1. **What did Hertz announce?**

Hertz Global Holdings, Inc. and certain of its U.S. and Canadian subsidiaries have filed voluntary petitions for reorganization under Chapter 11 in the U.S. Bankruptcy Court for the District of Delaware.

This process will provide Hertz a pathway to navigate the effects of the COVID-19 pandemic and what could be a prolonged travel recovery and overall global economic recovery while creating a stronger financial structure to best position the Company for the future. During this time, all of Hertz’s businesses around the world are open and serving customers.

While Hertz had entered 2020 with strong momentum in January and February and took a wide range of proactive steps to reduce costs and respond to the devastating adverse impact on travel demand stemming from the COVID-19 pandemic, the filing became necessary in the face of the continued, unrelenting effects of the pandemic on the travel industry and the required payments under Hertz’s vehicle financing structure. We plan to emerge from this process an even stronger company, better positioned for the future.

2. **Why has Hertz filed for U.S. Chapter 11? How does this path position Hertz for the future?**

It was necessary to take this step to provide Hertz a pathway to navigate the continued effects of the COVID-19 pandemic and what could be a prolonged travel recovery and overall global economic recovery and emerge as stronger business with a more appropriate financing structure.

3. **Would you have taken this step had it not been for the impact of the COVID-19 pandemic on the travel industry?**

We would not. Our decision was the direct result of the rapid and significant impact of the global pandemic on Hertz and others in the travel industry. We took swift actions including reducing expenses, deferring capital expenditures, and adjusting fleet levels and staffing based on the significant decline in travel demand. Unfortunately, we were unable to offset the impact on our business, including at our many airport rental locations, as global travel declined dramatically.

Prior to the COVID-19 pandemic, we had been working hard and had made significant progress on many fronts to position our businesses for greater long-term success. This resulted in strong revenue and productivity in January and February, and 10 consecutive quarters of year-over-year revenue growth prior to that. Going forward, we will need to establish a sustainable capital structure that enables us to succeed as global travel and the economy recovers.
4. **What is U.S. Chapter 11?**

Chapter 11 of the U.S. Bankruptcy Code allows a company to reorganize its capital structure and liabilities while continuing normal business operations. U.S. Chapter 11 is a tool used by companies like ours to operate as usual while they restructure their debt and work to strengthen their financial foundation.

5. **Is Hertz or any of its subsidiaries going out of business?**

No. We continue to conduct business and provide great service to our customers at our locations around the world. The U.S. Chapter 11 reorganization will give us the time needed to navigate the challenging environment created by the COVID-19 pandemic and its impact on the travel industry and strengthen our financial foundation. We intend to emerge from this process as a stronger company, with a more appropriate financing structure and well positioned as the global travel industry recovers.

6. **Will the Company’s day-to-day operations be affected?**

Hertz and all of our businesses are continuing to serve customers at our locations around the world. We intend to emerge from this process as a stronger company, with a more appropriate financing structure and well positioned as the global travel industry recovers over time.

7. **How does the filing affect Hertz’s international operations and franchises? Are they included in the reorganization?**

Hertz’s principal international operating regions, including Europe, Australia and New Zealand, are not included in these U.S. Chapter 11 proceedings and are continuing normal operations. In addition, the Company’s franchised locations, which are not owned by the Company, are also not included, and are continuing normal operations.

We are committed to maintaining a strong presence in global markets, and to looking after the interests of our people and our customers around the world throughout the COVID-19 pandemic.

8. **How long is the U.S. Chapter 11 process expected to take?**

We are committed to trying to achieve the best possible outcome as quickly as possible.

9. **Does Hertz have enough money to continue operating? What is the state of your business / liquidity?**

Yes. Depending upon the length of the COVID-19 global pandemic and its impact on our business, the Company may seek access to additional cash, including through new borrowing, as the reorganization progresses.
10. Where can I go for more information about the U.S. Chapter 11 process?

Additional information for customers regarding Hertz’s restructuring is available at Hertz.com. Court filings and information about the claims process for suppliers and vendors are available at https://restructuring.primeclerk.com/hertz, by calling the Company’s claims agent at (877) 428-4661 (toll-free in the U.S.) or (929) 955-3421 (for parties outside the U.S.) or emailing hertzinfo@primeclerk.com.

11. What does the U.S. Chapter 11 filing mean for my job? If I am an active employee, should I keep coming to work?

This financial reorganization allows a company to continue to operate as usual while restructuring its debt and working to strengthen its financial foundation. We will continue our normal operations, so if you are an active employee, you should continue working as you normally would. While recognizing that our operations have been affected by the COVID-19 pandemic, we are open and continuing to provide great service to our customers. We appreciate all you do and we know we can count on you to continue to fulfill your responsibilities.

12. Will I be paid my wages/salary as usual? What about my benefits?

Active employees will continue to receive pay and benefits as usual.

13. Will there be additional layoffs as a result of the filing?

We are not planning additional layoffs as a direct result of this filing. That said, we are always evaluating our staffing needs, particularly in light of the continuing COVID-19 pandemic. As we prepare for a return to more normalized business levels over time, we will ensure that we are best positioned to serve our customers.

14. I am in a union -- will the Company still pay the wage rates and benefits in my bargaining agreement?

Active employees will continue to receive pay and benefits as usual.

15. Can I still file my medical/dental/vision and flexible spending account (FSA)/health savings account (HSA) claims as usual?

There will be no changes with respect to how you file these types of claims as a result of the filing.

16. I had a problem with my paycheck. Who should I contact?

You should be receiving your paycheck as usual, so if you have had any issues, please reach out to AskHR, as you normally would.
17. Are the assets in my 401(k) protected? What happens to my 401(k) plan going forward? Will there be changes to 401(k) benefits?

Yes. The assets in your 401(k) account are protected by law.

18. Can I access my 401(k) account funds before retirement without penalty?

This financial reorganization process does not change the rules regarding accessing funds in your 401(k) account.

19. Will my pension or accrual be affected?

We have asked the bankruptcy court for approval to maintain the Company’s Account Balance Defined Benefit Pension Plan, and to continue pension contributions to union-sponsored plans, in the ordinary course during the U.S. Chapter 11 proceeding. This type of request is routinely granted.

20. Can I continue to take scheduled holidays, vacation days, sick days, and Paid Time Off (PTO) days?

Our normal policies will remain in place, and there will be no changes with respect to your ability to take scheduled holidays, vacation days, sick days, and PTO days.

21. What if I have option grants, will the Company replace those shares?

When a company undergoes a restructuring, it may result in the cancellation of old stock and options. It is too early in the process to determine what will occur.

22. What is the status of the 401k match continuing?

The 401(k) match was previously stopped on April 23. The Company will make a determination regarding the commencement of the 401(k) match when business conditions permit the match to resume.

23. I’m owed reimbursement of expenses incurred in connection with my job. Will those reimbursements be paid?

Yes. We anticipate no changes to our policies regarding reimbursement of business expenses as a result of this process. We have asked the bankruptcy court to pay unpaid reimbursable expenses from before the U.S. Chapter 11 filing. This type of request is routinely granted.
Global Human Resources Q&A

24. Will the workers’ compensation program be maintained?

We have asked the bankruptcy court for approval to continue our workers’ compensation program in the ordinary course and to honor any related payments owed, including policy premiums and any deductibles, regardless of when these obligations arose. This type of request is routinely granted.

25. For furloughed employees, will there be an impact on pay / benefits / pension impact?

We have asked the bankruptcy court for approval to maintain the current provision of benefits continuation for our employees on furlough. This type of request is routinely granted. In this event, furloughed employees will receive benefits continuation as long your furlough continues. If you are called back to active service, you will resume responsibility for paying your benefits on a go-forward basis. A determination of furlough continuation will be made on or before June 12.

26. If I am a furloughed employee, what does this mean for my potential recall date? Is there still a chance that furloughed employees may be brought back?

When business conditions improve we may need to recall furloughed employees to serve the increased demand. That said, as we’ve communicated previously, it’s clear that our company will need to be leaner, more agile and more efficient in order to succeed at the highest levels over the long term. We will keep you posted when there is more news to share.

27. I am a severed employee, will I continue to receive severance pay and benefits?

U.S. bankruptcy law generally prohibits debtors from continuing to make severance payments without court approval when a claim for severance resulted from a termination that happened before the bankruptcy began. With Court approval, severance payments can continue up to a maximum of $13,650 per employee paid after the filing date. That is the maximum amount of severance that may be entitled to priority treatment under the Bankruptcy Code.

This is a very important issue to us. In an effort to limit further hardship to terminated employees to the degree we’re able, we have requested that the Court authorize us to pay the amounts specified in individual severance agreements relating to pre-bankruptcy terminations, up to the $13,650 per employee cap. We have also requested authority to honor benefits continuations under severance agreements with our terminated employees. Our request is without regard to whether an employee signed and returned his or her severance agreement before the bankruptcy filing or after the bankruptcy filing. Those employees who are eligible for severance amounts under $13,650 would not see those amounts affected.

The Court will consider our request on an emergency basis within the first few days of our bankruptcy filing. We are hopeful that our request will be granted in time to allow us to continue to provide severance pay as provided in individual agreements (subject to the $13,650 cap), and benefits, as soon as our next regularly scheduled payroll date. The Court will revisit any emergency authorization in about a month and decide then whether to permit us to continue
Global Human Resources Q&A

these payments (subject to the $13,650 cap) and benefits. Regardless of the final outcome from the Court as to severance relief, the terms of your release remain enforceable.

To be clear, from the date of filing forward, your severance is limited by the imposed bankruptcy cap of $13,650 and we are not able to distribute any additional severance to you beyond that amount. You are not, however, required to pay back any severance paid to you before the May 22, 2020 filing date. You may also file a creditor claim as a general creditor to the company for any unpaid severance benefits. Information about the claims process can be accessed through Hertz’s claims agent at https://restructuring.primeclerk.com/hertz, by calling the Company’s claims agent at (877) 428-4661 (toll-free in the U.S.) or emailing hertzinfo@primeclerk.com. In the event that the Court does not authorize us to continue benefits to terminated employees, you may choose to elect COBRA benefit coverage.

28. What should I do if I’m approached by the media?

Consistent with our long-standing media policy, employees should not speak to the media on behalf of Hertz. Please direct any media inquiries to mediarelations@hertz.com.

29. What if I have more questions about the U.S. Chapter 11 filing?

For up to date information, including Q&As, visit the Communications News Hubs (NA Corporate Employees, NA Field Employees, and International Employees). You can also email drivingforward@hertz.com.