

VACATION POLICY
(non-exempt)
Revised January 1, 2011

Summary

The Hertz Corporation recognizes that employees need time off for, among other things, personal needs, religious observances and leisure pursuits. Further, The Hertz Corporation views taking time off as not only benefiting the employee but also as a contributing factor in allowing an employee to continue being productive. As a result, the Company has promulgated the following Vacation Policy.

Applicability

This policy applies to all Hertz Corporation Rent-A-Car, HERC, HLE and Corporate regular full-time and part time non-exempt employees working in the United States, who are not covered by a collective bargaining agreement, with the exception of employees working in California, Nebraska and Puerto Rico, who shall be subject to separate policies.

Monthly Vacation Crediting

Under the Vacation Policy, employees shall earn and be credited with vacation on the first day of each month commencing on the first day of the month following the employee's start date of employment. Monthly vacation earnings shall be determined based upon years of service with the Company, and credited in accordance with the following schedule:

<u>Years of Service</u>	<u>Days</u>	<u>Monthly Accrual</u>
Less than one year	10	0.83
1 to 4	15	1.25
5 to 9	18	1.50
10 to 14	21	1.75
15 to 19	23	1.92
20 to 24	25	2.08
25 to 29	27	2.25
30+	30	2.50

Service Anniversary

During the first twelve months of employment, Employees will earn their monthly accrual each month and move to the higher accrual rate on the first of the month following their first anniversary date of employment with the Company through the end of that calendar year. After reaching their first service anniversary date, Employees who become eligible for additional vacation as a result of a service anniversary in accordance with the above table shall begin receiving vacation earnings credit at the increased rate on January 1 of the year in which the service anniversary occurs.

New Employees

Newly hired employees begin receiving vacation credit on the first day of the month following the start date of employment (or reemployment).

Part-Time Employee Adjustment

Part time employees, who regularly work at least (20) hours per week, shall receive pro-rated vacation credit in accordance with their years of service. For example, an employee who works at least (24) hours per week is entitled to three fifths vacation credit based upon years of service. An employee who works at least (20) hours per week would be entitled to one half vacation credit based upon years of service. An employee who works at least (32) hours per week would be entitled to four fifths vacation credit based upon years of service.

Annual Vacation Earnings Forfeiture

Earned vacation days must be used by the end of the calendar year in which they are earned. Any unused earned vacation days will be forfeited at the end of the calendar year.

Taking Advances on Earned Vacation

Employees with at least one year of service are eligible to take an advance on their vacation earnings. An advance is defined as allowing an eligible employee to take all or

part of their annual vacation days at any time during their vacation year prior to being earned, provided it has been approved by management. To the extent permitted by state law, any employee taking an advance on vacation has authorized the Company to deduct from the final paycheck any advanced and unearned vacation upon their termination should they not remain employed long enough during the calendar year to earn entitlement to the advanced vacation. (see also, "Termination" heading below).

Partial Days

Employees are permitted to take earned vacation in half-day allotments subject to management approval. If at the end of the calendar year there will remain any earned but unused partial vacation day, any partial day shall be rounded up or down to the nearest half or whole for purposes of taking the paid vacation. For example, an employee with 1.66 earned vacation days as of December 2 shall be permitted to take 1.5 days vacation by December 31, while an employee with 3.32 earned days shall be permitted to take 3.5 days vacation. Note that rounding up or down shall not apply to any unused vacation payout should an employee terminate voluntarily or involuntarily and receive payment for earned and unused vacation.

Termination

Upon termination of employment, be it voluntary or involuntary as a result of cause, employees shall be paid in a lump sum amount for all unused and unforfeited earned vacation calculated as of their last day of work. In the event a terminated employee (again, voluntarily or involuntarily) has taken an advance on unearned vacation and has not remained with the company long enough to earn entitlement to the advanced vacation, the amount of any unearned advanced vacation must be repaid to the Company, typically in the form of a deduction from any final paycheck, to the extent permitted by state law.

Any employee whose position is eliminated or who is laid off as defined in Procedure 2-35, shall be entitled to any accrued but unused portion of their annual vacation allotment.

Leaves of Absence

Vacation is accrued only when employees are actively working for the Company, including when employees are on paid vacation and paid sick leave. Therefore, employees who are on leaves of absences (including military leave, short- or long-term disability, worker's compensation, leave under the Family and Medical Leave Act, or any other type of leave of absence) shall not accrue vacation while they are on leave

Hertz reserves the right to amend, modify, or rescind the above policy at any time.