount received (translated into U.S. dollars at the spot rate on the date of receipt) and the amount previously accrued in U.S. dollars with respect to such payment, regardless of whether the payment is in fact converted into U.S. dollars.

Sale, Exchange, Redemption, Retirement or Other Taxable Disposition of the Notes

Upon the sale, exchange, redemption, retirement or other taxable disposition of a Note, a U.S. Holder generally will recognize gain or loss in an amount equal to the difference, if any, between (i) the amount realized on such disposition (*i.e.*, the amount of cash and the fair market value of any property received, excluding amounts attributable to accrued but unpaid

interest, which will be taxable as ordinary income to such U.S. Holder, to the extent not previously included in income) and (ii) such U.S. Holder's "adjusted tax basis" in such Note. A U.S. Holder's "adjusted tax basis" in a Note is generally its U.S. dollar cost (as defined below). The U.S. dollar cost of a Note purchased with Euros will generally be the U.S. dollar value of the purchase price on the date of purchase, or the settlement date for the purchase, in the case of Notes traded on an established securities market, as defined in the applicable U.S. Treasury regulations, that are purchased by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects). The amount realized on a sale, exchange, redemption, retirement or other taxable disposition for an amount in Euros will be the U.S. dollar value of this amount on the date of such disposition, or the settlement date for the sale, in the case of Notes traded on an established securities market sold by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects). A U.S. Holder that makes the election described above must apply it consistently to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies and any debt instruments thereafter acquired by such U.S. Holder, and such U.S. Holder cannot revoke the election without the consent of the IRS. If a Note is not traded on an established securities market (or, if a Note is so traded, but a U.S. Holder is an accrual basis taxpayer that has not made the settlement date election), a U.S. Holder will recognize foreign currency gain or loss (taxable as ordinary income or loss) to the extent that the U.S. dollar value of the Euros received on the settlement date differs from the U.S. dollar value of the amount realized on the date of the taxable disposition.

A U.S. Holder will recognize U.S. source exchange rate gain or loss (taxable as ordinary income or loss) on the sale, exchange, redemption, retirement or other taxable disposition of a Note equal to the difference, if any, between the U.S. dollar values of the U.S. Holder's purchase price for the Note (i) on the date of such disposition and (ii) on the date on which the U.S. Holder acquired the Note. Any such exchange rate gain or loss (including any exchange gain or loss with respect to the receipt of accrued but unpaid interest) will be realized only to the extent of total gain or loss realized on the taxable disposition.

Except to the extent attributable to changes in exchange rates, gain or loss recognized by a U.S. Holder on the sale, exchange, redemption, retirement or other taxable disposition of a Note will be U.S. source capital gain or loss and will be long-term U.S. source capital gain or loss if the Note was held by the U.S. Holder for more than one year. For certain non-corporate holders (including individuals), any such long-term capital gain is currently subject to U.S. federal income tax at preferential rates. The deductibility of capital losses is subject to limitations. Prospective purchasers should consult their tax advisors as to the foreign tax credit implications of the sale, exchange, redemption, retirement or other taxable disposition of Notes.

Disposition of Foreign Currency

A U.S. Holder's tax basis in the Euros received as interest on a Note or on the sale or retirement of a Note will be the U.S. dollar value of the Euros at the time the Euros are received. In addition, foreign currency that is purchased will generally have a tax basis equal to the U.S. dollar value of the foreign currency on the date of purchase. Any gain or loss recognized on a sale or other disposition of a foreign currency (including its use to purchase Notes or upon exchange for U.S. dollars) generally will be U.S. source ordinary income or loss.

Backup Withholding and Information Reporting

Payments of principal and interest on, and the proceeds of the sale or other disposition of Notes by a U.S. paying agent or other U.S. intermediary will be reported to the IRS and to the U.S. Holder as may be required under applicable regulations. Backup withholding may apply to these payments if the U.S. Holder fails to provide an accurate taxpayer identification number and fails to report all interest and dividends required to be shown on its U.S. federal income tax returns, or otherwise fails to establish its exempt status. Certain U.S. Holders (including, among others, corporations) generally are not subject to backup withholding. U.S. Holders should consult their tax advisors as to their qualification for exemption from backup withholding and the procedure for obtaining an exemption.

Reportable Transactions

A U.S. taxpayer that participates in a "reportable transaction" will be required to disclose its participation to the IRS. Under the relevant rules, if the Notes are denominated in a foreign currency, a U.S. Holder may be required to treat a foreign currency exchange loss from the Notes as a reportable transaction if this loss exceeds the relevant threshold in the regulations ($50,000 in a single taxable year if the U.S. Holder is an individual or trust, or higher amounts for other non-individual U.S. Holders), and to disclose its investment by filing Form 8886 with the IRS. Prospective purchasers should consult their tax advisors regarding the application of these rules.

Foreign Financial Asset Reporting

Certain U.S. Holders may be required to report information relating to their holding of certain foreign financial assets, including debt of foreign entities, if the aggregate value of all of these assets exceeds $50,000. The Notes are expected to constitute foreign financial assets subject to these requirements unless the Notes are held in an account at certain financial institutions. U.S. Holders should consult their tax advisors regarding their reporting obligations with respect to the Notes.

Certain Dutch Tax Considerations

Introduction

The following summary does not purport to be a comprehensive description of all Dutch tax considerations that could be relevant to holders of the Notes. This summary is intended for general information only. Each prospective holder should consult a professional tax adviser with respect to the tax consequences of an investment in the Notes. This summary is based on Dutch tax legislation and published case law in force as of the date of this document. It does not take into account any developments or amendments thereof after that date, whether or not such developments or amendments have retroactive effect. For the purposes of this section, "the Netherlands" shall mean that part of the Kingdom of the Netherlands that is in Europe.

Scope

Regardless of whether or not a holder of Notes is, or is treated as being, a resident of the Netherlands, this summary, with the exception of the section on withholding tax below, does not address the Netherlands tax consequences for such a holder:

(i) having a substantial interest (*aanmerkelijk belang*) in the Issuer (such a substantial interest is generally present if an equity stake of at least 5%, or a right to acquire such a stake, is held, in each case by reference to the Issuer's total issued share capital, or the issued capital of a certain class of shares);

(ii) who is a private individual and who may be taxed in box 1 for the purposes of Netherlands income tax (*inkomstenbelasting*) as an entrepreneur (*ondernemer*) having an enterprise (*onderneming*) to which the Notes are attributable, or who may otherwise be taxed in box 1 with respect to benefits derived from the Notes;

(iii) which is a corporate entity and a taxpayer for the purposes of Netherlands corporate income tax (*vennootschapsbelasting*), having a participation (*deelneming*) in the Issuer (such a participation is generally present in the case of an interest of at least 5% of the Issuer's nominal paid-in capital);

(iv) which is a corporate entity and an exempt investment institution (*vrijgestelde beleggingsinstelling*) or investment institution (*beleggingsinstelling*) for the purposes of Netherlands corporate income tax, a pension fund, or otherwise not a taxpayer or exempt for tax purposes;

(v) which is a corporate entity and a resident of Aruba, Curaçao or Sint Maarten; or

(vi) which is not considered the beneficial owner (*uiteindelijk gerechtigde*) of the Notes and/or the benefits derived from the Notes.

This summary does not describe the Netherlands tax consequences for a person to whom the Notes are attributed on the basis of the separated private assets provisions (*afgezonderd particulier vermogen*) in the Netherlands Income Tax Act 2001 (*Wet inkomstenbelasting 2001*) and/or the Netherlands Gift and Inheritance Tax Act 1956 (*Successiewet 1956*).

Withholding Tax

All payments made by the Issuer under the Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

Income Tax

Resident Holders

A holder who is a private individual and a resident, or treated as being a resident of the Netherlands for the purposes of Netherlands income tax, must record Notes as assets that are held in box 3. Taxable income with regard to the Notes is then determined on the basis of a deemed return on income from savings and investments (*sparen en beleggen*), rather than on the basis of income actually received or gains actually realised. This deemed return is fixed at a rate of 4% of the holder's yield basis (*rendementsgrondslag*) at the beginning of the calendar year, insofar as the yield basis exceeds a certain threshold (*heffingvrij vermogen*). Such yield basis is determined as the fair market value of certain qualifying assets held by the holder of the Notes, less the fair market value of certain qualifying liabilities at the beginning of the calendar year. The fair market value of the Notes will be included as an asset in the holder's yield basis. The deemed return on income from savings and investments is taxed at a rate of 30%.

Non-resident Holders

A holder who is a private individual and neither a resident, nor treated as being a resident, of the Netherlands for the purposes of Netherlands income tax, will not be subject to such tax in respect of benefits derived from the Notes, unless such holder is entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise which is effectively managed in the Netherlands, to which enterprise the Notes are attributable.

Corporate Income Tax

Resident Holders

A holder which is a corporate entity and, for the purposes of Netherlands corporate income tax, a resident, or treated as being a resident, of the Netherlands, is taxed in respect of benefits derived from the Notes at rates of up to 25%.

Non-resident Holders

A holder which is a corporate entity and, for the purposes of Netherlands corporate income tax, is neither a resident, nor treated as being a resident, of the Netherlands, will not be subject to corporate income tax, unless such holder has an interest in an enterprise that is, in whole or in part, carried on through a permanent establishment or a permanent representative in the Netherlands, a Netherlands Enterprise (*Nederlandse onderneming*), to which Netherlands Enterprise the Notes are attributable, or such holder is (other than by way of securities) entitled to a share in the profits of an enterprise or a co-entitlement to the net worth of an enterprise, which is effectively managed in the Netherlands and to which enterprise the Notes are attributable. Such holder is taxed in respect of benefits derived from the Notes at rates of up to 25%.

Gift and Inheritance Tax

Resident Holders

Netherlands gift tax or inheritance tax (*schenk- of erfbelasting*) will arise in respect of an acquisition (or deemed acquisition) of Notes by way of a gift by, or on the death of, a holder of Notes who is a resident, or treated as being a resident, of the Netherlands for the purposes of Netherlands gift and inheritance tax at the time of the gift or his/her death.

Non-resident Holders

No Netherlands gift tax or inheritance tax will arise in respect of an acquisition (or deemed acquisition) of Notes by way of a gift by, or on the death of, a holder of Notes who is neither a resident, nor treated as being a resident, of the Netherlands for the purposes of Netherlands gift and inheritance tax unless the acquisition is otherwise construed as a gift or inheritance made by, or on behalf of, a person who, at the time of the gift or death, is deemed to be resident in The Netherlands.

Other Taxes

No Netherlands turnover tax (*omzetbelasting*) will arise in respect of any payment in consideration for the issue of Notes, with respect to any cash settlement of Notes or with respect to the delivery of Notes. Furthermore, no Netherlands

registration tax, capital tax, transfer tax or stamp duty (nor any other similar documentary tax or duty) will be payable in connection with the issue or acquisition of the Notes.

Residency

A holder will not become a resident, or a deemed resident, of the Netherlands for Netherlands tax purposes by reason only of holding the Notes.

EU Directive on the Taxation of Savings Income

The EU has adopted a Directive regarding the taxation of savings income (EC Council Directive 2003/48/EC) (the "EU Directive"). The EU Directive requires Member States to provide to the tax authorities of other Member States details of payments of interest and other similar income paid by a person established within its jurisdiction to (or for the benefit of) an individual or to certain other persons in another Member State, except that Austria and Luxembourg will instead impose a withholding system for a transitional period (subject to a procedure whereby, on meeting certain conditions, the beneficial owner of the interest or other income may request that no tax be withheld) unless during such period they elect otherwise (the ending of such transitional period being dependent upon the conclusion of certain other agreements relation to information exchange with certain other countries). Luxembourg has announced that it will no longer apply the withholding tax system as from January 1, 2015 and will provide details of payments of interest (or similar income) as from this date. The European Commission has proposed certain amendments to the EU Directive, which may, if implemented, amend or broaden the scope of the requirements described above. A number of third countries and territories including Switzerland have adopted similar measures to the EU Directive.

PLAN OF DISTRIBUTION

We will enter into a purchase agreement with Barclays Bank PLC, as Representative of the several Initial Purchasers, pursuant to which, and subject to the conditions therein, we have agreed to sell to the Initial Purchasers, and the Initial Purchasers have severally, and not jointly, agreed to purchase from us the principal amount of the Notes set forth opposite their names below:

Initial Purchasers	Principal Amount of Notes
Barclays Bank PLC	€106,250,000
Crédit Agricole Corporate and Investment Bank	€53,125,000
Deutsche Bank AG, London Branch	€23,906,250
J.P. Morgan Securities plc	€42,500,000
Natixis	€42,500,000
Wells Fargo Securities International Limited	€42,500,000
BNP Paribas	€23,906,250
Lloyds Bank plc	€42,500,000
The Royal Bank of Scotland plc	€23,906,250
UniCredit Bank AG	€23,906,250
Total	€425,000,000

The purchase agreement will provide that the Initial Purchasers' obligation to purchase the Notes depends on the satisfaction of the conditions contained in the purchase agreement including:

- the obligation to purchase all of the Notes offered hereby, if any of the Notes are purchased;
- the representations and warranties made by us to the Initial Purchasers are true;
- there is no material adverse change in the business of the Parent Guarantor and its subsidiaries or the financial markets; and
- we, the Issuer and the Subsidiary Guarantors deliver customary closing documents to the Initial Purchasers.

Upon the closing of this offering, the Initial Purchasers will purchase the Notes at a customary discount from the initial issue price of the Notes indicated on the cover of this offering memorandum. After the initial offering of the Notes, the price and other selling terms at which the Notes may be sold may be changed at any time without notice. The offering of the Notes by the Initial Purchasers is subject to receipt and acceptance and subject to the Initial Purchasers' right to reject any order in whole or in part.

Persons who purchase Notes from the Initial Purchasers may be required to pay stamp duty, taxes and other charges in accordance with the laws and practice of the country of purchase in addition to the offering price set forth on the cover page hereof.

Lock-Up

During the period beginning from the date of the purchase agreement and continuing until the date and time of payment for and delivery of the Notes, without the prior written consent of Barclays Bank PLC, we have agreed that neither we nor any of the Guarantors will offer, sell, contract to sell or otherwise dispose of, any debt securities issued, guaranteed or granted by the Issuer or any Guarantor (other than the Notes and the exchange notes to be issued in exchange for Hertz's $250,000,000 in aggregate principal amount of 4.250% Senior Notes due 2018 and the guarantees thereof).

Indemnification

We have agreed to indemnify the Initial Purchasers against certain liabilities, including liabilities under the Securities Act, or to contribute to payments that the Initial Purchasers may be required to make in respect of those liabilities.

Stabilization and Short Positions

In connection with the offering of the Notes, the Initial Purchasers (or persons acting on behalf of the Initial Purchasers) may over allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, there is no assurance that the Initial Purchasers (or persons acting on behalf of the Initial Purchasers) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offering of the Notes is made and, if begun, may be ended at any time, but it must end no later than 30 days after the date on which the Issuer received the proceeds of the issue, or no later than 60 days after the date of the allotment of the Notes, whichever is the earlier.

Rule 144A and Regulation S

The Notes have not been registered under the Securities Act or any state securities laws, and unless so registered, may not be offered or sold within the U.S., or to or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. See "Transfer Restrictions." The Notes have no established trading market. The Initial Purchasers have advised us of their intention to make a market for the Notes, but have no obligation to do so and may discontinue market-making at any time without providing any notice. We cannot assure you as to the liquidity of any trading market for the Notes. In addition, any market-making activities will be subject to the limits imposed by the Securities Act and the Exchange Act, and may be limited during an exchange offer or the pendency of a shelf registration statement.

We have been advised by the Initial Purchasers that the Initial Purchasers propose to resell the Notes to (i) qualified institutional buyers in reliance on Rule 144A under the Securities Act and (ii) outside the United States to certain non-U.S. persons in reliance on Regulation S under the Securities Act. See "Transfer Restrictions."

The Initial Purchasers have acknowledged and agreed that, except as permitted by the purchase agreement, in connection with sales outside the United States, they will not offer, sell or deliver the Notes to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering or the date the Notes were originally issued. The Initial Purchasers will send to each dealer to whom they sell the Notes in reliance on Regulation S during the 40-day distribution compliance period, a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings assigned to them in Regulation S under the Securities Act.

In addition, until the expiration of the 40-day distribution compliance period referred to above, an offer or sale of the Notes within the United States by a dealer (whether or not participating in this offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A under the Securities Act or pursuant to another exemption from registration under the Securities Act.

European Economic Area

This offering memorandum has been prepared on the basis that all offers of the Notes will be made pursuant to an exemption under the Prospectus Directive from the requirement to produce a prospectus for offers of the Notes. In relation to each Member State of the EEA which has implemented the Prospectus Directive (each, a "Relevant Member State"), with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State, no offer of Notes to the public in that Relevant Member State may be made other than:

- to any legal entity which is a qualified investor as defined in the Prospectus Directive;
- to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive (as defined below), 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive; or
- in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes shall require us or any Initial Purchaser to publish a prospectus pursuant to Article 3 of the Prospectus Directive. Accordingly, any person making or intending to make any offer within the EEA of the Notes should only do so in circumstances in which no obligation arises for us or any of the Initial Purchasers to produce a

prospectus for such offer. Neither we nor the Initial Purchasers have authorized, nor do they authorize, the making of any offer of Notes through any financial intermediary, other than offers made by the Initial Purchasers, which constitute the final placement of the Notes contemplated in this offering memorandum.

The issue and distribution of this offering memorandum is restricted by law. This offering memorandum is not being distributed by, nor has it been approved for the purposes of section 21 of the Financial Services and Markets Act 2000 by, a person authorized under the Financial Services and Markets Act 2000. In the United Kingdom, this offering memorandum is for distribution only to persons who (i) have professional experience in matters relating to investments (being investment professionals falling within Article 19(5) of the Financial Promotion Order; (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the Financial Promotion Order; (iii) are outside the United Kingdom; or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any Notes may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "relevant persons"). The Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, (1) in the United Kingdom, relevant persons and (2) in any member state of the EEA other than the United Kingdom, "qualified investors" ("Qualified Investors") within the meaning of Article 2(1)(e) of the Prospectus Directive. This offering memorandum and its contents should not be acted upon or relied upon (1) in the United Kingdom, by persons who are not relevant persons or (2) in any member state of the EEA other than the United Kingdom, by persons who are not Qualified Investors. No part of this offering memorandum should be published, reproduced, distributed or otherwise made available in whole or in part to any other person without the prior written consent of the Issuer.

For the purposes of this section, the expression an "offer of Notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State. The expression "Prospectus Directive" means Directive 2003/71/EC (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State), and includes any relevant implementing measure in the Relevant Member State and the expression "2010 PD Amending Directive" means Directive 2010/73/EU.

Switzerland

This offering memorandum, as well as any other material relating to the Notes which are the subject of the offering contemplated by this offering memorandum, do not constitute an issue prospectus pursuant to article 652a and/or article 1156 of the Swiss Code of Obligations and may not comply with the Directive for Notes of Foreign Borrowers of the Swiss Bankers Association. The Notes will not be listed on the SIX Swiss Exchange Ltd., and, therefore, the documents relating to the Notes, including, but not limited to, this offering memorandum, do not claim to comply with the disclosure standards of the Swiss Code of Obligations and the listing rules of SIX Swiss Exchange Ltd. and corresponding prospectus schemes annexed to the listing rules of the SIX Swiss Exchange Ltd. The Notes are being offered in Switzerland by way of a private placement (i.e. to a small number of selected investors only), without any public advertisement and only to investors who do not purchase the Notes with the intention to distribute them to the public. The investors will be individually approached directly from time to time. This offering memorandum, as well as any other material relating to the Notes, may only be used by those investors to whom it has been handed out in connection with the offering described herein and may neither directly nor indirectly be distributed or made available to other persons without the Issuer's express consent. This offering memorandum, as well as any other material relating to the Notes, may not be used in connection with any other offer and shall in particular not be copied and/or distributed to the public in (or from) Switzerland.

The Netherlands

In The Netherlands the Notes may be offered, sold, delivered and transferred to qualified investors (*gekwalificeerde beleggers*) within the meaning of article 1:1 of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) only.

Ireland

Each of the Initial Purchasers represents warrants and agrees that:

(a) it will not underwrite the issue of, or place the Notes, otherwise than in conformity than with the provisions of S.I. No. 60 of 2007, European Communities (Markets in Financial Instruments) Regulations 2007

(MiFID Regulations), including, without limitation, Parts 6, 7, and 12 thereof and the provisions of the Investor Compensation Act 1998;

(b) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Irish Central Bank Acts 1942 - 2013 and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1998;

(c) it will not underwrite the issue of, or place, or do anything in Ireland in respect of the Notes otherwise than in conformity with the provisions of the Irish Prospectus (Directive 2003/71/EC) Regulations 2005 and any rules issued under Section 51 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005, by the Central Bank of Ireland; and

(d) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Irish Market Abuse (Directive 2003/6/EC) Regulations 2005 and any rules issued under Section 34 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Central Bank of Ireland.

Hong Kong

The Notes may not be offered or sold by means of any document other than (i) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), or (ii) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder or (iii) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap. 32, Laws of Hong Kong), and no advertisement, invitation or document relating to the Notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Singapore

This offering memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this offering memorandum and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes may not be circulated or distributed, nor may the Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), (ii) to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 by a relevant person which is: (a) a corporation (which is not an accredited investor) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries' rights and interest in that trust shall not be transferable for 6 months after that corporation or that trust has acquired the Notes under Section 275 except: (1) to an institutional investor under Section 274 of the SFA or to a relevant person, or any person pursuant to Section 275(1A), and in accordance with the conditions, specified in Section 275 of the SFA; (2) where no consideration is given for the transfer; or (3) by operation of law.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (the Financial Instruments and Exchange Law) and each Initial Purchaser has agreed that it will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organized under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to a resident of Japan, except pursuant to an exemption from the registration

requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Law and any other applicable laws, regulations and ministerial guidelines of Japan.

New Zealand

This offering memorandum has not been and will not be registered in New Zealand. The Notes may not be offered or sold directly or indirectly in New Zealand, other than to the following persons only:

- to persons whose principal business is the investment of money;
- to persons who, in the course of and for the purposes of their business, habitually invest money; or
- to persons who are each required to pay a minimum subscription price for the Notes of at least NZ$500,000 before the allotment of such Notes.

Settlement

We expect that delivery of the Notes will be made against payment therefor on or about the 5th business day following the date of confirmation of orders with respect to the Notes (this settlement cycle being referred to as "T+5"). Under Rule 15c6-1 of the SEC under the Exchange Act of 1934, trades in the secondary market generally are required to settle in three business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes before the Notes are delivered will be required, by virtue of the fact that the Notes initially will settle in T+5, to specify an alternative settlement cycle at the time of any such trade to prevent a failed settlement. Purchasers of the Notes who wish to trade the Notes before their delivery should consult their own advisor.

Relationships with the Initial Purchasers

The Initial Purchasers and their affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The Initial Purchasers and their affiliates from time to time have provided, or in the future may provide, various investment and commercial banking and financial advisory services to us and our affiliates and subsidiaries, for which they have received, or in the future will receive, customary fees and commissions and they expect to provide these services to us and others in the future, for which they expect to receive customary fees and commissions. In addition, affiliates of the Initial Purchasers from time to time have acted, or in the future may act, as agents and lenders to us and our affiliates and subsidiaries under our or their respective credit facilities and other asset-based and asset-backed financing arrangements, or as trustee under the indentures governing our Senior Notes, for which services they have received, or in the future will receive, customary compensation.

In the ordinary course of their various business activities, the Initial Purchasers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of Hertz, Hertz Holdings or any of our subsidiaries. If the Initial Purchasers or their affiliates have a lending relationship with us, certain of those Initial Purchasers or their affiliates routinely hedge, and certain of those Initial Purchasers or their affiliates may hedge, their credit exposure to us consistent with their customary risk management policies. Typically, the Initial Purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Initial Purchasers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Certain of the Initial Purchasers and/or affiliates of certain of the Initial Purchasers may beneficially own a portion of our outstanding European Fleet Notes, and as such may receive a portion of the proceeds from this offering as a result of our redemption of the European Fleet Notes. See "Use of Proceeds."

TRANSFER RESTRICTIONS

Purchasers of the Notes are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of any of the Notes offered hereby.

The Notes have not been registered under the Securities Act, any state securities laws and unless so registered, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act) except to (i) qualified institutional buyers in reliance on the exemption from the registration requirements of the Securities Act provided by Rule 144A and (ii) persons in offshore transactions in reliance on Regulation S.

This offering memorandum uses the terms "offshore transaction," "U.S. Person," and "United States" with the meanings given to them in Regulation S.

Each purchaser of the Notes will be deemed to have represented and agreed as follows (terms used in this paragraph that are defined in Rule 144A or Regulation S under the Securities Act are used herein as defined therein):

(1) The purchaser is not an "affiliate" (as defined in Rule 144) of the Issuer or acting on the Issuer's behalf. The purchaser (A) (i) is a qualified institutional buyer within the meaning of Rule 144A, (ii) is aware that the sale to it is being made in reliance on Rule 144A and (iii) is acquiring the Notes for its own account or for the account of a qualified institutional buyer or (B) is a non-U.S. person and is purchasing the Notes in an offshore transaction pursuant to Regulation S.

(2) The purchaser understands that the Notes are being offered in a transaction not involving any public offering in the United States within the meaning of the Securities Act, that the Notes have not been registered under the Securities Act and that (A) if in the future it decides to offer, resell, pledge or otherwise transfer any of the Notes, such Notes may be offered, resold, pledged or otherwise transferred only (i) in the United States to a person whom the seller reasonably believes is a qualified institutional buyer in a transaction meeting the requirements of Rule 144A, (ii) outside the United States in a transaction complying with the provisions of Rule 903 or 904 under the Securities Act, (iii) pursuant to an exemption from registration under the Securities Act provided by Rule 144 (if available), or (iv) pursuant to an effective registration statement under the Securities Act, in each of cases (i) through (iv) in accordance with any applicable securities laws of any state of the United States, and (B) the purchaser will, and each subsequent holder is required to, notify any subsequent purchaser of the Notes from it of the resale restrictions referred to in (A) above.

(3) The purchaser acknowledges that none of the Issuer, the Guarantors, or the Initial Purchasers, nor any person representing any of them, has made any representation to you with respect to the Issuer or the offer or sale of any of the Notes, other than the information contained or incorporated by reference in this offering memorandum, which offering memorandum has been delivered to the purchaser and upon which the purchaser is relying in making his investment decision with respect to the Notes. The purchaser acknowledges that neither the Initial Purchasers nor any person representing the Initial Purchasers make any representation or warranty as to the accuracy or completeness of this offering memorandum. The purchaser has had access to such financial and other information concerning the Issuer and the Notes as he has deemed necessary in connection with his decision to purchase any of the Notes, including an opportunity to ask questions of, and request information from, the Issuer and the Initial Purchasers.

(4) The purchaser is purchasing the Notes for his own account, or for one or more investor accounts for which he is acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act or any state securities law, subject to any requirement of law that the disposition of his property or the property of such investor account or accounts be at all times within its or their control and subject to your or their ability to resell such Notes pursuant to Rule 144A, Regulation S or any other exemption from registration available under the Securities Act.

(5) The purchaser understands that the Notes will, until the expiration of the applicable holding period with respect to the Notes set forth in Rule 144(d)(1) of the Securities Act, unless otherwise agreed by the Issuer and the holder thereof, bear a legend substantially to the following effect:

"THIS NOTE HAS NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR UNDER THE SECURITIES LAWS OF ANY STATE

OR OTHER JURISDICTION, AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT AS SET FORTH BELOW. EACH PURCHASER OF THIS NOTE IS HEREBY NOTIFIED THAT THE SELLER OF THIS NOTE MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER OR ANOTHER EXEMPTION UNDER THE SECURITIES ACT.

BY ITS ACCEPTANCE HEREOF, THE HOLDER OF THIS NOTE (1) REPRESENTS THAT (A) IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), (B) IT IS NOT A U.S. PERSON AND IS ACQUIRING THIS NOTE IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 904 UNDER THE SECURITIES ACT OR (C) IT IS AN "INSTITUTIONAL" ACCREDITED INVESTOR (AS DEFINED IN RULE 501(a)(1), (2), (3), OR (7) UNDER REGULATION D PROMULGATED UNDER THE SECURITIES ACT (AN "ACCREDITED INVESTOR")) AND (2) AGREES THAT IT WILL NOT OFFER, RESELL OR OTHERWISE TRANSFER THIS NOTE EXCEPT (A) (I) TO THE ISSUER OR ANY AFFILIATE OR SUBSIDIARY THEREOF, (II) FOR SO LONG AS THIS NOTE IS ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT INSIDE THE UNITED STATES TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, (III) OUTSIDE THE UNITED STATES IN AN OFFSHORE TRANSACTION IN COMPLIANCE WITH RULE 903 OR RULE 904 UNDER THE SECURITIES ACT (IF AVAILABLE), (IV) PURSUANT TO THE EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE), (V) IN ACCORDANCE WITH ANOTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT (AND BASED UPON AN OPINION OF COUNSEL ACCEPTABLE TO THE ISSUER), OR (VI) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS.

BY ITS ACCEPTANCE HEREOF, THE HOLDER OF THIS NOTE FURTHER AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS NOTE IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

IN CONNECTION WITH ANY TRANSFER OF THIS NOTE PURSUANT TO SUBCLAUSE (V) OF CLAUSE (2)(A) ABOVE, THE HOLDER MUST, PRIOR TO SUCH TRANSFER, FURNISH TO THE TRUSTEE AND THE ISSUER SUCH CERTIFICATIONS, LEGAL OPINIONS OR OTHER INFORMATION AS EITHER OF THEM MAY REASONABLY REQUIRE TO CONFIRM THAT SUCH TRANSFER IS BEING MADE PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

AS USED HEREIN, THE TERMS "OFFSHORE TRANSACTION," "UNITED STATES" AND "U.S. PERSON" HAVE THE MEANINGS GIVEN TO THEM BY REGULATION S UNDER THE SECURITIES ACT."

Each purchaser and transferee of the Notes will be deemed to have represented and agreed as follows:

(1) Either: (A) it is not, and is not acting on behalf of, a Plan (which term includes (i) employee benefit plans that are subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), (ii) plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the Code, or to provisions under applicable federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code ("Similar Laws") and (iii) entities the underlying assets of which are considered to include "plan assets" of such plans, accounts and arrangements) and it is not purchasing the Notes on behalf of, or with the "plan assets" of, any Plan; or (B) its purchase, holding and subsequent disposition of the Notes or any interest therein (and the exchange of Notes for Exchange Notes) either (i) are not a prohibited transaction under ERISA or the Code and are otherwise permissible under all applicable Similar Laws or (ii) are entitled to exemptive relief from the prohibited transaction provisions of ERISA and the Code in accordance with one or more available

statutory, class or individual prohibited transaction exemptions and are otherwise permissible under all applicable Similar Laws; and

(2) It will not transfer the Notes to any person or entity, unless such person or entity could itself truthfully make the foregoing representations and covenants.

LEGAL MATTERS

The validity of the Notes will be passed upon for the Issuer by Jenner & Block LLP, our U.S. counsel, and Linklaters LLP, our English and Dutch counsel. Latham & Watkins LLP advised the Initial Purchasers in connection with the offering of the Notes for matters of U.S. law, and NautaDutilh N.V. advised the Initial Purchasers in connection with the offering of the Notes for matters of Dutch law.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRMS

The consolidated financial statements of The Hertz Corporation and its subsidiaries incorporated in this offering memorandum by reference to the Annual Report on Form 10-K for the year ended December 31, 2012, and the effectiveness of internal control over financial reporting as of December 31, 2012 have been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report incorporated herein.

With respect to the unaudited financial information of The Hertz Corporation for the three- and nine-month periods ended September 30, 2013 and 2012, the three- and six-month periods ended June 30, 2013 and 2012 and the the three-month periods ended March 31, 2013 and 2012, incorporated by reference in this offering memorandum, PricewaterhouseCoopers LLP reported that they have applied limited procedures in accordance with professional standards for a review of such information. However, their separate reports dated November 6, 2013, August 2, 2013 and May 2, 2013 incorporated by reference herein state that they did not audit and they do not express an opinion on that unaudited financial information. Accordingly, the degree of reliance on their reports on such information should be restricted in light of the limited nature of the review procedures applied.

The audited consolidated balance sheet of Dollar Thrifty and its subsidiaries as of December 31, 2011, consolidated statements of income, stockholders' equity and comprehensive income and cash flows of Dollar Thrifty and its subsidiaries for the year ended December 31, 2011 and the notes related thereto incorporated in this offering memorandum by reference to Hertz's Registration Statement on Form S-4 (Registration Number 333-189620), filed with the SEC on June 26, 2013, have been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report incorporated herein.

The audited consolidated balance sheets of Dollar Thrifty and its subsidiaries as of December 31, 2010, consolidated statements of income, stockholders' equity and comprehensive income and cash flows of Dollar Thrifty and its subsidiaries for the years ended December 31, 2010 and 2009, incorporated in this offering memorandum by reference to Hertz's Registration Statement on Form S-4 (Registration Number 333-189620), filed with the SEC on June 26, 2013, have been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report incorporated herein.

With respect to the unaudited condensed consolidated balance sheets of Dollar Thrifty and its subsidiaries as of September 30, 2012 and unaudited condensed consolidated statements of comprehensive income and cash flows of Dollar Thrifty and its subsidiaries for the three- and nine-month periods ended September 30, 2012 and 2011, and the notes related thereto, incorporated in this offering memorandum by reference to Hertz's Registration Statement on Form S-4 (Registration Number 333-189620), filed with the SEC on June 26, 2013, Ernst & Young LLP reported that they have applied limited procedures in accordance with professional standards for a review of such information. However, their separate report dated November 8, 2012 (except for Note 16, as to which the date is June 26, 2013), and incorporated by reference to this offering memorandum, states that they did not audit and they do not express an opinion on that unaudited interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied. Ernst & Young LLP is not subject to the liability provisions of Section 11 of the Securities Act for their report on the unaudited interim financial information because that report is not a "report" or a "part" of the Registration Statement prepared or certified by Ernst & Young LLP within the meaning of Sections 7 and 11 of the Securities Act.

LIMITATIONS ON VALIDITY AND ENFORCEABILITY OF THE GUARANTEES AND CERTAIN INSOLVENCY LAW CONSIDERATIONS

The following is a summary description of certain limitations on the validity and enforceability of the Guarantees for the Notes, and a summary of certain insolvency law considerations in some of the jurisdictions in which the Issuer and the Guarantors are incorporated or organized. The description is only a summary and does not purport to be complete or to discuss all of the limitations or considerations that may affect the validity and enforceability of the Notes and the Guarantees. Prospective investors in the Notes should consult their own legal advisors with respect to such limitations and considerations.

European Union

The Issuer and certain of the Non-U.S. Subsidiary Guarantors are organized under the laws of Member States of the EU. Pursuant to Council Regulation (EC) no. 1346/2000 on insolvency proceedings (the "EU Insolvency Regulation"), the court which shall have jurisdiction to open insolvency proceedings in relation to a company is the court of the Member State (other than Denmark) where the company concerned has its "centre of main interests" (as that term is used in Article 3(1) of the EU Insolvency Regulation). The determination of where any such company has its "centre of main interests" is a question of fact on which the courts of the different Member States may have differing and even conflicting views.

The term "centre of main interests" is not a static concept and may change from time to time. Although there is a rebuttable presumption under Article 3(1) of the EU Insolvency Regulation that any such company has its "centre of main interests" in the Member State in which it has its registered office, Preamble 13 of the EU Insolvency Regulation states that the "centre of main interests" of a debtor should correspond to the place where the debtor conducts the administration of its interests on a regular basis and "is therefore ascertainable by third parties." In that respect, factors such as where board meetings are held, the location where the company conducts the majority of its business and the location where the large majority of the company's creditors are established may all be relevant in the determination of the place where the company has its "centre of main interests."

If the centre of main interests of a company is and will remain located in the state in which it has its registered office, the main insolvency proceedings in respect of the company under the EU Insolvency Regulation would be commenced in such jurisdiction and accordingly a court in such jurisdiction would be entitled to commence the types of insolvency proceedings referred to in Annex A to the EU Insolvency Regulation. Insolvency proceedings opened in one Member State under the EU Insolvency Regulation are to be recognized in the other Member States (other than Denmark), although secondary proceedings may be opened in another Member State. If the "centre of main interests" of a debtor is in one Member State (other than Denmark), under Article 3(2) of the EU Insolvency Regulation, the courts of another Member State (other than Denmark) have jurisdiction to open "territorial proceedings" only in the event that such debtor has an "establishment" in the territory of such other Member State. The effects of those territorial proceedings are restricted to the assets of the debtor situated in the territory of such other Member State. If the company does not have an establishment in any other Member State, no court of any other Member State has jurisdiction to open territorial proceedings in respect of such company under the EU Insolvency Regulation.

In the event that any one or more of the Issuer or the Guarantors experience financial difficulty, it is not possible to predict with certainty in which jurisdiction or jurisdictions insolvency or similar proceedings would be commenced, or the outcome of such proceedings. Applicable insolvency laws may affect the enforceability of the obligations and the security of the Issuer and the Guarantors.

The Netherlands

Insolvency

The Issuer is incorporated in The Netherlands. Any insolvency proceedings concerning the Issuer would likely be based on Dutch insolvency law. Under certain circumstances, bankruptcy proceedings may also be opened in The Netherlands in accordance with Dutch law over the assets of companies that are not established under Dutch law.

The following is a brief description of certain aspects of Dutch insolvency law. There are two primary insolvency regimes under Dutch law: the first, moratorium of payments, is intended to facilitate the reorganization of a debtor's indebtedness and enable the debtor to continue as a going concern. The second, bankruptcy, is primarily designed to liquidate and distribute the proceeds of the assets of a debtor to its creditors. Both insolvency regimes are set forth in the Dutch Bankruptcy Act. A general description of the principles of both insolvency regimes is set out below.

An application for a moratorium of payments can only be made by the debtor itself. Once the request for a moratorium of payments is filed, a court will immediately (*dadelijk*) grant a provisional moratorium and appoint an administrator. A meeting of creditors is required to decide on the definitive moratorium. If a draft composition (*ontwerp akkoord*) is filed simultaneously with the application for moratorium of payments, the court can order that the composition will be processed before a decision about a definitive moratorium. If the composition is accepted and subsequently ratified by the court (*gehomologeerd*), the provisional moratorium ends. The definitive moratorium will generally be granted unless a qualified minority (more than one-quarter in amount of claims held by creditors represented at the creditors' meeting or more than one-third in number of creditors represented at such creditors' meeting) of the unsecured non-preferential creditors withholds its consent. The moratorium of payments is only effective with regard to unsecured non-preferential creditors. Unlike Chapter 11 proceedings under U.S. bankruptcy law, during which both secured and unsecured creditors are generally barred from seeking to recover on their claims during a moratorium of payments, under Dutch law, secured and preferential creditors (including tax and social security authorities) may enforce their rights against assets of the company in moratorium of payments to satisfy their claims as if there were no moratorium of payments. A recovery under Dutch law could, therefore, involve a sale of assets that does not reflect the going concern value of the debtor. However, the court may order a "cooling down period" (*afkoelingsperiode*) for a maximum period of four months during which enforcement actions by secured or preferential creditors are barred. Also in a definitive moratorium of payments, a composition (*akkoord*) may be offered to creditors. A composition will be binding on all unsecured and non-preferential creditors if it is approved by (i) a majority in number of the creditors represented at the creditors' meeting, representing at least 50% in amount of the claims that are admitted for voting purposes and (ii) subsequently confirmed by the court. Consequently, Dutch insolvency laws could preclude or inhibit the ability of the Noteholders to effect a restructuring and could reduce the recovery of a holder of Notes in Dutch moratorium of payments proceedings. Interest payments that fall due after the date on which a moratorium of payments is granted cannot be claimed in a composition.

Under Dutch law, a debtor can be declared bankrupt when it is no longer able to pay its debts when due. The bankruptcy can be requested by a creditor of a claim that is due and payable but left unpaid when there is at least one other creditor. The debtor can also request the application of bankruptcy proceedings itself.

Under Dutch bankruptcy proceedings, the assets of a debtor are generally liquidated and the proceeds distributed to the debtor's creditors in accordance with the respective rank and priority of their claims. The general principle of Dutch bankruptcy law is the so-called *paritas creditorum* (principle of equal treatment) which means that all creditors have an equal right to payment and that the proceeds of bankruptcy proceedings shall be distributed in proportion to the size of their claims. However, certain creditors (such as secured creditors and tax and social security authorities) will have special rights that take priority over the rights of other creditors. Consequently, Dutch insolvency laws could reduce your potential recovery in Dutch bankruptcy proceedings.

The claim of a creditor may be limited depending on the date the claim becomes due and payable in accordance with its terms. Generally, claims of the Noteholders that were not due and payable by their terms on the date of a bankruptcy of the relevant guarantor will be accelerated and become due and payable as of that date. Each of these claims will have to be submitted to the bankruptcy receiver to be verified. "Verification" under Dutch law means that the receiver determines the value of the claim and whether and to what extent it will be admitted in the bankruptcy proceedings to the purpose of the distribution of the proceeds. The valuation of claims that otherwise would not have been payable at the time of the bankruptcy proceedings may be based on a net present value analysis. Interest payments that fall due after the date of the bankruptcy cannot be verified. The existence, value and ranking of any claims submitted by the Noteholders may be challenged in the Dutch bankruptcy proceedings. Generally, in a creditors' meeting (*verificatievergadering*), the bankruptcy receiver, the insolvent debtor and all verified creditors may dispute the verification of claims of other creditors. Creditors whose claims or value thereof are disputed in the creditors' meeting may be referred to separate court proceedings (*renvooiprocedure*). These procedures could cause Noteholders to recover less than the principal amount of their Notes or less than they could recover in a U.S. liquidation. Such *renvooi* proceedings could also cause payments to the Noteholders to be delayed compared with holders of undisputed claims. As in moratorium of payments proceedings, in a bankruptcy a composition may be offered to creditors, which shall be binding on unsecured non-preferential creditors if it is approved by (i) a majority in number of the creditors represented at the creditors' meeting, representing at least 50% in amount of the claims that are admitted for voting purposes and (ii) subsequently confirmed by the court. The Dutch Bankruptcy Act does not in itself recognize the concept of classes of creditors. Remaining amounts, if any, after satisfaction of the secured and the preferential creditors are distributed among the unsecured non-preferential creditors, who will be satisfied on a pro rata basis. Contractual subordination may to a certain extent be given effect in Dutch insolvency proceedings. The actual effect depends largely on the way such subordination is construed.

Secured creditors may enforce their rights against assets of the debtor to satisfy their claims under a Dutch bankruptcy as if there is no bankruptcy. As in moratorium of payments proceedings, the court may order a "cooling down

period" for a maximum of four months during which enforcement actions by secured creditors are barred unless such creditors have obtained leave for enforcement from the supervisory judge (*rechter-commissaris*). Further, a receiver in bankruptcy can force a secured creditor to enforce its security interest within a reasonable period of time, failing which the receiver will be entitled to sell the secured assets, if any, and the secured creditor will have to share in the bankruptcy costs, which may be significant. Excess proceeds of enforcement must be returned to the bankrupt estate; they may not be set-off against an unsecured claim of the secured creditor in the bankruptcy. Such set-off is allowed prior to the bankruptcy, although a set-off prior to bankruptcy may be subject to clawback in the case of fraudulent conveyance or bad faith in obtaining the claim used for set-off. Moreover, to the extent that Dutch law applies, a legal act performed by a debtor (including, without limitation, an agreement pursuant to which it guarantees the performance of the obligations of a third party or agrees to provide or provides security for any of its or a third party's obligations, enters into additional agreements benefiting from existing security and any other legal act having a similar effect) can be challenged in an insolvency proceeding or otherwise and may be nullified by any of its creditors or its trustee in bankruptcy.

Under Dutch law, as soon as a debtor is declared bankrupt, in principle all pending executions of judgments against such debtor, as well as all attachments on the debtor's assets, will be terminated by operation of law. Simultaneously with the opening of the bankruptcy, a receiver will be appointed. The proceeds resulting from the liquidation of the bankrupt estate may not be sufficient to satisfy unsecured creditors under the guarantees granted by an insolvent debtor after the secured and the preferential creditors have been satisfied. In principle, litigation pending on the date of the bankruptcy order is automatically stayed.

Belgium

The obligations under the Notes and Guarantees of any Guarantor with its main establishment (*voornaamste vestiging/établissement principal*) in Belgium (including any Guarantor incorporated and existing in Belgium) must be for the corporate benefit of such Belgian company.

The question of corporate benefit must be determined on a case-by-case basis. Consideration has to be given to any direct and/or indirect benefit that the company would derive from the transaction. Two principles apply to such evaluation: (i) the risk taken by the company in issuing the guarantee must be proportional to such direct and/or indirect benefit and (ii) the financial support granted by the company should not exceed its financial capabilities. If the corporate benefit requirement is not met, the directors of the company may be held liable under civil law (i) by the company for negligence in the management of the company and (ii) by third parties in tort and under criminal law in certain specific circumstances. Moreover, the guarantee could be declared null and void and, under certain circumstances, the creditor that benefits from the guarantee might be held liable for up to the amount of the guarantee or under criminal law in certain specific circumstances. Alternatively, the guarantee could be reduced to an amount corresponding to the corporate benefit or the creditor may be held liable for any guarantee amount in excess of such amount. These rules have been seldom tested under Belgian law, and there is only limited case law on this issue.

In order to enable Belgian companies to grant a guarantee to secure liabilities of a group company without the risk of violating Belgian rules on corporate benefit, so-called "limitation language" is often used in indentures, credit agreements, guarantees and collateral in order to limit the obligations of the Belgian company. Accordingly, the guarantee of a Belgian company may be subject to certain limitations. The rules on the grant of a guarantee for the benefit of a group company are not clearly established under Belgian law and there is only limited case law on this issue.

The guarantee of a Belgian guarantor will be limited as follows:

In the case of each Guarantor having its main establishment (*voornaamste vestiging/établissement principal*) in Belgium and/or incorporated in Belgium (a "Belgian Guarantor"), with respect to the obligations of the Issuer or any Guarantor which is not a Subsidiary of that Belgian Guarantor, its liability shall be limited, at any time, to a maximum aggregate amount equal to the greater of:

(i) an amount equal to 95% of such Belgian Guarantor's net assets (*netto actief/actif net*), as determined in accordance with the Belgian Companies Code and accounting principles generally accepted in Belgium, but not taking intra-group debts into account as debts) as shown by its most recent audited annual financial statements on the date on which the relevant demand is made;

(ii) the aggregate amount outstanding on the day prior to the date on which the relevant demand is made, of any intra-group loans or facilities made to it by the Parent Guarantor and/or the Subsidiaries of the Parent Guarantor directly and/or indirectly using all or part of the proceeds of any issued Notes or any drawings

under the Revolving Credit Facility (whether or not such intra-group loan is retained by the relevant Belgian Guarantor for its own purposes or on-lent to the Parent Guarantor and/or the Subsidiaries of the Parent Guarantor) outstanding on the date on which the relevant demand is made; and

(iii) the aggregate value of the enforcement proceeds of the assets that have been pledged or mortgaged to the benefit of the Holders by the relevant Belgian Guarantor.

The grant of a guarantee by a Belgian company must further be within the corporate purpose of the Belgian company as described in its articles of association, and the guarantee may not include any liability which would result in unlawful financial assistance within the meaning of the Belgian Company Code.

Insolvency

In the event of an insolvency of a Guarantor with its main establishment in Belgium (including any Guarantor incorporated and existing in Belgium), insolvency proceedings may be initiated in Belgium. Such proceedings would then be governed by Belgian law. Under certain circumstances, Belgian law also allows bankruptcy proceedings to be opened in Belgium over the assets of companies that are not established under Belgian law.

Belgian insolvency laws provide for two insolvency procedures: a judicial reorganization (*gerechtelijke reorganisatie/réorganisation judiciaire*) and a bankruptcy (*faillissement/faillite*).

Judicial Reorganization

A debtor may file a petition for judicial reorganization if the continuity of the enterprise is at risk, whether immediately or in the future. If the net assets of the debtor have fallen under 50% of its registered capital *(maatschappelijk kapitaal/capital social)*, the continuity of the debtor is always presumed to be at risk.

Subject to the satisfaction of the filing conditions, the court will declare the judicial restructuring open, allowing a temporary moratorium for a maximum period of six months (which may be extended by six months and, in exceptional circumstances only, by a further six months). The granting of the judicial reorganization operates as a stay; no enforcement measures can be continued or initiated and no attachments can be made with respect to pre-existing claims against any of the debtor's assets from the time that the judicial reorganization is granted until the end of the moratorium. However, such stay does not apply, in principle, to a pledge of financial instruments, cash held on account and receivables (other than credit claims *(bankvorderingen/créances bancaires)* held by financial institutions), and to a certain extent, other secured creditors.

The judicial reorganization aims to preserve the continuity of a company as a going concern. The board of directors and management of the debtor continue to exercise their management functions and the initiation of the procedure does not terminate any contracts. Contractual provisions which provide for the early termination or acceleration of the contract upon the filing for or approval of a judicial reorganization, and certain contractual terms such as default interest, may not be enforceable. In addition, a creditor may not terminate a contract on the basis of a debtor's default that occurred prior to the reorganization procedure if the debtor remedies such default within a 15-day period following the notification of such default. Upon request of the debtor or any other interested party and to the extent it is deemed useful for reaching the aims of the reorganization, the court may appoint a judicial administrator (*gerechtsmandataris/mandataire de justice*) to assist the debtor during the reorganization. Upon request of the public prosecutor's office or unpaid creditors and in case the debtor has committed a manifest gross error or is of manifest bad faith, the court may appoint a temporary administrator (*voorlopig bestuurder/administrateur provisoire*) to exercise the management of the debtor.

A judicial restructuring procedure may result in an amicable settlement between the debtor and two or more of its creditors, in a collective agreement or in a court ordered transfer of the enterprise or (part of) the activities. In the case of a judicial restructuring by collective agreement, the creditors agree to a restructuring plan during the restructuring procedure which needs to be ratified by the court prior to it taking effect. Within a period of 14 days following the judgment declaring the judicial restructuring procedure open, the debtor must inform each of its creditors individually of the amount of their claims and of details regarding security interests, if applicable. The debtor must use the judicial reorganization period to complete and finalize the restructuring.

A court-ordered transfer of all or part of the debtor's enterprise or (part of) its activities can be requested by the debtor in his petition or at a later stage in the procedure. It can be requested by the public prosecutor, by a creditor or by any party who has an interest in acquiring, in whole or in part, the debtor's enterprise, and the court can order such transfer in specific circumstances.

Bankruptcy

A bankruptcy procedure may be initiated by the debtor, by unpaid creditors or upon the initiative of the public prosecutor's office. Once the court ascertains that the requirements for bankruptcy are met, the court will establish a date by which all creditors' claims must be submitted to the court for verification.

Conditions for a bankruptcy order (*aangifte van faillissement/déclaration de faillite*) are that the debtor must be in a situation of cessation of payments (*staking van betaling/cessation de paiements*) and be unable to obtain further credit (*wiens krediet geschokt is/ébranlement du credit*). Cessation of payments is generally accepted to mean that the debtor is not able to pay its debts as they fall due. Such situation must be persistent and not merely temporary. In bankruptcy, the debtor loses all authority and decision rights concerning the management of the bankrupt entity. The bankruptcy receiver (*curator/curateur*) becomes responsible for the operation of the business and implements the sale of the debtor's assets, the distribution of the sale proceeds to creditors and the liquidation of the debtor.

The receiver must decide whether or not to continue performance under ongoing contracts (i.e., contracts existing before the bankruptcy order). Two exceptions apply: (i) the parties to an agreement may contractually agree that the occurrence of a bankruptcy constitutes an early termination or acceleration event, and (ii) *intuitu personae* contracts (i.e., contracts whereby the identity of the other party constitutes an essential element for the signing of the contract) are automatically terminated as of the bankruptcy judgment since the debtor is no longer responsible for the management of the company. Parties can agree to continue to perform under such contracts. The bankruptcy receiver may elect not to perform the obligations of the debtor which are still to be performed after the bankruptcy under any agreement validly entered into by the bankrupt party prior to the bankruptcy. The counterparty to that agreement may make a claim for damages in the bankruptcy and such claim will rank *pari passu* with claims of all other unsecured creditors and/or seek a court order to have the relevant contract dissolved. The counterparty may not seek injunctive relief or require specific performance of the contract.

The bankruptcy receiver may elect to continue the business of the debtor, provided the receiver obtains the authorization of the court and such continuation does not cause any prejudice to the creditors.

As a general rule, enforcement rights of individual creditors are suspended upon the rendering of the court order opening bankruptcy proceedings, and after such order is made, only the bankruptcy receiver may proceed against the debtor and liquidate its assets. However, such suspension does not apply, in principle, to a pledge of financial instruments or cash held on account falling within the scope of the Belgian Financial Collateral Law, and to a certain extent, other secured creditors.

Belgian bankruptcy law provides that certain transactions entered into with a virtually bankrupt debtor during the so called "hardening period" (*verdachte periode/période suspecte*) may be declared unenforceable vis-à-vis the bankrupt estate. The hardening period is a period of maximum six months prior to the bankruptcy judgment. A hardening period, which is the exception and not the rule, can only be put in place by a court decision when there are clear indications that the debtor has ceased payments before the date of the court decision declaring the debtor bankrupt. The actions entered into during the hardening period which are unenforceable against the bankrupt estate are the following: (i) transactions entered into without consideration or where the consideration received is considerably below the value of the act or asset provided by the debtor, (ii) payments for debts which are not due and payments other than in money for debts due, and (iii) new security provided for existing debt. Any other payment for outstanding debts and all acts for consideration that took place during the hardening period can be declared unenforceable by the court if the debtor's counterparty knew that the debtor ceased to pay its debts. Acts or payments at any time made by the debtor with the intention to fraudulently cause prejudice to creditors are also unenforceable.

Germany

The enforcement of the Guarantee granted by a German subsidiary of the Issuer (such as Hertz Autovermietung GmbH) will be limited if, and to the extent, payments under the Guarantee would cause the amount of such German subsidiary's net assets (i.e., assets minus liabilities and liability reserves) to fall below the amount of its stated share capital. In such event, the German subsidiary will be entitled to block enforcement of the Guarantee in full or in part, as the case may be, and any payments received under the Guarantee in violation thereof must be refunded to such German subsidiary. See "—Limitation on Enforcement" below.

Insolvency

In the event of insolvency of a German subsidiary of the Issuer, insolvency proceedings may be initiated in Germany if it was held to have its centre of main interest within the territory of the Federal Republic of Germany at such time. Such proceedings would then be governed by German law. However, pursuant to the EU Insolvency Regulation, where a German company conducts business in more than one member state of the European Union, the jurisdiction of the German courts may be limited if the company's "centre of main interests" is found to be in a member state other than Germany (see—"European Union"). This issue is to be determined at the time when the application for the opening of insolvency proceedings (*Insolvenzeröffnungsantrag*) is filed..

Under German law, insolvency proceedings can be initiated either by a company itself or by a creditor of such company upon the occurrence of a cause of insolvency, with over-indebtedness (*Überschuldung*), illiquidity (*Zahlungsunfähigkeit*) and impending illiquidity (*drohende Zahlungsunfähigkeit*) of the relevant company constituting such causes of insolvency. In case of impending illiquidity, though, only the relevant company's management but not its creditors may initiate insolvency proceedings.

According to the relevant provision of the German Insolvency Code (*Insolvenzordnung*), a debtor is over-indebted when its liabilities exceed the value of its assets (based on their liquidation values), unless a continuation of the debtor's business is predominantly likely (*positive Fortbestehensprognose*). A company is considered to be illiquid if it is unable to pay its debts as and when they fall due. Impending illiquidity (*drohende Zahlungsunfähigkeit*) exists if the company is currently is able to service its payment obligations, but will presumably not be able to continue to do so at some point in time within a certain prognosis period.

Upon a limited liability company (*Gesellschaft mit beschränkter Haftung*—GmbH) or any company not having an individual as its personally liable shareholder becoming illiquid or over-indebted, its managing director(s) and, in certain circumstances its shareholders, are required by law to file for insolvency without undue delay, however, at the latest within three weeks after the mandatory insolvency reason (i.e., illiquidity and/or over-indebtedness) occurred. Failure to comply with this obligation exposes the management to both severe damage claims as well as sanctions under criminal law.

The insolvency proceedings are administered by the competent insolvency court which monitors the due performance of the proceedings. Upon receipt of the insolvency petition, the insolvency court may take preliminary measures to secure the property of the debtor during the preliminary proceedings (*Insolvenzeröffnungsverfahren*). The insolvency court may prohibit or suspend any measures taken to enforce individual claims against the debtor's assets during these preliminary proceedings. In addition, the court will also appoint a preliminary insolvency administrator (*vorläufiger Insolvenzverwalter*), unless the debtor has petitioned for preliminary debtor-in possession status (*vorläufiger Eigenverwaltung*)—an insolvency process in which the debtor's management generally remains in charge of administering the debtor's business affairs under the supervision of a preliminary custodian (*vorläufiger Sachwalter*)—with this petition not being obviously futile. Depending on the size of the debtor's business operations, the insolvency court must or may appoint a preliminary creditors' committee (*vorläufiger Gläubigerausschuss*) to form a view on the profile of the officeholder to be appointed or even to make a suggestion for a particular individual to be appointed by the court. In case the members of the preliminary creditors' committee unanimously agree on an individual, such suggestion is binding on the court (unless the suggested individual is not eligible; i.e., incompetent and/or not disinterested). To ensure that the preliminary creditors' committee reflects the interests of all creditor constituencies, it shall comprise a representative of the secured creditors, one for the large and one for the small creditors as well as one for the employees. The duty of the preliminary insolvency administrator is, in particular, to safeguard and to preserve the debtor's assets (which includes the continuation of the business carried out by the debtor), to verify the existence of reason for insolvency and to assess whether the debtor's net assets will be sufficient to cover the costs of the insolvency proceedings. The court orders the opening (*Eröffnungsbeschluss*) of formal insolvency proceedings (*eröffnetes Insolvenzverfahren*) if certain requirements are met, particularly if there are sufficient assets to cover at least the cost of the insolvency proceedings. If the assets of the debtor are not expected to be sufficient, the insolvency court will only open formal insolvency proceedings if third parties, such as creditors, advance the costs themselves. In the absence of such advancement, the petition for the opening of insolvency proceedings will be dismissed for insufficiency of assets (*Abweisung mangels Masse*).

Upon the opening of formal insolvency proceedings, an insolvency administrator (usually the same person who acted as preliminary insolvency administrator) is appointed by the insolvency court unless a debtor-in-possession status (*Eigenverwaltung*) is ordered. In the absence of a debtor-in-possession status, the right to administer the debtor's business affairs and to dispose of the assets of the debtor passes to the insolvency administrator with the insolvency creditors (*Insolvenzgläubiger*) only being entitled to change the individual appointed as insolvency administrator upon the occasion of the first creditors' assembly (*erste Gläubigerversammlung*) with such change requiring that (i) a simple majority of votes cast

(by heads and amount of insolvency claims) has voted in favor of the proposed individual to become insolvency administrator and (ii) the proposed individual being eligible as officeholder (i.e., he or she is sufficiently qualified, business-experienced and impartial). The insolvency administrator may raise new financial indebtedness and incur other liabilities to continue the debtor's business. These new liabilities incurred by the insolvency administrator qualify as preferential claims against the estate (*Masseforderung*) which are preferred to any insolvency claim of an unsecured creditor (with the residual claim of a secured insolvency creditor remaining after realization of the available collateral (if any) also qualifying as unsecured insolvency claim).

All creditors, whether secured or unsecured, who wish to assert claims against the debtor need to participate in the insolvency proceedings. Any individual enforcement action brought against the debtor by any of its creditors is subject to an automatic stay once insolvency proceedings have been opened. German insolvency proceedings are collective proceedings and creditors may generally no longer pursue their individual claims in the insolvency proceedings separately, but can instead only enforce them in compliance with the restrictions of the German Insolvency Code. In the insolvency proceedings, however, secured creditors have certain preferential rights (*Absonderungsrechte*). Depending on the legal nature of the security interest, entitlement to enforce such security is either vested with the secured creditor or the insolvency administrator. In this context, it should be noted that the insolvency administrator generally has the sole right to realize any movable assets in his, her or the debtor's possession that are subject to preferential rights (e.g., liens over movable assets (*Mobiliarsicherungsrechte*), or security transfer of title (*Sicherungsübereignung*)) as well as to collect any claims that are subject to security assignment agreements (*Sicherungsabtretungen*). Pursuant to a minority view, the insolvency administrator is also entitled to enforce share pledges and account pledges. If the enforcement right is vested with the insolvency administrator, the enforcement proceeds, less certain contributory charges for (i) assessing the value of the secured assets (*Feststellungskosten*) and (ii) realizing the secured assets (*Verwertungskosten*) which, in the aggregate, usually add up to 9% (or more in certain circumstances) of the gross enforcement proceeds plus VAT (if any), are disbursed to the creditor holding a security interest in the relevant collateral up to an amount equal to its secured claims. With the remaining unencumbered assets of the debtor the insolvency administrator has first to satisfy the preferential creditors of the insolvency estate (*Massegläubiger*) (including the costs of the insolvency proceedings as well as any preferred liabilities incurred by the insolvency estate after the opening of formal insolvency proceedings). Thereafter, all other unsubordinated claims (insolvency claims) (*Insolvenzforderungen*), will be satisfied on a pro rata basis if and to the extent there is cash remaining in the insolvent estate (*Insolvenzmasse*) after the security interest and the preferential claims against the estate have been settled and paid in full. Therefore, the proceeds resulting from the realization of the insolvency estate of the debtor may not be sufficient to satisfy unsecured creditors of the Issuer or under a guarantee granted by any German guarantor in full after the secured creditors have been satisfied. Claims of subordinated creditors in the insolvency proceedings (*nachrangige Insolvenzgläubiger*) are satisfied only after the claims of other non-subordinated creditors (including the unsecured insolvency claims) have been fully satisfied. In addition, it may take several years until an insolvency dividend (if any) is distributed to unsecured creditors.

While in ordinary insolvency proceedings the value of the debtor's assets is realized by a piecemeal sale or, as the case may be, by a bulk sale of the debtor's business as a going concern, a different approach aimed at the rehabilitation of the debtor can be taken based on an insolvency plan (*Insolvenzplan*). Such plan can be submitted by the debtor or the insolvency administrator and requires, among other things and subject to certain exceptions, the consent of the debtor and the consent of each class of creditors in accordance with specific majority rules and the approval of the insolvency court. The insolvency court may order the deemed approval of one or more opposing creditor groups under certain conditions (cram down). The insolvency plan may derogate from the provisions of the German Insolvency Code. In particular, it may contain provision regarding the discharge of secured and unsecured creditors, the disposal of the insolvency estate as well as procedure. It may also create, modify, transfer or terminate rights in rem such as property rights or security interests. If the debtor is a corporate entity, the shares or, as the case may be, the membership rights in the debtor can also be included in the insolvency plan, e.g., these can be transferred to third parties, including a transfer to creditors based on a debt-to-equity swap. Thus, an insolvency plan could under certain circumstances provide for provisions regarding the Guarantees which are less favorable to the Noteholders than the provisions of the German Insolvency Code. Under certain conditions, such provisions could be adopted against the votes of the affected Noteholders. Moreover, if the debtor has filed a petition for the opening of insolvency proceedings based on a reason for the insolvency other than illiquidity (i.e., imminent illiquidity or over-indebtedness), combined with a petition to initiate such process based on a debtor-in possession status and can demonstrate that a restructuring of its business is not obviously futile, the court may grant a period of up to three months to draw up an insolvency plan for the debtor business (*Schutzschirmverfahren*). During this period, the creditors' rights to enforce security may—upon application of the filing debtor—be suspended. Under these circumstances, the insolvency court must appoint a preliminary custodian (*vorläufiger Sachwalter*) to supervise the process. The debtor is entitled to suggest an individual to be appointed as custodian with such suggestion being binding on the insolvency court unless the suggested person is obviously not eligible to become a custodian (i.e., he or she is obviously not competent or impartial).

Under German insolvency law, there is no consolidation of the assets and liabilities of a group of companies in the event of insolvency. In case of a group of companies, each entity, from an insolvency law point of view, has to be dealt with separately on an entity-by-entity basis (i.e., there is no group insolvency concept under German insolvency law). The German Federal Ministry of Justice (*Bundesjustizministerium*) has released a draft Bill to Facilitate the Handling of Group Insolvencies (*Entwurf eines Gesetzes zur Erleichterung der Bewältigung von Konzerninsolvenzen*). While the draft Bill does not propose to abolish the principle of separate insolvency proceedings in relation to each group entity, it stipulates four key amendments of the German Insolvency Act in order to facilitate an efficient administration of group insolvencies: (1) a single court may be competent for each group entity insolvency proceedings; (2) the appointment of an identical person as insolvency administrator for all group companies is facilitated; (3) certain coordination obligations are imposed on insolvency courts, insolvency administrators and creditors' committees; and (4) certain parties may apply for "coordination proceedings" (*Koordinationsverfahren*) and the appointment of a "coordination insolvency administrator" (*Koordinationsverwalter*) with the ability to propose a "coordination plan" (*Koordinationsplan*). It is currently unclear if and when, and whether in its current or modified form, this Bill might be adopted by parliament.

Under German insolvency law, termination rights, automatic termination events or "escape clauses" entitling one party to terminate an agreement, or resulting in an automatic termination of an agreement, upon the opening of insolvency proceedings in respect of the other party, the filing for insolvency or the occurrence of reasons justifying the opening of insolvency proceedings (*insolvenzbezogene Kündigungsrechte oder Lösungsklauseln*) may be invalid if they frustrate the election right of the insolvency administrator whether or not to perform the contract unless they reflect termination rights applicable under statutory law. This may also relate to agreements that are not governed by German law.

Finally, the insolvency estate shall serve to satisfy the liquidated claims held by the personal creditors against the debtor on the date when the insolvency proceedings were opened. The following claims shall be satisfied ranking below the other claims of insolvency creditors in the order given below, and according to the proportion of their amounts if ranked with equal status: (i) interest and penalty payments accrued on the claims of the insolvency creditors from the opening of the insolvency proceedings; (ii) costs incurred by individual insolvency creditors due to their participation in the proceedings; (iii) fines, regulatory fines, coercive fines and administrative fines, as well as such incidental legal consequences of a criminal or administrative offense binding the debtor to pay money; (iv) claims to the debtor's gratuitous performance of a consideration; and (v) claims for restitution of a shareholder loan or claims resulting from legal transactions corresponding in economic terms to such a loan.

Limitation on Enforcement

The German subsidiaries of the Issuer (such as Hertz Autovermietung GmbH) are established in the form of a limited liability company (*Gesellschaft mit beschränkter Haftung*, "GmbH"). Consequently, the grant of collateral or a guarantee by a German subsidiary is subject to certain provisions of the German Limited Liability Company Act (*Gesetz betreffend die Gesellschaften mit beschränkter Haftung*, "GmbHG").

Sections 30 and 31 of the GmbHG ("Sections 30 and 31") prohibit a GmbH from disbursing its assets to its shareholders to the extent that the amount of the GmbH's net assets determined in accordance with the provisions of the German Commercial Code (*Handelsgesetzbuch*, HGB) (i.e., assets minus liabilities and liability reserves) is or would fall below the amount of its stated share capital (*Stammkapital*). Guarantees, share pledges and any other collateral granted by a GmbH in order to guarantee or secure liabilities of a direct or indirect parent or sister company are considered disbursements under Sections 30 and 31. Therefore, in order to enable subsidiaries incorporated in Germany in the legal form of a German limited liability company (GmbH) to grant collateral or a guarantee to secure liabilities of a direct or indirect parent or sister company without the risk of violating Sections 30 and 31, it is standard market practice for credit agreements, guarantees and security documents to contain so-called "limitation language" in relation to such subsidiaries. Pursuant to such limitation language, the secured parties agree to enforce the collateral and the beneficiaries of the guarantees agree to enforce the guarantees against the German subsidiary only to the extent that such enforcement does not result in the subsidiary's net assets falling below its stated share capital. Accordingly, the documentation in relation to the guarantees and the security interests, to the extent they relate to a German subsidiary of the Issuer in the legal form of a German limited liability company (GmbH), includes such limitation language and such guarantees and security interests are limited in the manner described.

In addition to the limitations resulting from the capital maintenance rules described above, the guarantees granted by a German subsidiary of the Issuer in the legal form of a German limited liability company (GmbH) will contain additional provisions limiting the enforcement in the event the enforcement would result in an illiquidity of such German subsidiary.

The limitations set out above apply *mutatis mutandis* if the Guarantee is granted by a German Guarantor incorporated as a limited liability partnership (KG) in relation to each general partner (*Komplementär*) incorporated as a limited liability company (GmbH, so called GmbH & Co KG) or if the Guarantee is granted by a German Guarantor incorporated as a partnership (OHG) in relation to each partner incorporated as a limited liability company (GmbH).

German capital maintenance rules are subject to ongoing court decisions. We cannot assure you that future court rulings may not further limit the access of shareholders to assets of their subsidiaries constituted in the form of a GmbH, which can negatively affect the ability of the Issuer to make payment on the Notes, of the subsidiaries to make payments on the guarantees or of the beneficiaries of the guarantees to enforce the guarantees.

In addition, it cannot be ruled out that the case law of the German Federal Supreme Court (*Bundesgerichtshof*) regarding "destructive interference" (*existenzvernichtender Eingriff*) (i.e., a situation in which a shareholder deprives a German limited liability company of the liquidity necessary for it to meet its own payment obligations) may be applied by courts with respect to the enforcement of a subsidiary guarantee or security granted by the German subsidiary guarantors. In such a case, the amount of proceeds to be realized in an enforcement process may be reduced.

According to a decision of the German Federal Supreme Court (*Bundesgerichtshof*), a security agreement may be void due to tortuous inducement of breach of contract if a creditor knows about the distressed financial situation of the debtor and anticipates that the debtor will only be able to grant collateral by disregarding the vital interests of its other business partners. It cannot be ruled out that German courts may apply this case law with respect to the granting of subsidiary guarantees or security by the German subsidiary guarantors. Furthermore, the beneficiary of a transaction effecting a repayment of the stated share capital of the grantor of the subsidiary guarantee could moreover become personally liable under exceptional circumstances. The German Federal Supreme Court (*Bundesgerichtshof*) ruled that this could be the case if, for example, the creditor were to act with the intention of detrimentally influencing the position of the other creditors of the debtor in violation of the legal principle of *bonos mores* (*Sittenwidrigkeit*). Such intention could be present if the beneficiary of the transaction was aware of any circumstances indicating that the grantor of the guarantee or security was close to collapse (*Zusammenbruch*), or had reason to enquire further with respect thereto.

Hardening Periods and Fraudulent Transfer

In the event of insolvency proceedings with respect to a German subsidiary of the Issuer based on and governed by the insolvency laws of Germany, the Guarantee provided by that entity could be subject to potential challenges by an insolvency administrator (*Insolvenzverwalter*) under the rules of avoidance as set out in the German insolvency code (*Insolvenzordnung*).

Acts (*Rechtshandlungen*) or transactions (*Rechtsgeschäfte*) (which term includes the provision of security or the repayment of debt) taken by the debtor and its creditors that have been detrimental to the insolvency estate may be challenged by an insolvency administrator. This may affect actions which have occurred up to ten years prior or at any time after an insolvency petition with respect to the relevant debtor's assets has been filed.

In particular, an act (*Rechtshandlung*) or a legal transaction (*Rechtsgeschäfte*) (which term includes the granting of a guarantee, the provision of security and the payment of debt) detrimental to the creditors of the debtor may be voided according to the German Insolvency Code in the following cases:

- any act granting a creditor security or satisfaction for a debt (*Befriedigung*) can be voided if the transaction was effected (i) in the last three months prior to the filing of a petition for the opening of insolvency proceedings, if at the time of the transaction the debtor was illiquid (*zahlungsunfahig*), which means such debtor was unable to pay its debt when due and the creditor had knowledge thereof, or (ii) after a petition for the opening of insolvency proceedings has been filed and the creditor had knowledge thereof or of the debtor being cash-flow insolvent (or knowledge of circumstances which imperatively suggesting such illiquid or filing);

- any act granting a creditor security or satisfaction for a debt to which such creditor had no right, no right at the respective time or no right as to the respective manner, can be voided if the transaction was effected in the month prior to the filing of a petition for the opening of insolvency proceedings; if the transaction was effected in the second and third month prior to the filing, it can be voided if at the time of the transaction (i) the debtor was illiquid, or (ii) the creditor knew that the transaction would be detrimental to the creditors of the debtor;

- any legal transaction effected by the debtor which is directly detrimental to the creditors of the debtor can be voided if the transaction was effected (i) in the last three months prior to the filing of a petition for the opening

of insolvency proceedings against the debtor, if at the time of the legal transaction the debtor was illiquid and the other party to the legal transaction had knowledge thereof or (ii) after a petition for the opening of insolvency proceedings has been filed against the debtor and the other party to the legal transaction had knowledge thereof or of the debtor being illiquid;

- if an act whereby a debtor grants security for a third-party debts is regarded as having been granted gratuitously (*unentgeltlich*); such gratuitous transaction can be voided unless it was effected earlier than four years prior to the filing of a petition for the opening of insolvency proceedings against the debtor;

- any act performed by the debtor during a period of ten years prior to the filing of the petition for the opening of insolvency proceedings or at any time after such filing can be voided if the debtor acted with the intent to disadvantage its creditors and the beneficiary of the transaction had knowledge of such intent at the time of the transaction, with such knowledge being presumed if the beneficiary knew that the debtor at least imminent illiquid and that the transaction disadvantaged the other creditors;

- any non-gratuitous contract concluded between the debtor and an affiliated party which directly operates to the detriment of the creditors can be voided unless such contract was concluded earlier than two years prior to the filing of the petition for the opening of insolvency proceedings or the other party had no knowledge of the debtor's intention to disadvantage its creditors as of the time the contract was concluded; in relation to corporate entities, the term "affiliated party" includes, subject to certain limitations, members of management or the supervisory board, general partners and shareholders owning more than 25% of the debtor's share capital, persons or companies holding comparable positions that give them access to information about the economic situation of the debtor, and other persons who are spouses, relatives or members of the household of any of the foregoing persons;

- any act that provides security or satisfaction for a claim of a shareholder for the repayment of a shareholder loan (*Gesellschafterdarlehen*) or an economically equivalent claim can be voided (i) in the event it provided security, if the transaction was effected within the last ten years prior to the filing of a petition for the opening of insolvency proceedings or thereafter or (ii) in the event it provided satisfaction, if the transaction was effected in the last year prior to the filing of a petition for the opening of insolvency proceedings or thereafter; or

- any act whereby the debtor grants satisfaction for a loan claim or an economically equivalent claim to a third party can be voided if the transaction was effected in the last year prior to the filing of a petition for the opening of insolvency proceedings or thereafter and if a shareholder of the debtor had granted security or was liable as a guarantor (*Bürge*) (in which case the shareholder must compensate the debtor for the amounts paid (subject to further conditions)).

For purposes of the above, the knowledge of circumstances from which a compelling conclusion regarding the debtor's illiquidity or regarding the filing of a petition for the opening of insolvency proceedings can be drawn, will be considered tantamount to the actual knowledge of the debtor's illiquidity or of the filing of the petition for the opening of insolvency proceedings.

When successful, the challenge of such act (*Rechtshandlung*) or legal transaction results in an obligation of the relevant creditor to return the benefit obtained through or in connection with such action to the insolvency estate, while a claim for the return of a consideration originally granted to the debtor for the debtor's performance (if any) may constitute only a regular, unsecured insolvency claim which may be satisfied only to the extent a general insolvency dividend is paid upon the distribution of the insolvency estate to the creditors.

Such transactions can include the payment of any amounts to the Noteholders as well as granting them any security interest. In the event that such a transaction is successfully avoided, the Noteholders would be under an obligation to repay the amounts received or to waive the Guarantee or security interest.

If the Guarantee given or by a German subsidiary of the Issuer were avoided or held unenforceable for any reason, you would cease to have any claim in respect thereof. Any amounts received from a transaction that has been avoided would have to be repaid to the insolvent estate.

Furthermore, even in the absence of an insolvency proceeding, a third-party creditor who has obtained an enforcement order but has failed to obtain satisfaction of its enforceable claims by a levy of execution or where such levy of execution can be expected not to result in full satisfaction of such claims, under certain circumstances, has the right to avoid

certain transactions, such as the payment of debt and the granting of security pursuant to the German Code on Avoidance (*Anfechtungsgesetz*). The prerequisites vary to a certain extent from the rules described above and the voidance periods are calculated from the date when a creditor exercises its rights of avoidance in the courts.

Ireland

The Notes may be guaranteed by Hertz Fleet Limited, a company incorporated in Ireland. The obligations under the Notes and the Guarantees of any Guarantor incorporated in Ireland must be for the corporate benefit of such Irish company.

The question of corporate benefit must be determined on a case by case basis. Consideration has to be given to any direct and/or indirect benefit that the company would derive from the transaction.

The company must be solvent at the time the company gives any guarantee.

The fiduciary duty owed by the director to the company is to exercise reasonable care and skill to ensure that everything which the company does is for the benefit of the company as a whole. Consequently, it is necessary for the directors to consider what corporate benefit accrues to the company of which they are directors if the transaction is implemented. In respect of a guarantee which is for the benefit of a group of companies or a parent company the law is surrounded with a certain amount of ambiguity. In certain circumstances it might be legitimate for the directors of a subsidiary company to sacrifice its short-term interests for the good of the group. Furthermore, there may be no breach of duty where this is done with a view to the good of the subsidiary in the medium term. Certain transactions which may seem to benefit the parent company at the expense of the subsidiary may therefore be permissible.

If directors give guarantees not in the commercial interests of the company, not only can they be sued for breach of duties and misfeasance but the guarantees can be set aside. If the transaction results in the company's liabilities exceeding its assets or in its becoming unable to pay its debts as they fall due, then a company creditor could potentially bring an action for fraudulent preference (as discussed below).

Furthermore the giving of guarantees must be within the powers of the company exercised in furtherance of its objects and should be specifically expressed in the company's Memorandum and Articles of Association, otherwise, the transaction could be *ultra vires*.

Liquidation

As an Irish incorporated company, Hertz Fleet Limited may be wound up under Irish law. On a liquidation of an Irish company, certain categories of preferential debts and the claims of secured creditors would be paid in priority to the claims of unsecured creditors. Such preferential debts would comprise, among other things, any amounts owed in respect of local rates and certain amounts owed to the Irish Revenue Commissioners for income/corporation/capital gains tax, VAT, employee taxes, social security and pension scheme contributions and remuneration, salary and wages of employees and certain contractors and the expenses of liquidation and examinership (if any). If Hertz Fleet Limited becomes subject to an insolvency proceeding and if it has obligations to creditors that are treated under Irish law as creditors that are senior relative to the Noteholders, the Noteholders may suffer losses as a result of their subordinated status during such insolvency proceedings. In particular:

- under Irish law, the claims of creditors holding fixed charges may rank behind other creditors (namely fees, costs and expenses of any examiner appointed and certain capital gains tax liabilities) and, in the case of fixed charges over book debts, may rank behind claims of the Irish Revenue Commissioners for PAYE and VAT;

- under Irish law, for a charge to be characterized as a fixed charge, the charge holder is required to exercise the requisite level of control over the assets purported to be charged and the proceeds of such assets including any bank account into which such proceeds are paid. There is a risk therefore that even a charge which purports to be taken as a fixed charge may take effect as a floating charge if a court deems that the requisite level of control was not exercised;

- floating charges have certain weaknesses, including the following:

(i) they have weak priority against chargees who are bona fide purchasers (who are not on notice of any negative pledge contained in the floating charge) and against lien holders, execution creditors and creditors with rights of set-off;

(ii) they rank after certain preferential creditors, such as claims of employees and certain taxes on winding-up;

(iii) they rank after certain insolvency officer remuneration expenses and liabilities;

(iv) the examiner of a company has certain rights to deal with the property covered by the floating charge; and

(v) they rank after fixed charges;

- in an insolvency of Hertz Fleet Limited, the claims of certain other creditors (including the Irish Revenue Commissioners for certain unpaid taxes), as well as those of creditors mentioned above, will rank in priority to claims of unsecured creditors and claims of creditors holding floating charges.

Under Irish insolvency law a liquidator of Hertz Fleet Limited could apply to court to have set aside certain transactions entered into by Hertz Fleet Limited before the commencement of liquidation. Section 286 of the Irish Companies Act, 1963 provides that any conveyance, mortgage, delivery of goods, payment, execution or other act relating to property made or done by or against a company which is unable to pay its debts as they become due, to any creditor, within six months of the commencement of a winding up of the company, with a view to giving such creditor (or any surety or guarantor of the debt due to such creditor) a preference over its other creditors shall, if the company is at the time of the commencement of the winding-up unable to pay its debts (taking into account the contingent and prospective liabilities), be deemed a fraudulent preference of its creditors and be invalid accordingly. Where the conveyance, mortgage, delivery of goods, payment, execution or other action is in favor of a connected person the six month period is extended to two years. In addition, any such act in favor of a connected person is deemed a preference over the other creditors and as such to be a fraudulent preference and invalid accordingly.

Under section 139 of the Irish Companies Act, 1990, if it can be shown on the application of a liquidator, creditor or contributory of a company which is being wound up to the satisfaction of the Irish High Court that any property of such company was disposed of and the effect of such a disposal was to "perpetrate a fraud" on the company, its creditors or members, the Irish High Court may, if it deems it just and equitable, order any person who appears to have "use, control or possession" of such property or the proceeds of the sale or development thereof to deliver it or pay a sum in respect of it to the liquidator on such terms as the Irish High Court sees fit. In deciding whether it is just and equitable to make an order under section 139, the Irish High Court must have regard to the rights of persons who have bona fide and for value acquired an interest in the property the subject of the application.

Examinership

Examinership is a court procedure available under the Irish Companies (Amendment) Act 1990, as amended (the "1990 Act") to facilitate the survival of Irish companies in financial difficulties. Hertz Fleet Limited, its directors, its shareholders holding, at the date of presentation of the petition, not less than one-tenth of its voting share capital, or a contingent, prospective or actual creditor, are each entitled to petition the court for the appointment of an examiner. The examiner, once appointed, has the power to set aside contracts and arrangements entered into by the company after this appointment and, in certain circumstances, can avoid a negative pledge given by the company prior to this appointment. Furthermore, he may sell assets which are the subject of a fixed charge. However, if such power is exercised he must account to the holders of the fixed charge for the amount realized and discharge the amount due to them out of the proceeds of sale.

During the period of protection, the examiner will compile proposals for a compromise or scheme of arrangement to assist in the survival of the company or the whole or any part of its undertaking as a going concern. A scheme of arrangement may be approved by the Irish High Court when at least one class of creditors, whose interests are impaired under the proposals, has voted in favor of the proposals and the Irish High Court is satisfied that such proposals are fair and equitable in relation to any class of members or creditors who have not accepted the proposals and whose interests would be impaired by implementation of the scheme of arrangement and the proposals are not unfairly prejudicial to any interested party.

In considering proposals by the examiner, it is likely that secured and unsecured creditors would form separate classes of creditors. In the case of Hertz Fleet Limited., if the Trustee represented the majority in number and value of claims

within the secured creditor class, the Trustee would be in a position to vote against any proposal not in favor of the Noteholders. The Trustee would also be entitled to argue at the High Court hearing at which the proposed scheme of arrangement is considered that the proposals are unfair and inequitable in relation to the Noteholders, especially if such proposals included a writing down to the value of amounts due by the Issuer to the Noteholders.

If, for any reason, an examiner were appointed to Hertz Fleet Limited while any amounts due by the Issuer under the Notes were unpaid, the primary risks to the Noteholders are as follows:

- the Trustee, on behalf of the Noteholders, would not be able to exercise enforcement rights against Hertz Fleet Limited during the period of examinership;
- a scheme of arrangement may be approved involving the writing down of the debt due by Hertz Fleet Limited to the Noteholders irrespective of their views;
- an examiner may seek to set aside any negative pledge in the Notes prohibiting the creation of security or the incurring of borrowings by Hertz Fleet Limited to enable the examiner to borrow to fund Hertz Fleet Limited during the protection period; and
- in the event that a scheme of arrangement is not approved and Hertz Fleet Limited subsequently goes into liquidation, the examiner's remuneration and expenses (including certain borrowings incurred by the examiner on behalf of Hertz Fleet Limited and approved by the Irish High Court) and the claims of certain other creditors referred to above (including the Irish Revenue Commissioners for certain unpaid taxes) will take priority over the amounts due by Hertz Fleet Limited to the Noteholders.

Furthermore, a court may order that an examiner shall have any of the powers a liquidator appointed by court would have, which could include the power to apply to have transactions set aside under section 286 of the Irish Companies Act, 1963 or section 139 of the Irish Companies Act, 1990.

The Issuer cannot be certain that, in the event of Hertz Fleet Limited becoming insolvent, a Guarantee or any payment under it will not be challenged by a liquidator or examiner or that a court would uphold such Guarantee or payment.

Limitations on Guarantees by Irish Guarantors

In respect of the liabilities and obligations of any Guarantor incorporated in Ireland, no Guarantee will apply to the extent that it would constitute unlawful financial assistance within the meaning of section 60 of the Companies Act, 1963 of Ireland.

Italy

Under Italian Law the obligations under the Notes and Guarantees of a Guarantor incorporated in Italy are subject to compliance with the rules on corporate benefit and corporate authorization. If the guarantee is being provided in the context of an acquisition, group reorganization or restructuring, financial assistance issues may also be triggered.

An Italian company granting a guarantee must receive a real and adequate benefit in exchange for the guarantee. The concept of real and adequate benefit is not defined in the applicable legislation and is determined on a case by case basis. In particular, in case of upstream and cross-stream guarantees for the financial obligations of group companies, examples include financial consideration in the form of a guarantee fee or access to cash flows in the form of intercompany loans from other members of the group. The general rule is that the risk assumed by an Italian guarantor must not be disproportionate to the direct or indirect economic benefit to that guarantor. Absence of a real and adequate benefit could render the guarantee or the collateral ultra vires and potentially affected by conflict of interest. Thus, civil liabilities may be imposed on the directors of the guarantor if it is assessed that they did not act in the best interest of the guarantor and that the acts they carried out do not fall within the corporate purpose of the guarantor. The lack of corporate benefit could also result in the imposition of civil liabilities on those companies or persons ultimately exercising control over the guarantor or having knowingly received an advantage or profit from such improper control. Moreover, guarantee could be declared null and void if the lack of corporate benefit was known or presumed to be known by the third party and such third party acted intentionally against the interest of the guarantor. In order to enable Italian companies to grant upstream and cross-stream guarantee to secure liabilities of third parties, customary "limitation language" is usually inserted in indentures, credit agreements and guarantees for the purpose of

limiting the amount guaranteed by the guarantor to an amount that is proportionate for the direct or indirect economic benefit to the guarantor derived from the transaction.

As to corporate authorizations and financial assistance, the granting of a guarantee by an Italian company must be permitted by the by-laws (*statuto*) of the Italian company and cannot include any liability which would result in unlawful financial assistance within the meaning of article 2358 of the Italian civil code pursuant to which, subject to specific exceptions, it is unlawful for a company to give financial assistance (whether by means of loans, security, guarantees or otherwise) for the acquisition of its own shares by a third party.

The Indenture will provide that each Guarantor incorporated under the laws of Italy (an "Italian Guarantor") will guarantee all obligations arising under the Indenture and the Revolving Credit Facility except that it shall not exceed, at any time, the highest outstanding principal amount at any time (as calculated at that time) of all inter-company loans advanced (or granted) to that Italian Guarantor (or any of its direct or indirect Subsidiaries) by the Issuer or any Guarantor after the date of the Indenture, it being specified that any payment made by such Italian Guarantor under the Indenture or pursuant to the Revolving Credit Facility in respect of the obligations of the Issuer or any other Guarantor shall reduce for a corresponding amount the outstanding amount of the intercompany loans (if any) due by such Italian Guarantor to the Issuer or that Guarantor under the intercompany loan agreements referred to above.

Each Italian Guarantor will be entitled to raise as a defense (*eccezione*) in relation to the relevant intercompany loan granted by the Issuer or any Guarantor to the Italian Guarantor that the payment obligations of such Italian Guarantor under the intercompany loan shall be set-off against its claims of recourse or subrogation (*regresso o surrogazione*) arising as a result of any payment made by such Italian Guarantor under the guarantee given under the Indenture or pursuant to the Revolving Credit Facility (the "Set-Off Right").

Any provision establishing a deferral of Guarantors' rights in the Indenture shall not prejudice, and will not apply to, the Set-Off Right.

The obligations of each Italian Guarantor under the Indenture are not exclusive of the obligations of that Italian Guarantor in its capacity as guarantor under the Revolving Credit Facility and, therefore, the obligations deemed to be assumed by each Italian Guarantor under the Indenture and Revolving Credit Facility are, in aggregate, limited as set out in the Indenture.

In any event, pursuant to Article 1938 of the Italian Civil Code, the maximum amount that an Italian Guarantor may be required to pay in respect of its obligations as Guarantor under the Indenture shall not exceed 110% of the maximum amount of the Notes.

The guarantee of any Italian Guarantor acceding as an additional Guarantor shall be subject to any limitations relating to that additional Guarantor set out in any relevant accession letter.

Insolvency Proceedings

The two primary aims of Royal Decree No. 267 of March 16, 1942 (the main Italian bankruptcy legislation), as reformed and currently in force (the "Italian Bankruptcy Law"), are to liquidate the debtor's assets and protect the goodwill of the going concern (if any) for the satisfaction of creditors' claims as well as, in case of the "*Prodi-bis*" procedure or "*Marzano*" procedure, to maintain employment. These competing aims have often been balanced by selling businesses as going concerns and ensuring that employees are transferred along with the businesses being sold.

Under the Italian Bankruptcy Law, bankruptcy must be declared by a court, based on the insolvency (*insolvenza*) of a company upon a petition filed by the company itself, the public prosecutor and/or one or more creditors. Insolvency occurs when a debtor is no longer able to regularly meet its obligations as they become due. This must be a permanent, and not a temporary, status in order for a court to hold that a company is insolvent.

In cases where a company is in distress, it may be possible for it to enter into out-of-court arrangements with its creditors, which may safeguard the existence of the company, but which are susceptible to being reviewed by a court in the event of a subsequent insolvency, and possibly challenged as voidable transactions.

In addition, the following forms of debt restructuring and bankruptcy are available under Italian law for companies in a state of crisis and for insolvent companies.

Out-of-court reorganization plans (piani di risanamento) pursuant to Article 67, Paragraph 3(d) of the Italian Bankruptcy Law

Out-of-court debt restructuring agreements are based on restructuring plans (*piani di risanamento attestati*) prepared by companies in order to restructure their indebtedness and to ensure the recovery of their financial condition. An independent expert appointed by the debtor has to verify the feasibility of the restructuring plan and the truthfulness of the business data provided by the company.

The terms and conditions of these plans are freely negotiable. Unlike in- court pre-bankruptcy agreement proceedings and debt restructuring agreements, out-of-court reorganization plans pursuant to Article 67, Paragraph 3(d) of the Italian Bankruptcy Law do not offer the debtor any protection against enforcement proceedings and/or precautionary actions of third-party creditors. The Italian Bankruptcy Law provides that, should these plans fail and the debtor be declared bankrupt, the payments and/or acts carried out for the implementation of the reorganization plan, subject to certain conditions (i) are not subject to clawback action and (ii) are exempted from certain potentially applicable criminal sanctions. Neither ratification by the court nor publication in the Companies' Register are needed (although publication in the Companies' Register is possible upon a debtor's request) and, therefore, the risk of bad publicity or disvalue judgments are lower than in case of an in-court pre-bankruptcy agreement or a debt restructuring agreement.

Debt restructuring agreements with creditors (accordi di ristrutturazione dei debiti) pursuant to Article 182-bis of the Italian Bankruptcy Law

Out-of-court agreements for the restructuring of indebtedness entered into with creditors representing at least 60% of the outstanding company's debts can be ratified by the court. An expert appointed by the debtor must assess the truthfulness of the business data provided by the company and declare that the agreement is feasible and, particularly, that it ensures that the debts of the nonparticipating creditors can be fully satisfied within the following time frames: (i) 120 days from the date of ratification of the agreement by the court, in the case of debts which are due and payable to the nonparticipating creditors as at the date of the sanctioning (*omologazione*) of the debt restructuring agreement by the court; and (ii) 120 days from the date on which the relevant debts fall due, in case of receivables which are not yet due and payable to the nonparticipating creditors as of the date of the sanctioning (*omologazione*) of the debt restructuring agreement by the court. Only a debtor who is insolvent or in a state of crisis (i.e., facing distress which does not yet amount to insolvency) can initiate this process and request the court's sanctioning (*omologazione*) of the debt restructuring agreement entered into with its creditors.

The agreement is published in the companies' register and is effective as of the day of its publication. Starting from the date of such publication and for 60 days thereafter, creditors cannot start or continue any interim relief or enforcement actions over the assets of the debtor and cannot obtain any security interest (unless agreed) in relation to preexisting debts. Such moratorium can be requested, pursuant to Article 182-*bis*, Paragraph 6 of the Italian Bankruptcy Law, by the debtor from the court pending negotiations with creditors (prior to the above-mentioned publication of the agreement), subject to the fulfillment of certain conditions. Such moratorium request must be published in the companies' register and becomes effective as of the date of publication. The court, having verified the completeness of the documentation, sets the date for a hearing within 30 days of the publication and orders the company to supply the relevant documentation in relation to the moratorium to the creditors. In such hearing, the court assesses whether the conditions for granting the moratorium are in place and, if they are, orders that no interim relief or enforcement action may be started or continued, nor can security interests (unless agreed) be acquired over the assets of the debtor, and sets a deadline (not exceeding 60 days) within which the restructuring agreement has to be filed. The court's order may be challenged within 15 days of its publication. Within the same time frame, an application for the *concordato preventivo* (as described below) may be filed, without prejudice to the effect of the moratorium.

The Italian Bankruptcy Law does not expressly provide for any indications concerning the contents of the debt restructuring agreement. The plan can therefore provide, *inter alia*, either for the prosecution of the business by the debtor or by a third party, or the sale of the business to a third party and may contain, refinancing agreements, moratoria, write-offs and/or postponements of claims. The debt restructuring agreement may also contain a proposed tax settlement for the partial or deferred payment of certain taxes.

Creditors and other interested parties may oppose the agreement within 30 days from the publication of the agreement in the companies' register. The court will, after having settled the oppositions (if any), validate the agreement by issuing a decree, which may be appealed within 15 days of its publication.

Pursuant to the new Article 182-*quinquies* of the Italian Bankruptcy Law, the court, pending the sanctioning (*omologazione*) of the agreement pursuant to Article 182-*bis*, paragraph 1, or after the filing of the instance pursuant to

Article 182-*bis*, paragraph 6, or a petition for a *concordato preventivo*, also pursuant to Article 161, paragraph 6, may authorize the debtor (i) to incur in new indebtedness pre-deductible, provided that the expert appointed by the debtor declares the aim of the new financial indebtedness results in a better satisfaction of the creditors, and (ii) to pay debts deriving from the supply of services or goods, already payable and due, provided that the expert declares that such payment is essential for the keeping of company's activities and to ensure the best satisfaction for all creditors.

Court-supervised pre-bankruptcy composition with creditors (concordato preventivo)

A company which is insolvent or in a situation of crisis, but has not been declared insolvent by the court, has the option to make a composition proposal to its creditors, under court supervision, in order to compose its overall indebtedness and/or reorganize its business, thereby avoiding a declaration of insolvency and the initiation of bankruptcy proceedings. Such composition proposal can be made by a commercial enterprise which exceeds any of the following thresholds: (i) has had assets (*attivo patrimoniale*) in an aggregate amount exceeding €0.3 million for each of the three preceding fiscal years, (ii) gross revenues (*ricavi lordi*) in an aggregate amount exceeding €0.2 million for each of the three preceding fiscal years, and (iii) has total indebtedness in excess of €0.5 million. Only the debtor company can file a petition with the court for a *concordato preventivo* (together with, *inter alia*, the proposed agreement and an independent expert report assessing the feasibility of the composition proposal and the truthfulness of the business data provided by the company). The petition for *concordato preventivo* is then published by the debtor in the companies' register. From the date of such publication to the date on which the court sanctions the *concordato preventivo*, all enforcement and interim relief actions by the creditors (whose debt became due before the sanctioning of the *concordato preventivo* by the court) are stayed. During this time, all enforcement, precautionary actions and interim measures sought by the creditors, whose title arose beforehand, are stayed. Preexisting creditors cannot obtain security interests (unless authorized by the court) and mortgages registered within the 90 days preceding the date on which the petition for the *concordato preventivo* is published in the companies' register are ineffective against such preexisting creditors.

The composition proposal filed in connection with the petition may provide for: (i) the restructuring of debts and the satisfaction of creditors' claims (including through extraordinary transactions, such as the granting to creditors and to their subsidiaries or affiliated companies of shares, bonds (including bonds convertible into shares), or other financial instruments and debt securities); (ii) the transfer to a receiver (*assuntore*) of the operations of the debtor company making the composition proposal; (iii) the division of creditors into classes and (iv) different treatment of creditors belonging to different classes. The composition proposal may also contain a proposed tax settlement for the partial or deferred payment of certain taxes.

The filing of the petition for the *concordato preventivo* may be preceded by the filing of a preliminary petition for a *concordato preventivo* (so called *concordato in bianco*, pursuant to Article 161, paragraph 6, of the Italian Bankruptcy Law). The debtor company may file such petition along with its financial statements from the latest three financial years reserving the right to submit the underlying plan, the proposal and all relevant documentation within a period assigned by the court between 60 and 120 days from the date of the filing of the preliminary petition, subject to only one possible further extension of up to 60 days, where there are reasonable grounds for such extension. In advance of such deadline, the debtor may also file a petition for the approval of a debt restructuring agreement (pursuant to Article 182-*bis* of the Italian Bankruptcy Law).

The composition proposal may propose that (i) the debtor's company's business continues to be run by the debtor's company as a going concern, or (ii) the business is transferred to one or more companies and any assets which are no longer necessary to run the business are liquidated (*concordato con continuità aziendale*). In these cases, the petition for the *concordato preventivo* should fully describe the costs and revenues which are expected as a consequence of the continuation of the business as a going concern, as well as the financial resources and support which will be necessary. The report of the independent expert shall also certify that the continuation of the business is conducive to the satisfaction of creditors' claims to a greater extent than if such composition proposal was not implemented.

Furthermore, the going concern-based arrangements with creditors can provide for, *inter alia*, the winding-up of those assets which are not functional to the business allowed. The composition agreement may also contain a proposed tax settlement for the partial or deferred payment of certain taxes.

If the court determines that the composition proposal is admissible, it appoints a judge (*giudice delegato*) to supervise the procedure, appoints one or more judicial officers (*commissari giudiziali*) and calls a creditors' meeting. During the implementation of the proposal, the company generally continues to be managed by its board of directors, but is supervised by the appointed judicial officers and judge (who shall authorize all transactions that exceed the ordinary course of business).

The *concordato preventivo* is voted on at a creditors' meeting and must be approved by the majority (by value of claims) of the creditors entitled to vote and, where there are different classes of creditors also, by the majority of classes. Creditors who have not voted will be deemed to approve the *concordato preventivo* proposal if they fail to notify their objection via telegraph, fax, mail or e-mail to such proposal within 20 days from the closure of the minutes of that creditors' meeting. Secured creditors are not entitled to vote on the proposal of *concordato preventivo* unless and to the extent they waive their security, or the *concordato preventivo* provides that they will not receive full satisfaction of the fair market value of their secured assets (such value being assessed by an independent expert), in which case they can vote only in respect of the part of their debt affected by the proposal. The court may also approve the *concordato preventivo* (notwithstanding the circumstance that one or more classes objected to it) if (i) the majority of classes has approved it, and (ii) the court deems that the interests of the dissenting creditors would be adequately safeguarded through it compared to other solutions. If an objection to the implementation of the *concordato preventivo* is filed by 20% of the creditors or, in case there are different classes of creditors, by a creditor belonging to a dissenting class, entitled to vote, the court may nevertheless sanction the *concordato preventivo* if it deems that the relevant creditors' claims are likely to be satisfied to a greater extent as a result of the *concordato preventivo* than would otherwise be the case.

After the approval by the creditors' meeting, the court (having settled possible objections raised by the dissenting creditors, if any) confirms the *concordato preventivo* proposal by issuing a confirmation order.

If the creditors' meeting does not approve the *concordato preventivo*, the court may, upon request of the public prosecutor or a creditor, and having decided that the appropriate conditions apply, declare the company bankrupt.

Bankruptcy (fallimento)

A request to declare a debtor company bankrupt and to commence bankruptcy proceedings (*fallimento*) and the judicial liquidation of the debtor company's assets can be filed by the debtor company itself, any of its creditors and, in certain cases, by the public prosecutor. The bankruptcy is declared by the competent bankruptcy court. The Italian Bankruptcy Law is applicable only to commercial enterprises (*imprenditori commerciali*) if any of the following thresholds are met (i.e., the company has had assets (*attivo patrimoniale*) in an aggregate amount exceeding €0.3 million for each of the three preceding fiscal years, gross revenues (*ricavi lordi*) in an aggregate amount exceeding €0.2 million for each of the three preceding fiscal years and has total indebtedness in excess of €0.5 million). On the commencement of bankruptcy proceedings:

- subject to certain exceptions, all actions of creditors are stayed and creditors must file claims within a defined period. In particular, under certain circumstances secured creditors may enforce against the secured property as soon as their claims are admitted as preferred claims. Secured claims are paid out of the proceeds of the secured assets, together with interest and expenses. Any outstanding balance will be considered unsecured and rank *pari passu* with all of the bankrupt's other unsecured debt. The secured creditor may sell the secured asset only after it has obtained authorization from the designated judge (*giudice delegato*). After hearing the bankruptcy receiver and the creditors' committee, the designated judge decides whether to authorize the sale, and sets forth the timing in its decision;

- the administration of the debtor company and the management of its assets pass from the debtor company to the bankruptcy receiver (*curatore fallimentare*);

- any act of the debtor company done after a declaration of bankruptcy (including payments made) is ineffective against the creditors;

- continuation of business may be authorized by the court if an interruption would cause greater damage to the company, but only if the continuation of the company's business does not cause damage to creditors; and

- the execution of certain contracts and/or transactions pending as of the date of the bankruptcy declaration are suspended until the receiver decides whether to take them over. Although the general rule is that the bankruptcy receiver is allowed to either continue or terminate contracts where some or all of the obligations have not been

performed by both parties, certain contracts are subject to specific rules expressly provided for by the Italian Bankruptcy Law.

The bankruptcy proceedings are carried out and supervised by a court- appointed bankruptcy receiver, a deputy judge (*giudice delegato*) and a creditors' committee. The bankruptcy receiver is not a representative of any one of the creditors, but is responsible for the liquidation of the assets of the debtor for the satisfaction of the creditors as a whole. The proceeds from the liquidation are distributed in accordance with statutory priority. The liquidation of a debtor can take a considerable amount of time, particularly in cases where the debtor's assets include real property. The Italian Bankruptcy Law provides for a priority of payment to certain preferential creditors, including employees, the Italian treasury, and judicial and social authorities. Such priority of payment is provided under mandatory provisions of Italian law (as a consequence it is untested and it is unlikely that priority of payments such as those commonly provided in intercreditor contractual arrangements would be recognized by an Italian bankruptcy estate to the extent they are inconsistent with the priorities provided by law).

Bankruptcy composition with Creditors (concordato fallimentare)

A bankruptcy proceeding can terminate prior to liquidation through a bankruptcy composition proposal with creditors. The proposal can be filed, by one or more creditors or third parties, from the declaration of bankruptcy. By contrast, the debtor or its subsidiaries are only permitted to file such proposal after one year following such declaration, but within two years following the decree giving effectiveness to the liabilities account (*stato passivo*). Secured creditors are not entitled to vote on the proposal of *concordato fallimentare*, unless and to the extent they waive their security or the *concordato fallimentare* provides that they will not receive full satisfaction of the fair market value of their secured assets (such value being assessed by an independent expert), in which case they can vote only in respect of the part of their debt affected by the proposal.

The proposal may provide for the division of creditors into classes (thereby proposing different treatment among the classes), the restructuring of debts and the satisfaction of creditors' claims in any manner. The *concordato fallimentare* proposal must be approved by the creditors' committee and the creditors holding the majority (by value) of claims (and, if classes are formed, also by a majority (by value) of the claims in a majority of the classes). Final court ratification is also required.

Statutory priorities

The statutory priority given to creditors under the Italian Bankruptcy Law may be different from that established in the United States, the United Kingdom and certain other EU jurisdictions. Neither the debtor nor the court can deviate from the rules of statutory priority by proposing their own priorities of claims or by subordinating one claim to another based on equitable subordination principles (as a consequence it must be noted that priority of payments such as those commonly provided in intercreditor contractual arrangements may not be enforceable against an Italian bankruptcy estate to the extent they are inconsistent with the priorities provided by law). The rules of statutory priority apply irrespective of whether the proceeds are derived from the sale of the entire bankrupt's estate or part thereof, or from a single asset.

Article 111 of the Italian Bankruptcy Law establishes that proceeds of liquidation shall be allocated according to the following order: (i) for payments of "pre-deductible" claims (i.e., claims originated in the insolvency proceeding, such as costs related to the procedure); (ii) for payment of claims which are privileged, such as claims of secured creditors; and (iii) for the payment of unsecured creditors' claims. Under Italian law, the highest priority claims (after the costs of the proceedings are paid) are the claims of preferential creditors including, *inter alia*, a claim whose priority is legally acquired (i.e., repayment of rescue or interim financing, mentioned above), the claims of the Italian tax authorities and social security administrators, and claims for employee wages. The remaining priority claims are those of "privileged" creditors (*creditori privilegiati*; a priority in payment in most circumstances, but not exclusively, provided for by law), mortgagees (*creditori ipotecari*), pledgees (*creditori prignoratizi*) and unsecured creditors (*crediti chirografari*).

Avoidance powers in insolvency

Under Italian law, there are "clawback" or avoidance provisions that may lead to, *inter alia*, the revocation of payments made or security interests granted by the debtor prior to the declaration of bankruptcy. The key avoidance provisions include, but are not limited to, transactions made below market value, preferential transactions and transactions made with a view to defraud creditors. Clawback rules under Italian law are normally considered to be particularly favorable to the receiver in bankruptcy, compared to the rules applicable in other jurisdictions.

In bankruptcy proceedings, depending on the circumstances, the Italian Bankruptcy Law provides for a clawback period of up to either one year or six months in certain circumstances (please note that in the context of extraordinary administration procedures—see sections below—in relation to certain transactions the clawback period can be extended to five and three years, respectively) and a two-year ineffectiveness period for certain other transactions.

The Italian Bankruptcy Law distinguishes between acts or transactions which are ineffective by operation of law and acts or transactions which are voidable at the request of the bankruptcy receiver/court commissioner, as detailed below.

(a) Acts ineffective by operation of law

(i) Under Article 64 of the Italian Bankruptcy Law, all transactions entered into for no consideration are ineffective *vis- à-vis* creditors if entered into by the debtor in the two-year period prior to the insolvency declaration; and

(ii) under Article 65 of the Italian Bankruptcy Law, payments of debts falling due on the day of the declaration of insolvency or thereafter are deemed ineffective *vis-à-vis* creditors if made by the debtor in the two-year period prior to the insolvency declaration.

(b) Acts which could be declared ineffective at the request of the bankruptcy receiver/court commissioner

(i) The following acts and transactions, if done or made during the period specified below, may be clawed back (*revocati*) *vis-à-vis* the bankruptcy as provided for by article 67 of the above referenced Royal Decree and be declared ineffective unless the other party proves that it had no actual or constructive knowledge of the debtor's insolvency:

(I) the onerous transactions entered into in the year preceding the insolvency declaration, where the value of the debt or of the obligations undertaken by the debtor exceeds by 25% the value of the consideration received by and/or promised to the debtor;

(II) payments of debts, due and payable, made by the debtor, which were not paid in cash or by other customary means of payment in the year preceding the insolvency declaration;

(III) pledges and mortgages granted by the bankrupt entity in the year preceding the insolvency declaration in order to secure preexisting debts which have not yet fallen due; and

(IV) pledges and mortgages, granted by the bankrupt entity in the six months preceding the insolvency declaration, in order to secure debts which had fallen due.

(ii) The following acts and transactions, if done or made during the period specified below, may be clawed back (*revocati*) and declared ineffective if the bankruptcy receiver proves that the other party knew that the bankrupt entity was insolvent at the time of the act or transaction:

(I) the payments of debts that are immediately due and payable and any onerous transactions entered into or made in the six months preceding the insolvency declaration; and

(II) the granting of security interests securing debts (even those of third parties) and made in the six months preceding the insolvency declaration.

(iii) The following transactions are exempt from clawback actions:

(I) a payment for goods or services made in the ordinary course of business and in accordance with market practice;

(II) a remittance on a bank account, provided that it does not reduce the bankrupt entity's debt towards the bank in a material and lasting manner;

(III) a sale, including an agreement for sale registered pursuant to Article 2645-*bis* of the Italian Civil Code, currently in force, made for a fair value and concerning a residential property that is intended as the main residence of the purchaser or the purchaser's family (within three degrees of kinship) or a nonresidential property that is intended as the main seat of the enterprise of the purchaser, on the condition that, as at the date of the insolvency declaration, such activity is actually exercised or the investments for the start of such activity have been carried out;

(IV) transactions entered into, payments made and security interests granted with respect to the bankrupt entity's goods, provided that they concern the implementation of a *piano di risanamento attestato* (see Out-of-court reorganization plans (*Piani di risanamento*) pursuant to Article 67, Paragraph 3(d) of the Italian Bankruptcy Law);

(V) a transaction entered into, payment made or security interest granted to implement a *concordato preventivo* (see Court-supervised pre-bankruptcy composition with creditors (*concordato preventivo)*) or an *accordo di ristrutturazione dei debiti* under Article 182-*bis* of the Italian Bankruptcy Law (see Debt restructuring agreements with creditors (*accordi di ristrutturazione dei debiti)* pursuant to Article 182-bis of the Italian Bankruptcy Law) and transactions entered into, payments made and security interests granted after the filing of the application for a *concordato preventivo* (see above);

(VI) remuneration payments to the bankrupt entity's employees and consultants; and

(VII) a payment of a debt that is immediately due, payable and made on the due date, with respect to services necessary for access to *concordato preventivo* procedures.

In addition, in certain cases, the bankruptcy receiver can request that certain transactions of the bankrupt entity be declared without effect *vis-à-vis* the acting creditors within the Italian Civil Code ordinary clawback period of five years (*revocatoria ordinaria*). Under Article 2901 of the Italian Civil Code, a creditor may demand that transactions through which the bankrupt entity disposed of its assets to the detriment of such creditor's rights be declared ineffective with respect to such creditor, provided that the bankrupt entity was aware of such detriment (or, if the transaction was entered into prior to the date on which the creditor's claim originated, that such transaction was fraudulently entered into by the debtor in order to cause detriment of such creditor's rights) and that, in the case of a transaction entered into for consideration with a third person, the third person was aware of such detriment (or, if the transaction was entered into prior to the date on which the creditor's claim originated, such third party participated in the fraudulent scheme).

Extraordinary administration for large insolvent companies (amministrazione straordinaria delle grandi imprese in stato di insolvenza)

An extraordinary administration procedure applies under Italian law for large industrial and commercial enterprises (the *Prodi-bis* procedure). The relevant company must be insolvent, but demonstrating serious recovery prospects. To qualify for this procedure, the company must have employed at least 200 employees in the previous year. In addition, it must have debts equal to at least two-thirds of its assets as shown in its financial statements and two-thirds of its income from sales and services during its last financial year. Either of the creditors, the debtor, a court or the public prosecutor may make a petition to commence an extraordinary administration procedure. The same rules set forth for bankruptcy proceedings with respect to existing contracts and creditors' claims largely apply to extraordinary administration proceedings.

There are two main phases—a judicial phase and an administrative phase.

Judicial phase

In the judicial phase, the court determines whether the company meets the admission criteria and whether it is insolvent. It then issues a decision to that effect and appoints up to three judicial receivers (*commissiario giudiziale*) to investigate whether the company has serious prospects for recovery via a business sale or reorganization. The judicial receiver files a report with the court within 30 days, and within ten days from such filing, the Italian Productive Activities Minister (the "Ministry") may make an opinion on the admission of the company to the extraordinary administration procedure. The court then decides (within 30 days from the filing of the report) whether to admit the company to the procedure or to place it into bankruptcy.

Administrative phase

Assuming that the company is admitted to the extraordinary administration procedure, the administrative phase begins and an extraordinary commissioner (or commissioners) is appointed by the Ministry. The extraordinary commissioner(s), prepares a plan which can provide for either the sale of the business as a going concern within one year (unless extended by the Ministry) (the "Disposal Plan") or a reorganization leading to the company's economic and financial recovery within two years (unless extended by the Ministry) (the "Recovery Plan"). The plan may also include an arrangement with creditors (*e.g.*, a debt for equity swap, an issue of shares in a new company to whom the assets of the company have been transferred, etc.) (*concordato*). The plan must be approved by the Ministry.

The procedure ends upon successful completion of either a Disposal Plan or a Recovery Plan, failing which the company is declared bankrupt.

Industrial restructuring of large insolvent companies (ristrutturazione industriale di grandi imprese in stato di insolvenza)

Introduced in 2003, the industrial restructuring of large insolvent companies is also known as the "Marzano" procedure. It is complementary to the *Prodi-bis* procedure and, except as otherwise provided, the same provisions apply. The Marzano procedure is intended to be faster than the *Prodi-bis* procedure. For example, although a company must be insolvent, the application to the Ministry is made together with the filing to the court for the declaration of the insolvency of the debtor.

The Marzano procedure only applies to large insolvent companies which, on a consolidated basis, have at least 500 employees in the year before the procedure is commenced and at least €300 million of debt. The decision whether to open a Marzano procedure is taken by the Ministry following the debtor's request (who must also file an application for the declaration of insolvency). The Ministry assesses whether the relevant requirements are met and then appoints the extraordinary commissioner(s) who will manage the company. The court also decides on the company's insolvency.

The extraordinary commissioner(s) has/have 180 days (or 270 days if the Ministry so agrees) to submit a Disposal Plan or Recovery Plan. The restructuring through the Disposal Plan or the Recovery Plan must be completed within, respectively, one year (extendable to two years) and two years. If no Disposal or Recovery Plan is approved by the Ministry, the court will declare the company bankrupt and open bankruptcy proceedings.

Compulsory administrative winding-up (liquidazione coatta amministrativa)

A compulsory administrative winding-up (*liquidazione coatta amministrativa*) is only available for certain companies, including, *inter alia*, public interest entities such as state-controlled companies, insurance companies, credit institutions and other financial institutions, none of which can be made subject to bankruptcy proceedings. It is irrelevant whether these companies belong to the public or the private sector. A compulsory administrative winding-up is a special sort of insolvency proceeding in which the entity is liquidated not by the bankruptcy court, but by the relevant administrative authority that oversees the industry in which the entity is active. The procedure may be triggered not only by the insolvency of the relevant entity, but also on other grounds expressly provided for by the relevant legal provisions (*e.g.*, in respect of Italian banks, serious irregularities concerning the management of the bank or serious violations of the applicable legal, administrative or statutory provisions).The effect of this procedure is that the entity loses control over its assets and a liquidator (*commissario liquidatore*) is appointed to wind up the company. The liquidator's actions are monitored by a steering committee (*comitato di sorveglianza*). The powers assigned to the designated judge and the bankruptcy court under the other insolvency proceedings are assumed by the relevant administrative authority under this procedure. The effect on creditors of the forced administrative winding-up is largely the same as under bankruptcy proceedings and includes, for example, a ban on enforcement measures. The same rules set forth for bankruptcy proceedings with respect to existing contracts and creditors' claims largely apply to extraordinary administration proceedings.

Luxembourg

The granting of guarantees by a company incorporated and existing in Luxembourg must not be prohibited by the corporate object ("*objet social*") and/or legal form of that company.

In addition, there is also a requirement according to which the granting of security by a company has to be for its benefit.

Although no statutory definition of corporate benefit exists under Luxembourg law, corporate benefit is widely interpreted and includes any transactions from which the company derives a direct or indirect economic or commercial benefit.

The provision of a guarantee for the obligations of direct or indirect subsidiaries is likely to raise no particular concerns, whereas the provision of cross-stream and upstream guarantees may be more problematic.

Failure to comply with the corporate benefit requirement will typically result in liability for the managers of the company concerned, but not in the annulment of the guarantee improperly granted.

There is nevertheless a limited risk that the managers of the Luxembourg company be held liable if:

- the guarantee so provided would materially exceed the (direct or indirect) benefit deriving from the secured obligations for the Luxembourg company, or

- the Luxembourg company derives no personal benefit or obtains no direct or indirect consideration for the guarantee granted, or

- the commitment of the Luxembourg company exceeds its financial means.

In such a case, and further to the criminal and civil liability incurred by the managers of the Luxembourg company, the guarantee could itself be held unenforceable, as its provision would have been contrary to public policy ("*ordre public*").

The above analysis is slightly different within a group of companies where a group interest can be recognized which prevents the guarantee from falling foul of the above constraints, in which case the following criteria must be met:

- the "assisting" company must receive some benefit, or there must be a balance between the respective commitments of all the affiliates;

- the financial assistance must not exceed the assisting company's financial means, in which case it is typical for the guarantee to be limited to an aggregate amount not exceeding 80% to 95% of the obligor's own funds ("*capitaux propres*"); and

- the companies involved must form part of a genuine group operating under a common strategy aimed at a common objective.

As a result, the guarantees granted by a Luxembourg company may be subject to certain limitations, which usually take the form of a general limitation language covering the aggregate obligations and exposure of the relevant Luxembourg obligor under all finance documents (including guarantee agreements) and in the relevant finance document(s).

For the purposes of this transaction, a specific limitation language has been agreed upon between the parties, whereby the aggregate obligations and exposure of any Guarantor incorporated under the laws of the Grand Duchy of Luxembourg (a "Luxembourg Guarantor") with respect to the obligations of the Issuer or any Guarantor which is not a Subsidiary of such Luxembourg Guarantor, under any Guarantee or document creating a security interest shall be limited at any time to an amount not exceeding the greater of:

- any amount(s) directly or indirectly made available to the Luxembourg Guarantor or any of its Subsidiaries under any Guarantee (and which have not yet been repaid by the Luxembourg Guarantor or its Subsidiaries at the date on which the guarantee provided under the Indenture is called upon or enforced) PLUS (ii) ninety percent (90%) of the sum of that Luxembourg Guarantor's net assets ("*capitaux propres*"), as determined pursuant to Article 34 and following of the Luxembourg law of 19 December 2002 on the register of commerce and companies, accounting and companies annual accounts, as amended (the "2002 Law") and its subordinated debts ("*dettes subordonnées")* as referred to in Article 34 of the 2002 Law, as reflected in its latest annual accounts available as at the date any guarantee or security interest provided under and pursuant to any Guarantee or document creating a security interest is called upon or any guarantee or security interest created under and pursuant to any Guarantee or document creating a security interest is enforced; or

- any amount(s) directly or indirectly made available to the Luxembourg Guarantor or any of its Subsidiaries under any Guarantee (and which have not yet been repaid by the Luxembourg Guarantor or its Subsidiaries at the date on which the guarantee provided under the Indenture is called upon or enforced) PLUS (ii) ninety percent (90%) of the sum of that Luxembourg Guarantor's net assets ("*capitaux propres*"), as determined pursuant to Article 34 and following the 2002 Law and its subordinated debts ("*dettes subordonnées*") as referred to in Article 34 of the 2002 Law, as reflected in its last annual accounts available as at the date of the Indenture.

Under Luxembourg law, security interests qualifying as financial collateral arrangements under the Luxembourg law of 5 August 2005 on financial collateral arrangements (the "Law on financial collateral arrangements") may be granted in favor of a person acting on behalf of the beneficiaries of such security interests, a fiduciary or a trustee as a security for the claims of third party beneficiaries, present or future, to the extent that such third party beneficiaries are or may be determined.

Insolvency

In the event where a Guarantor incorporated in Luxembourg would become insolvent, insolvency proceedings may be initiated in Luxembourg to the extent that the Guarantor has its principal establishment or its centre of main interests in Luxembourg. Such proceedings would then be governed by Luxembourg law. Under certain limited circumstances, Luxembourg law also allows secondary bankruptcy proceedings to be opened in Luxembourg over the assets of companies that are not established in Luxembourg.

There are three statutory insolvency proceedings under Luxembourg law: bankruptcy proceedings ("*faillite*"), controlled management ("*gestion contrôlée*") and composition proceedings ("*concordat préventif de la faillite*"). Controlled management and composition proceedings are formal corporate rescue procedures, while the purpose of bankruptcy proceedings is to realize the assets of the company, distribute the proceeds to its creditors and wind up the company.

A company in financial difficulty may instead seek to reach an informal contractual agreement with its creditors to reorganize its financial position or to restructure its business (non-statutory proceedings). On the basis of articles 593ff. of the Commercial Code, the company may also apply to court to suspend payment of its debts ("*sursis de paiement*").

Bankruptcy proceedings, controlled management, composition proceedings and "*sursis de paiement*" are available to all types of Luxembourg companies with a commercial corporate object. Special regimes apply for entities including, but not limited to, financial institutions and insurance companies. The commencement of any procedure, other than bankruptcy, does not preclude the court from declaring the company bankrupt (including on the court's own motion), if the legal conditions for bankruptcy are met.

Bankruptcy ("faillite")

A company may enter into bankruptcy proceedings if it has ceased making payments (i.e. it is no longer able to repay its debts as they fall due) ("*cessation des paiements*") and its creditworthiness has been impaired ("*ébranlement du crédit*") (for example, the company is no longer able to obtain credit). In other words, the company must be insolvent under a cash flow test (as opposed to a balance sheet test).

Bankruptcy proceedings may be opened by the company or a creditor of the company by filing a declaration of insolvency (in the case of the company) or an application for bankruptcy (in the case of a creditor) with the commercial court in the district in which the company has its principal place of business. Alternatively, the court may order bankruptcy proceedings on the proposal of the public prosecutor representing the state.

If the court declares a company bankrupt, it will appoint a receiver ("*curateur*") (or several receivers, depending on the complexity of the proceedings) and a judge ("*juge-commissaire*") to supervise the insolvency proceedings. The receiver will realize the company's assets and distribute the proceeds to the company's creditors in accordance with the statutory order of payment and (if there are any funds left) the company's shareholders. The receiver must notify creditors of the date by which they must file claims with the clerk of the court. The period within which creditors must file their claims is specified in the published judgment declaring the company bankrupt. All preferential, secured, and unsecured creditors of the bankruptcy company are required to lodge details of their claims in writing up to one month after receiving the notice. The receiver will need to obtain court permission for certain acts, such as agreeing settlement of claims or deciding to pursue the business of the company during the bankruptcy proceedings.

The receiver takes over the management and control of the company in place of the directors. The receiver represents the company on the one hand and, on the other, the creditors collectively ("*masse des créanciers*"). Contracts of the company are not automatically terminated on commencement of bankruptcy proceedings, save for contracts for which the identity or solvency of the company is crucial ("*intuitu personae*" agreements) (e.g. a power of attorney). However, certain contracts are terminated automatically by law, such as employment contracts, unless expressly confirmed by the receiver. Contractual provisions purporting to terminate a contract upon bankruptcy are valid. The receiver may choose to terminate contracts of the company.

Bankruptcy proceedings typically last approximately at least one year and, in practice, often last for several years in complex situations. Bankruptcy is governed by public policy and strict regulations, which generally delay the bankruptcy proceedings and any restructuring of the group to which the bankrupt company belongs. On closing of the bankruptcy proceedings, the company will typically be dissolved.

Controlled Management ("gestion contrôlée")

A company may enter into controlled management proceedings in order to resolve its financial difficulties under the supervision of the court and with the approval of the creditors, without being declared bankrupt.

The company must have lost its creditworthiness or be experiencing difficulties in meeting all its financial commitments. The procedure is not available if the company has already been declared insolvent by the court. Also, the company must be acting in good faith, so fraud or irregularities in the management of the business may, in practice, mean that the procedure is not available to the company.

Controlled management proceedings may only be applied for by the company.

If the court commences controlled management proceedings, it will appoint one or more commissioners. The commissioners prepare composition proposals, which may involve a reorganization plan or a plan for the realization and distribution of the company's assets. Creditors must lodge their claims in order to be included in the plan and have the right to vote on it. The plan must be approved by a majority in number of all the creditors representing more than 50% in value of all claims. The court must also approve the plan.

The company's business activities continue during the controlled management procedure and the directors of the company remain in control of the business. However, the commissioners supervise the operation of the business. In particular, the company can no longer dispose of, or grant security over, its assets without authorization. Business continuity is maintained as existing contracts of the company are not automatically terminated by reason of the commencement of controlled management proceedings.

Controlled management proceedings end when either the plan is complete or the company is declared bankrupt. Proceedings are not frequently applied for and granted in practice but would probably last between one year and three years.

If an application to commence controlled management proceedings is dismissed, the court may commence bankruptcy proceedings if the conditions for bankruptcy are met.

Composition in Order to Avoid Bankruptcy ("condordat préventif de la faillite")

A company may enter into composition proceedings ("*concordat préventif de la faillite*") in order to resolve its financial difficulties by entering into an agreement with its creditors, the purpose of which is to avoid bankruptcy. The agreement is made under the control, and with the approval of, the court.

Composition proceedings may only be applied for by a company which is in financial difficulty.

As with the controlled management procedure, this procedure is not available if the company has already been declared insolvent by the court or if the company is acting in bad faith.

The application to open composition proceedings must be supported by a majority in number of the company's unsecured creditors, representing three quarters in value of the outstanding unsecured amounts. If the court commences composition proceedings, the composition will be binding on all unsecured creditors. The composition is not binding on secured creditors unless they choose to vote on the composition. A judge is appointed to oversee the negotiation of an

agreement between the company and its creditors. The agreement may take various forms. For example, it may consist of an extension of time for the payment of debts or for the payment of debts by installments.

The company's business activities continue during the composition proceedings. While the composition is being negotiated, the company may not dispose of, or grant any security over, any assets without the approval of the judge. Once the composition has been agreed, this restriction is lifted. However, the company's business activities will still be supervised by the judge.

Composition proceedings are rarely used in practice since they are not binding upon secured creditors.

Suspension of Payments ("sursis de paiement")

A company may voluntarily propose an informal contractual arrangement with its creditors to restructure or reschedule its debts.

The purpose of the reprieve from payment is to allow a business undertaking experiencing financial difficulties to suspend its payments for a limited time. Reprieve from payment acknowledges and ratifies, by means of court judgment, an agreement which has been reached with the creditors of the undertaking.

The reprieve from payment is, however, not of general application—one of the main reasons why it has lost its attractiveness. It only applies to those liabilities which have been assumed by the debtor prior to obtaining the reprieve from payment and has no effect as far as taxes and other public charges or secured claims (by right of priority, a mortgage or a pledge) are concerned.

Effect of Opening Insolvency Proceedings

According to the Law on financial collateral arrangements, all financial collateral arrangements (including pledges of financial instruments or cash held on account) as well as the enforcement events relating to these financial collateral arrangements are valid and enforceable against third parties (including supervisors, receivers, liquidators or other similar persons or bodies) irrespective of any bankruptcy, liquidation or other situation (for instance, pre-bankruptcy suspect period), national or foreign, of composition with creditors or reorganization affecting any one of the parties save in case of fraud.

Bankruptcy

Bankruptcy imposes a moratorium on unsecured creditors taking action against the company to recover debts owed. However, secured creditors are entitled to take action against the company to enforce security. The receiver is entitled to recover the pledged assets by paying the debt owed to the pledgee. If the proceeds of sale are insufficient to repay the debt owed to the secured creditor, such secured creditor will be treated as a non-privileged (i.e. unsecured) creditor for the balance of its claim.

Certain transactions which took place within a specified period known as the "suspect period" ("*période suspecte*") prior to the date that the court declares the company bankrupt may be set aside. The suspect period is determined by the court and, generally, may be no more than six months from the date on which the company is declared bankrupt. These transactions include:

- Specified transactions: Transactions specified in Article 445 of the Commercial Code entered into during the suspect period (or in the 10 preceding days) must be set aside. These transactions include:

    (i) the transfer of movable or immovable properties or assets without consideration or for a consideration materially lower than the value of such assets;

    (ii) the payments of debts or liabilities which are not become due whether in cash or by way of assignment, sale, set-off or by any other means (other than set-off arrangements governed by the Law on financial collateral arrangements);

    (iii) the payments of debts or liabilities which are become due by any means other than cash or bills of exchange; and

(iv) the grant of security interests for pre-existing debts (other than security interests over cash and/or financial instruments (including, without limitation debt and equity securities and other instruments equivalent to shares, units in companies and undertakings for collective investment and claims and receivables which are to be governed by the Law of financial collateral arrangements)).

- Transactions where the counterparty was aware of the company's insolvency/cessation of payments: Certain transactions entered into during the suspect period may be set aside where the counterparty was aware of the company's insolvency and/or its cessation of payments. Such transactions are set out in Article 446 of the Commercial Code and include payments of matured debts and transactions entered into for consideration.

- Fraudulent transactions: Fraudulent transactions entered into at any time prior to the declaration of bankruptcy may be set aside (i.e. whether or not entered into during the suspect period) under Article 448 of the Commercial Code and Article 1167 of the Civil Code ("*actio pauliana*")).

Controlled Management

During the controlled management procedure (i.e. from the date the application is filed to the date on which the commissioner's plan is approved by the court), there is a moratorium on creditors, whether secured or unsecured (other than those with security interest governed by the Law on financial collateral arrangements), taking action to enforce their rights against the company. Once the plan is approved, the creditors are bound by the terms and conditions of the plan.

Fraudulent transactions which took place before the date on which the court commenced controlled management proceedings, may be set aside as described in (iii) above.

Composition

While the composition is being negotiated, unsecured creditors may not take action against the company to recover their claims. Secured creditors who do not participate in the composition proceedings may take action against the company to recover their claims and to enforce their security.

Fraudulent transactions which took place before the date on which the court commenced composition proceedings, may be set aside as described in (iii) above.

We have been advised by our Luxembourg counsel that the U.S. and Luxembourg are not currently bound by a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitral awards rendered in civil and commercial matters. According to such counsel, an enforceable judgment for the payment of monies rendered by any U.S. federal or state court based on civil liability, whether or not predicated solely upon the U.S. securities laws, would not directly be enforceable in Luxembourg. However, a valid judgment against a Luxembourg company with respect to the Notes obtained from a court of competent jurisdiction in the U.S., which judgment remains in full force and effect after all appeals as may be taken in the relevant U.S. state or federal jurisdiction with respect thereto have been taken, may be entered and enforced through a court of competent jurisdiction of Luxembourg subject to compliance with the enforcement procedures (*exequatur*) set forth in Articles 678 *et seq.* of the Luxembourg New Code of Civil Procedure (*Nouveau Code de Procédure Civile*). The district court will authorize the enforcement in Luxembourg of the U.S. judgment if it is satisfied that all of the following conditions are met:

- the U.S. judgment is final and enforceable (*exécutoire*) in the U.S.;

- the U.S. court awarding the judgment has jurisdiction to adjudicate the respective matter under applicable U.S. federal or state jurisdictions rules, and the jurisdiction of the U.S. court is recognized by Luxembourg private international law;

- the U.S. court has applied to the dispute the substantive law designated by Luxembourg and U.S. conflict of law rules;

- the U.S. judgment does not contravene international public policy or public order as understood under the laws of Luxembourg;

- the U.S. court has acted in accordance with its own procedural laws;

- the principles of natural justice have been complied with and the judgment was granted following proceedings where the counterparty had the opportunity to appear, was granted the necessary time to prepare its case and if appeared, to present a defense;

- the U.S. judgment was granted following proceedings where the counterparty had the opportunity to appear, and if it appeared, to present a defense; and

- the U.S. judgment was not granted pursuant to an evasion of Luxembourg law (*fraude à la loi luxembourgeoise*).

Subject to the above conditions, Luxembourg courts tend not to review the merits of a foreign judgment, although there is no statutory prohibition for such review. If an original action is brought in Luxembourg, Luxembourg courts may refuse to enforce any choice of law provisions if the application of such law would contravene, or is manifestly incompatible with, Luxembourg public policy. In a judgment of the Luxembourg District Court, dated January 10, 2008, the District Court differed slightly from the traditional rules for enforcing a judgment described above, and decided that, in order to enforce a foreign judgment in Luxembourg, a Luxembourg judge must make sure that three conditions are fulfilled: (1) the "indirect" competence of the foreign judge based on the connection of the litigation with such judge, (2) the conformity with international public policy requirements, both substantive and procedural, and (3) the absence of fraud to the law. In the judgment, the District Court held that the Luxembourg judge does not need to verify that the (substantive) law applied by the foreign judge is the law which would have been applicable according to Luxembourg conflict of law rules.

Whether the District Court's opinion described above will develop into the prevailing position of Luxembourg case law cannot be forecast with certainty at this stage, especially considering that in the case at issue the matter was not appealed to the Court of Appeal and because, to the best of our knowledge and belief, having taken all reasonable care to ensure that such is the case, there has been no further case law on the issue since then. To the extent, however, that the District Court's decision endorsed the solution prevailing in French case law, its decision might, in the future, be endorsed by the Luxembourg courts in general. Further, in the event of any proceedings being brought in a Luxembourg court in respect of a monetary obligation expressed to be payable in a currency other than euro, a Luxembourg court would have power to give judgment expressed as an order to pay a currency other than euro. However, enforcement of the judgment against any party in Luxembourg would be available only in euro and for such purposes all claims or debts would be converted into euro. Even if a U.S. judgment is recognized in Luxembourg, it does not necessarily mean that it will be enforced in all circumstances. The obligations need to be of a specific kind and type for which an enforcement procedure exists under Luxembourg law. Also, if circumstances have arisen after the date at which such foreign judgment became legally effective and final, a defense against execution may arise. Enforcement is also subject to the effect of any applicable bankruptcy, insolvency, reorganization, liquidation, moratorium as well as other similar laws affecting creditor's rights generally. Moreover, a Luxembourg court may reduce the amount of damages granted by a U.S. court and recognize damages only to the extent that they are necessary to compensate actual losses or damages. In addition, it is doubtful whether a Luxembourg court would accept jurisdiction and impose civil liability in an original action predicated solely upon U.S. federal securities laws.

Canada

This summary provides a general high-level overview of (i) the laws of the province of Ontario relating to corporations and security over personal property, including the enforcement of security, and (ii) the federal laws of Canada in respect of bankruptcy and insolvency of corporations, in each case in force on the date of this offering memorandum. The rules relating to security over personal property in the other provinces and territories of Canada, other than Quebec, are similar, but not identical, to the rules in force in Ontario. The rules relating to security over personal property in the province of Quebec may require separate documentation, including in respect of security agents acting on behalf of syndicates of creditors, and such documentation may need to be notarized.

Generally, an Ontario corporation may give a guarantee to secure performance of an obligation of any person to secure any of its obligations. There are no specific requirements that an Ontario corporation must satisfy as a matter of corporate law (for example, corporate benefit or financial assistance requirements) to give a valid and enforceable guarantee, irrespective of whether such a guarantee is upstream, downstream or cross-stream.

Unless the articles or by-laws of an Ontario corporation provide otherwise, the directors of such corporation have the power to (i) authorize such transactions without authorization of the shareholders, or (ii) delegate such power of authorization to a director, an officer or a committee of the directors.

Guarantees

Guarantees must be made in writing and signed by the guarantor. The concerns reflected in the development of the doctrine of unconscionability, such as whether the guarantor has been properly advised and understood the transaction, that may make a guarantee unenforceable against the guarantor, are unlikely to come into play in a commercial transaction

between sophisticated business parties. However, a guarantee or some of its provisions may be unenforceable against the guarantor if they constitute (i) a penalty or (ii) a breach of public policy (e.g., a clause providing for the rate of interest exceeding the statutory ceiling would be illegal). A guarantee may also be unenforceable if the underlying guaranteed obligation is unenforceable against the principal debtor, although this result may be avoided if the guarantee also includes the language that is intended to convert it into an indemnity (an indemnity remains enforceable notwithstanding any invalidity or defect in the underlying obligation unless the underlying obligation is contrary to public policy). Guarantees typically contain waivers of defenses available to the guarantor as a matter of law. In the commercial context, waivers of specific defenses, rights or remedies which would otherwise have been available to the guarantor are prima facie enforceable in accordance with their terms but will be strictly construed or even interpreted adversely to the interests of the creditor. However, waivers of general defenses may be unenforceable if they are considered too vague or uncertain.

Remedies on Default outside of Insolvency

Outside of insolvency, the secured party has the following remedies under Ontario law for realizing upon the collateral once a default has occurred: (i) take possession of the collateral without judicial process and without the need to notify the debtor provided there is no breach of peace; (ii) require the debtor to make the collateral available at a specified convenient place; (iii) render the collateral unusable on the debtor's premises and to dispose of it there; and (iv) dispose of the collateral without judicial intervention on commercially reasonable terms but subject to certain notice requirements. The debtor has the right of redemption in respect of the collateral at any time before the collateral is disposed or foreclosed.

Insolvency

In Canada, insolvency proceedings are administered by the federal government under three statutes. The federal insolvency laws in Canada apply across the country and allow for either a bankruptcy type proceeding (i.e., liquidation) or a restructuring- type proceeding (i.e., a Chapter 11 type proceeding).

Liquidation

Bankruptcy proceedings in Canada can be either voluntarily commenced by a company with assets in Canada or involuntarily by any creditor of such a company with a claim of $1,000 or more. In order for a bankruptcy filing to be valid, the company must meet one of the tests for insolvency set out in the insolvency statutes with the most common test being failure to meet obligations generally as they become due. Upon a bankruptcy occurring, all of the assets of the company vest in a trustee-in-bankruptcy with the proceedings being subject to the oversight of both the Superintendent in Bankruptcy and the Court. Typically, a trustee-in-bankruptcy proceeds to liquidate the assets of the company and distribute the proceeds to creditors in accordance with their legal priorities.

Certain statutes in Canada provide super-priority status to claims such as payroll deductions for employee income taxes, government-operated pension plans and employment insurance, as well as certain specified private pension contributions (if any) and unpaid wages (up to $3,000 per employee). After the statutory super-priorities, the bankruptcy statutes provide that secured creditors are to be paid prior to unsecured creditors. While the general rule is that unsecured creditors share any remaining proceeds pari passu, the federal bankruptcy statutes do provide that certain "preferred" claims are to be paid prior to the general body of unsecured creditors, including the fees and expenses of the trustee and its counsel, remaining unpaid wages beyond the priority amounts noted above and certain landlord claims. In the context of a bankruptcy, a trustee is also required to review asset transfers and transactions undertaken by the bankrupt in specified time periods prior to the bankruptcy to determine if the bankrupt was engaged in any reviewable transactions or fraudulent preferences. In the case of "transfers at under value", the review period is 1 year from the date of bankruptcy (or 5 years for related parties) and fraudulent preferences are subject to review if they occurred within 3 months of the bankruptcy (or 12 months for related parties). In the event that such a transaction is determined to have occurred, the trustee may apply to the Court for relief including unwinding of the transactions and/or asserting claims against the recipient of the assets.

Upon the occurrence of a bankruptcy order or a voluntary assignment of bankruptcy, federal bankruptcy statutes impose a stay of proceedings and leave is required to proceed, or continue, with any actions against the bankrupt entity. In the context of a bankruptcy, the stay of proceedings only applies to unsecured creditors and secured creditors are free to continue to enforce their security against the assets of the bankrupt, subject to satisfying the trustee that they have valid security.

Restructuring

A restructuring proceeding can be commenced under one of two statutes in Canada. The most commonly used statute is the Companies' Creditors Arrangement Act (the "CCAA"). In order to seek relief under the CCAA, the company

must have at least $5 million in outstanding debt. The granting of an order for relief under the CCAA is discretionary, but if granted by the Court, a CCAA order typically involves a broad stay of proceedings (applying to secured and unsecured creditors), protection from the termination of contracts by third parties, authority to disclaim or repudiate unfavorable contracts, and in certain cases, the granting of super-priority security interests on the assets of the applicant company to secure amounts owing to debtor-in-possession lenders, professionals involved in the restructuring and directors of the company with respect to their statutory liabilities. An initial stay of proceedings under the CCAA cannot exceed 30 days, but the applicant company is entitled to seek extensions of the stay. There is no time limit on the duration of a stay of proceedings under the CCAA.

CCAA proceedings are supervised by the Court and upon the making of an order under the CCAA, the Court must appoint a licensed trustee-in-bankruptcy to act as a monitor of the applicant company. The monitor is given certain powers under the CCAA and additional powers may be granted by Court order. The monitor does not take possession of, or have any control over, the assets of the applicant company unless otherwise ordered by the Court. The monitor is required to oversee certain filings made by the applicant company and provide its views with respect to same. The monitor also has a statutory duty to advise the court of any material adverse change in the status of the applicant company.

Under the CCAA, a company may proceed to file a plan of arrangement or seek court approval to sell some or all of its assets. In the case of a plan of arrangement, it is necessary for the applicant company to obtain the requisite level of creditor approval ($66^2/_3$% in value and more than 50% in number of the creditors who cast votes in each affected class of creditors) and Court approval of the restructuring plan. Upon both such approvals being obtained, the restructuring plan is binding on all affected creditors whether or not they voted in favor of the plan. CCAA plans may be combined with plans of reorganization under Canada's federal and provincial corporate statutes, allowing Canadian companies to change their share capital, including cancelling existing shares and/or converting existing debt to new shares, in the context of a plan. If the applicant company proceeds with an asset sale, any sale out of the ordinary course is subject to approval of the Court (but with no creditor vote) and the Court is authorized to transfer assets to a purchaser free and clear of all liens, claims and encumbrances. During the course of a CCAA proceeding, creditors and contractual counter-parties are not entitled to exercise any rights or remedies without leave of the Court except for certain statutory exceptions (i.e., proven claims of set-off, termination and enforcement rights under certain types of derivative agreements and certain regulatory investigations).

The Court may not approve a sale or a restructuring plan unless the super- priority employee wage claims and pension contribution claims are satisfied or provided for to the satisfaction of the Court.

Companies in Canada may also proceed with the restructuring under the proposal provisions of the Bankruptcy and Insolvency Act (the "BIA"). The proposal provisions of the BIA (the "Proposal Provisions") are very similar to restructuring proceedings under the CCAA with the following key differences. Upon filing a proposal (or a notice of intention to make a proposal) with the Office of the Superintendent in Bankruptcy, the BIA provides an automatic stay of proceedings for 30 days which applies to secured and unsecured creditors as well as contractual counter-parties. There is no need to apply to Court for the initial stay. However, if the company has not completed its proposal within the initial 30-day period, it must apply to the Court for any extensions of the stay period. The Proposal Provisions limit the duration of a stay of proceedings to 6 months in the aggregate from the date of the initial grant of the stay. The Proposal Provisions allow for the grant of super-priority charges (similar to the CCAA), repudiation or disclaimer of contracts (similar to the CCAA), and the appointment of a proposal trustee (which has a similar role and powers as a monitor under the CCAA). In the event that the company's proposal to its creditors is either rejected by the creditors at a meeting held to approve such proposal (same voting thresholds as the CCAA noted above) or by the Court when the proposal is put before the Court for approval, the company is deemed to be a bankrupt. There is no minimum amount of outstanding debt required to qualify for a Proposal Proceeding.

The Court may not approve an asset sale or sanction a proposal unless the super-priority employee wage claims and pension contribution claims are satisfied or provided for to the satisfaction of the Court.

In the event of a foreign insolvency proceeding, both the BIA and the CCAA allow for an authorized representative of the foreign company to seek recognition of the foreign insolvency proceeding. Canada has recently adopted a slightly modified version of the UNCITRAL model insolvency protocol (collectively, the "Recognition Provisions"). The Recognition Provisions allow an authorized representative to apply for recognition of the foreign insolvency proceeding as either a "foreign main proceeding" or a "foreign non-main proceeding." The determination of the type of proceeding is based upon the centre of main interest ("COMI") of the applicant. The COMI test is essentially the same as set out in the UNCITRAL model law and Chapter 15 of the U.S. Bankruptcy Code. If the Court determines that the foreign proceeding is a "foreign main proceeding", the Court must grant a stay of proceedings in Canada and may grant additional relief permitted under the CCAA/BIA. If the Court determines that the foreign proceeding is a "foreign non-main" proceeding, the Court may, but is not required to, grant a stay of proceedings in Canada and any other relief permitted under the CCAA/BIA. In the

event of a recognition order being granted, certain restrictions are imposed on the applicant company, including a restriction on selling assets in Canada unless the Court approves such asset sale transaction. In the event that the foreign proceeding results in the approval of a reorganization plan, the Canadian Court may grant such plan full force and recognition in Canada.

New Zealand

The Notes may be guaranteed by Hertz New Zealand Holdings Limited, Hertz New Zealand Limited and Tourism Enterprises Limited, all incorporated in New Zealand. The obligations under the Notes and the Guarantees of any Guarantor incorporated in New Zealand must be in the best interests of the New Zealand company (or its holding company) if its constitution so provides, as it does in the case of Hertz New Zealand Holdings Limited. Hertz New Zealand Limited and Tourism Enterprises Limited can each act in the best interests of its holding company with the approval of its shareholders.

The question of best interests must be determined on a case by case basis.

If directors cause the company to give guarantees which are not in the best interests of the company or the holding company, they can be sued for breach of duties, but generally the guarantees and supporting security cannot be set aside unless on the application of a prejudiced shareholder the court considers in the circumstances that it is just and equitable to do so.

Directors also owe other duties to companies of which they are the directors. These include the duty to exercise their power as a director for a proper purpose, the requirement to not agree to the company incurring an obligation unless the director believes at that time on reasonable grounds that the company will be able to perform the obligation when required to do so, the requirement not to agree to, cause or allow the business of the company to be carried on in a manner likely to create a substantial risk of serious loss to the company's creditor, and the requirement to exercise care, diligence and skill that a reasonable director would exercise in the same circumstances.

Liquidation

As New Zealand incorporated companies, a liquidator may be appointed under New Zealand law to Hertz New Zealand Holdings Limited, Hertz New Zealand Limited and/or Tourism Enterprises Limited. On a liquidation of a New Zealand company, certain categories of preferential debts and the claims of secured creditors would be paid in priority to the claims of unsecured creditors and certain secured creditors. Such preferential debts would comprise of, among other things, costs associated with liquidation, employee claims (up to a statutory cap), payments related to Kiwisaver (the New Zealand employee saver scheme), certain claims of the New Zealand Inland Revenue Department, claims of lien holders in relation to debts for the provisions of services to the company before the liquidation, claims of certain buyers of goods under the Layby Sales Act 1971, and the costs incurred in organizing and conducting a meeting of creditors for the purpose of voting on a proposed compromise.

Accordingly, if Hertz New Zealand Holdings Limited, Hertz New Zealand Limited and/or Tourism Enterprises Limited becomes subject to an insolvency proceeding and the relevant company has obligations to creditors that are treated under New Zealand law as creditors that are senior relative to the Noteholders, the Noteholders may suffer losses as a result of their subordinated status during such insolvency proceedings. In particular, where the assets of the company are insufficient to meet the claims of the preferential creditors, the New Zealand Companies Act 1993 ("New Zealand Companies Act") provides that the claims of certain preferential creditors are to be paid out of any accounts receivable or inventory of the company in priority to a secured creditor with a security interest in those same accounts receivable or inventory, unless the security meets certain safe harbor criteria.

Preferred creditors will have priority over a secured creditor to the extent that the secured creditor's security interest:

- is over all or any part of the company's accounts receivable and inventory or all or any part of either of them; and

- is not a purchase money security interest that has been perfected at the time specified in the New Zealand Personal Property Securities Act 1999 ("PPSA"); and

- is not a security interest that has been perfected under the PPSA at the commencement of the liquidation and that arises from the transfer of an account receivable for which new value is provided by the transferee for the

acquisition of that account receivable (whether or not the transfer of the account receivable secures payment or performance of an obligation).

Section 293—voidable charges

Under New Zealand insolvency law a liquidator of Hertz New Zealand Holdings Limited, Hertz New Zealand Limited or Tourism Enterprises Limited could apply to the Court to have certain transactions entered into by either of the companies before the commencement of liquidation set aside. Section 293 of the New Zealand Companies Act provides that a charge given by a company is voidable by a liquidator if:

- it was given any time up to two years before the commencement of liquidation of that company (the "Specified Period"); and
- immediately after the charge was given, the company was unable to pay its due debts.

However, a charge meeting these requirements will not be voidable to the extent that it secures money actually advanced or paid, or the actual price or value of property sold or supplied to the company, or any other valuable consideration given by the charge holder (acting in good faith) at or after the time the charge was granted (section 293(1A)(a)).

Section 292—insolvent transactions

Under section 292(1) of the New Zealand Companies Act, a transaction by a company is voidable by the liquidator if it is an "insolvent transaction" entered into in the Specified Period. The definition of "transaction" for this purpose includes the creation of a charge over the company's property, and that term will include the grant of a guarantee (as may be granted by the New Zealand Hertz entities).

Section 292(2) provides that an insolvent transaction is a transaction by a company that:

- is entered into at a time when the company is unable to pay its due debts; and
- enables another person to receive more towards satisfaction of a debt owed by the company than the person would receive, or would be likely to receive, in the company's liquidation.

Section 297—transactions at an undervalue

Section 297(2) of the New Zealand Companies Act provides that in the liquidation of a company, the liquidator may recover from any other party to a transaction any amount by which the value of the consideration or benefit provided by the company exceeded the value of the consideration or benefit received by the company where:

- the transaction was entered into by the company within the Specified Period; and
- either:
  - (i) the company was unable to pay its due debts when it entered into the transaction; or
  - (ii) the company became unable to pay its due debts as a result of entering into the transaction.

For the purposes of section 297, "transaction" has the same meaning as in section 292, and accordingly the definition would capture both the guarantee and the grant of security which the New Zealand Hertz entities may grant to the Trustee.

Sections 292, 293 and 297—ability to pay due debts

The voidability of a charge under each of sections 292 and 293 depends in part on the failure of the company to satisfy a cashflow solvency test (whether the company in question is unable to pay its due debts). Balance sheet solvency is not relevant.

Under both sections 292 and 293 of the Act, a company is presumed to be unable to pay its due debts if the relevant transaction was effected within six months of liquidation. In such circumstances, the burden of proof is on the relevant creditor to prove otherwise.

Voluntary Administration

Voluntary administration is a procedure available under the New Zealand Companies Act, to facilitate the survival of New Zealand companies in financial difficulties. The New Zealand Companies Act provides that a company, a liquidator, an interim liquidator (if applicable), a secured creditor holding a charge over the whole or substantially the whole of the company's property, or the Court may appoint an administrator.

The object of the voluntary administration regime is to provide for the business, property and affairs of insolvent companies, or companies that may become insolvent, to be administered in a way that maximizes the chances of the company continuing in business (or to get a better return for the company's creditors and shareholders than would result in liquidation). The regime is intended to be employed before liquidation becomes unavoidable.

A moratorium is imposed on creditors from the commencement of the voluntary administration. This gives the administrator a period (during which creditors cannot commence or continue proceedings against the company, or enforce security against its assets) to investigate the affairs of the company and put a plan in place. However, secured creditors with a security interest in substantially the whole of a company's property can avoid this moratorium if they enforce their security (including by the appointment of receivers if the terms of their security permits it) within the first ten working days of a company being placed into administration.

If, for any reason, an administrator was appointed to either Hertz New Zealand Holdings Limited, Hertz New Zealand Limited or Tourism Enterprises Limited while any amounts due by the Issuer under the Notes were unpaid, the primary risks to the Noteholders is that the a secured creditor with security over substantially all of the relevant New Zealand Hertz entity's assets, would only be able to exercise enforcement rights against the relevant Hertz entity (whether by appointing a receiver to the entity or otherwise) outside of the moratorium if the exercise of those enforcement rights was commenced within ten working days of the company being placed into administration.

The Issuer cannot be certain that, in the event of Hertz New Zealand Holdings Limited, Hertz New Zealand Limited and/or Tourism Enterprises Limited becoming insolvent, a guarantee or any payment under it will not be challenged by a liquidator or administrator or that a court would uphold such guarantee.

Withholding taxes

The enforcement of any Guarantee provided by any of the New Zealand Hertz entities may have New Zealand withholding tax implications.

Any payment a New Zealand Hertz entity makes under the Guarantee to non- New Zealand tax resident recipients (without New Zealand fixed establishments) to replace interest that would otherwise have been paid by the Issuer, will be subject to non-resident withholding tax ("NRWT"). The New Zealand Hertz entity will be required to deduct the NRWT from the gross amount of the payment made.

The NRWT deduction rate is 15% of the payment made. However, a 10% deduction rate is normally available where the interest recipient is tax resident in a country with which New Zealand has concluded a double tax agreement (e.g. the United States). In addition, the NRWT deduction rate would be reduced to 0% if the New Zealand Hertz entity elected to pay approved issuer levy ("AIL").

To use the AIL regime a New Zealand Hertz entity would need to register as an "approved issuer" and register its Guarantee arrangement as a "registered security" with the New Zealand Inland Revenue Department before any payment was made under the Guarantee. The New Zealand Hertz entity would then pay a levy to the New Zealand Inland Revenue Department (i.e. the AIL) and could make the Guarantee payment to the non-New Zealand recipients without deducting NRWT. The AIL amount would be 2% of the interest amount that the New Zealand Hertz entity would be treated as paying under the Guarantee.

If a New Zealand tax resident (or non-New Zealand tax resident with a New Zealand fixed establishment) received a payment from a New Zealand Hertz entity in substitution for interest the New Zealand Hertz entity would be required to

deduct resident withholding tax ("RWT") from that payment unless the recipient had RWT exemption certificate and provided this to the New Zealand Hertz entity (in which case no RWT would need to be deducted). The RWT deduction rates for interest range from 10.5% to 33% and the rate imposed would be determined based on the particular characteristics of the payment recipient.

To the extent any payment a New Zealand Hertz entity makes under the Guarantee replaces principal amounts that would otherwise have been paid by the Issuer, it will not be subject to RWT or NRWT.

LISTING AND GENERAL INFORMATION

Listing

The Issuer has applied to list the Notes on the Official List of the Luxembourg Stock Exchange for trading on the Luxembourg Stock Exchange's Euro MTF Market. Notice of any change of control, change in the rate of interest payable on the Notes or early redemption of the Notes will be published in a Luxembourg newspaper of general circulation (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange, at www.bourse.lu.

For so long as the Notes are listed on the Official List of the Luxembourg Stock Exchange and traded on the Euro MTF Market and the rules of that exchange require, copies of the following documents (together with English translations thereof) may be inspected and obtained free of charge by Noteholders at the specified office of the transfer agent in Luxembourg during normal business hours on any weekday:

- this offering memorandum;
- the organizational documents in English of the Issuer;
- the organizational documents in English of each of the Guarantors;
- the Purchase Agreement;
- the Indenture (which includes the form of the Notes);
- the Parent Guarantor's audited consolidated financial statements as of and for the years ended December 31, 2012, 2011 and 2010;
- the Parent Guarantor's most recent annual consolidated financial statements and any interim consolidated financial statements published by the Parent Guarantor;
- the Issuer's audited statutory financial statements for 2010, 2011 and 2012;
- Hertz Belgium BVBA's audited statutory financial statements for 2010, 2011 and 2012;
- Hertz Fleet Limited's audited statutory financial statements for 2010, 2011 and 2012;
- Hertz Autovermietung GmbH's audited statutory financial statements for 2010, 2011 and 2012;
- Hertz Italiana S.r.l.'s audited consolidated financial statements for 2010, 2011 and 2012 (the financial results of Hertz Fleet (Italiana) S.r.l. are fully consolidated in those of Hertz Italiana S.r.l.);
- Hertz Luxembourg S.à r.l.'s audited statutory financial statements for 2010, 2011 and 2012;
- Hertz New Zealand Holdings Limited's audited statutory financial statements for 2010, 2011 and 2012;
- Hertz New Zealand Limited's audited statutory financial statements for 2010, 2011 and 2012; and
- Tourism Enterprises Limited's audited statutory financial statements for 2010, 2011 and 2012.

We will maintain a paying agent in London and a transfer agent in Luxembourg for as long as any of the Notes are listed on the Official List of the Luxembourg Stock Exchange and traded on the Luxembourg Stock Exchange's Euro MTF Market. We reserve the right to vary such appointment and we will publish notice of such change of appointment in a newspaper having a general circulation in the Grand Duchy of Luxembourg (which is expected to be the *Luxemburger Wort*) or on the website of the Luxembourg Stock Exchange, www.bourse.lu.

The issuance of the Notes was authorized by the managing board of the Issuer and the Guarantees were authorized by resolutions of the board of directors or other authorized body of each of the Guarantors on or prior to November 13, 2013.

Except as disclosed in this offering memorandum:

- there has been no material adverse change in the Issuer's or the Parent Guarantor's financial position since December 31, 2012; and

- neither the Parent Guarantor nor the Issuer has been involved in any litigation, administrative proceeding or arbitration relating to claims or amounts which are material in the context of the issue of the Notes, and, so far as either of them are aware, no such litigation, administrative proceeding or arbitration is pending or threatened.

The Issuer and the Guarantors

The Issuer and each of the guarantors is a company specializing in automotive or equipment rentals, rental-related sales or services, or an affiliated finance or holding company thereof.

Issuer

Hertz Holdings Netherlands B.V. is a Dutch private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated on January 4, 1979 having its corporate seat (*statutaire zetel*) in Amsterdam, The Netherlands, and registered with the Trade Register of the Chamber of Commerce for Amsterdam under number 24134976. The registered address of the Issuer and the directors of the Issuer is Siriusdreef 34-36, 2132 WT Hoofddorp, The Netherlands. The business purpose of the Issuer is to carry on this business of a finance and holding company.

The share capital of the Issuer is €90,000, made up of 9,000 shares of €10 each. Of the share capital, €18,090.00 is issued and is fully paid up.

The directors of the Issuer are Klaas de Graaf, Henk van Den Helder and Stuurgroep Holland B.V., a subsidiary of the Issuer. The directors of Stuurgroep Holland B.V. are Henk van den Helder and David J. Rosenberg.

Parent Guarantor

The Hertz Corporation is a Delaware Corporation having its registered address at Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware 19801.

Guarantors

The following are wholly-owned subsidiaries of the Issuer and/or the Parent Guarantor.

U.S. Subsidiary Guarantors

Cinelease Holdings, Inc. is a Delaware Corporation having its registered address at Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801.

Cinelease, Inc. is a Nevada Corporation having its registered address at The Corporation Trust Company of Nevada, 311 South Division Street, Carson City, NV 89703.

Cinelease, LLC is a Louisiana Limited Liability Company having its registered address at CT Corporation System, 5615 Corporate Blvd. Suite 400B Baton Rouge, LA 70808.

Dollar Rent A Car, Inc. is an Oklahoma Corporation having its registered address at The Corporation Company, 1833 South Morgan Road, Oklahoma City, OK 73128.

Dollar Thrifty Automotive Group, Inc. is a Delaware Corporation having its registered address at Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801.

Donlen Corporation is an Illinois Corporation having its registered address at CT Corporation System, 208 South LaSalle Street, Suite 814 Chicago, IL 60604.

DTG Operations, Inc. is an Oklahoma Corporation having its registered address at The Corporation Company, 1833 South Morgan Road, Oklahoma City, OK 73128.

DTG Supply, Inc. is an Oklahoma Corporation having its registered address at The Corporation Company, 1833 South Morgan Road, Oklahoma City, OK 73128.

HCM Marketing Corporation is a Delaware Corporation having its registered address at Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801.

Hertz Car Sales, LLC (f/k/a Brae Holding Corp.) is a Delaware Limited Liability Company having its registered address at Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801.

Hertz Claim Management Corporation is a Delaware Corporation having its registered address at Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801.

Hertz Entertainment Services Corporation is a Delaware Corporation having its registered address at Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801.

Hertz Equipment Rental Corporation is a Delaware Corporation having its registered address at Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801.

Hertz Global Services Corporation is a Delaware Corporation having its registered address at Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801.

Hertz Local Edition Corp. is a Delaware Corporation having its registered address at Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801.

Hertz Local Edition Transporting, Inc. is a Delaware Corporation having its registered address at Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801.

Hertz System, Inc. is a Delaware Corporation having its registered address at Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801.

Hertz Technologies, Inc. is a Delaware Corporation having its registered address at Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801.

Hertz Transporting, Inc. is a Delaware Corporation having its registered address at Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801.

Smartz Vehicle Rental Corporation is a Delaware Corporation having its registered address at Corporation Trust Center, 1209 Orange Street, Wilmington, DE 19801.

Thrifty Car Sales, Inc. is an Oklahoma Corporation having its registered address at The Corporation Company, 1833 South Morgan Road, Oklahoma City, OK 73128.

Thrifty, Inc. is an Oklahoma Corporation having its registered address at The Corporation Company, 1833 South Morgan Road, Oklahoma City, OK 73128.

Thrifty Insurance Agency, Inc. is an Arkansas Corporation having its registered address at The Corporation Company, 124 West Capitol Avenue, Suite 1900, Little Rock, AR 72201.

Thrifty Rent-A-Car System, Inc. is an Oklahoma Corporation having its registered address at The Corporation Company, 1833 South Morgan Road, Oklahoma City, OK 73128.

TRAC Asia Pacific, Inc. is an Oklahoma Corporation having its registered address at The Corporation Company, 1833 South Morgan Road, Oklahoma City, OK 73128.

Non-U.S. Subsidiary Guarantors

Hertz Belgium BVBA is a Belgian private company with limited liability (*Besloten Vennootschap met Beperkte Aansprakelijkheid/Société Privée à Responsabilité Limitée*) having its corporate seat (*statutaire zetel/siège social*) in Excelsiorlaan 20, 1930 Zaventem, Belgium, and registered with the Trade Register under number 0401.678.879.

Hertz Fleet Limited is an Irish private Limited Company with its registered office at Swords Business Park, Swords, County Dublin and with registered number 412465.

Hertz Autovermietung GmbH is a German private company with limited liability (*Gesellschaft mit beschränkter Haftung*) having its corporate seat in Eschborn, Germany, and registered with the Commercial Register (*Handelsregister*) of the Local Court (*Amtsgericht*) Frankfurt am Main, Germany, under number HRB 52255. Its registered address is Ginnheimer Strasse 4, 65760 Eschborn, Germany.

Hertz Fleet (Italiana) S.r.l. is an Italian limited liability company (*società a responsabilità limitata*) having its corporate seat in via del Casale Cavallari 204, Rome, Italy, VAT number 009536331003 and registered with the *Registro delle Imprese* of Rome under number 009536331003.

Hertz Italiana S.r.l. is an Italian limited liability company (*società a responsabilità limitata*) having its corporate seat in via del Casale Cavallari 204, Rome, Italy, VAT number 009536331003 and registered with the *Registro delle Imprese* of Rome under number 00433120581.

Hertz Luxembourg S.à r.l. is a Luxembourg company incorporated under the laws of the Grand Duchy of Luxembourg as a "*société à responsabilité limitée*", with its registered office at Aéroport de Luxembourg, L-1110 Findel, registered with the Luxembourg Register of Commerce and Companies under number B-8.777 and having a corporate capital of €31,000.

Hertz New Zealand Holdings Limited is an New Zealand company with limited liability having its corporate seat at 801 Wairakei Road, Harewood, Christchurch, 8053, New Zealand.

Hertz New Zealand Limited is an New Zealand company with limited liability having its corporate seat at 801 Wairakei Road, Harewood, Christchurch, 8053, New Zealand.

Tourism Enterprises Limited is an New Zealand company with limited liability having its corporate seat at KPMG, 62 Worcester Boulevard, Christchurch 8140 New Zealand.

Clearing Information

The Regulation S Notes sold pursuant to Regulation S and the Notes sold pursuant to Rule 144A of the Securities Act have been accepted for clearance and settlement through the facilities of Euroclear and Clearstream under common codes 099504595 and 099504609, respectively. The international securities identification number (ISIN) for the Regulation S Notes sold pursuant to Regulation S is XS0995045951 and the international securities identification number (ISIN) for the Notes sold pursuant to Rule 144A is XS0995046090.

ISSUER
Hertz Holdings Netherlands B.V.
Siriusdreef 34-36,
2132 WT Hoofddorp, Amsterdam
The Netherlands

PARENT GUARANTOR
The Hertz Corporation
225 Brae Boulevard
Park Ridge, NJ 07656
United States

LEGAL ADVISORS
To the Issuer and the Guarantors

Jenner & Block LLP
353 North Clark St.
Chicago, Illinois, 60654
United States

Linklaters LLP
One Silk Street
London EC2Y 8HQ
United Kingdom

Linklaters LLP
World Trade Centre Amsterdam
Tower H, 22nd floor
Zuidplein 180
1077 XV Amsterdam
The Netherlands

To the Initial Purchasers

Latham & Watkins LLP
885 Third Avenue
New York, New York 10022
United States

NautaDutilh N.V
Strawinskylaan 1999
1077 XV Amsterdam
The Netherlands

To the Trustee
White and Case LLP
5 Old Broad Street
London EC2N 1DW
United Kingdom

TRUSTEE
Wilmington Trust, National Association
CCS—Global Finance Division
166 Mercer Street, Suite 2-R
New York, NY 10012-3249
United States of America

LUXEMBOURG LISTING AGENT
Wilmington Trust SP Services
(Luxembourg) S.A.
52-54 av. du X Septembre
L-2550 Luxembourg

PAYING AGENT
Deutsche Bank AG, London Branch
Winchester House
1 Great Winchester Street
London EC2N 2DB
United Kingdom

REGISTRAR AND
TRANSFER AGENT
Deutsche Bank Luxembourg S.A.
2, boulevard Konrad Adenauer
L-1115 Luxembourg

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