



**THE FOUNDATION
FOR SECURE
MARKETS**

#48812

Date: June 08, 2021

Subject: Hertz Global Holdings, Inc. – Anticipated Adjustment
Option Symbol: HTZGQ
New Symbol: HTZQ1
Date: ???
* * * Update * * *

On June 10, 2021, United States Bankruptcy Court for the District of Delaware will hold a hearing to consider confirmation of the First Modified Third Amended Joint Plan of Reorganization of The Hertz Corporation and its Debtor Affiliates (“Plan”). If the Plan is confirmed and becomes effective, HTZGQ shareholders will be entitled to receive the following:

- 1) \$1.53 Cash;
- 2) a pro rata portion of
 - a. 3% of the total Reorganized Hertz Parent Common Shares, subject to dilution as described in the Plan. **Fractional shares greater than one-half will be rounded up to the nearest whole number, and fractions of one-half or less will be rounded down to the nearest whole number.**; and
 - b. New Warrants; OR, provided that Eligible HTZGQ Shareholders may elect to receive a pro rata portion of Shareholder Subscription Rights by timely exercise of such Rights as described in the Plan, OR, provided further, that HTZGQ Shareholders who are not eligible to participate in the Rights Offering may elect to prior to the Subscription Rights Expiration Deadline to have their Pro Rata (based on Existing Hertz Parent Interests held by all Holders of Existing Hertz Parent Interests) share of the Shareholder Subscription Rights sold pursuant to the Shareholder Subscription Rights Auction (“Auction”) by submitting such election in accordance with the Rights Offering Procedures, instead of New Warrants, as described in the Plan. **Fractional warrants greater than one-half will be rounded up to the nearest whole number, and fractions of one-half or less will be rounded down to the nearest whole number.**

Exercise Consideration: The Subscription Rights are not detachable from the applicable Existing HTZGQ Common Shares. **HTZGQ Call option holders who wish to participate in the Rights Offering or who wish to elect to receive have their Pro Rata share of the Rights sold pursuant to the Auction must exercise their options in sufficient time to observe all conditions of the election.** In all cases, it is the sole responsibility of persons holding call options seeking to participate in the election to determine when to exercise their options and to comply with all terms and conditions of the election.

Possible Settlement Procedures

After the Plan is effective, an OTC or OTCBB (Bulletin Board) market may develop in the U.S. for the Hertz Global Holdings, Inc. New Warrants, although there is no assurance this will happen. OCC anticipates that if an OTC or OTCBB market develops, NSCC will accept transactions in the warrants

which arise as a result of option exercise and assignment activity. In that event, HTZQ1 option exercise and assignment activity will settle in the normal fashion through NSCC. However, if a market does not develop or NSCC does not accept transactions in the warrants, OCC anticipates requiring broker to broker settlement for HTZQ1 option exercise and assignment activity after the final distribution is determined.

Pursuant to customary OCC broker to broker settlement procedures, inability to effect delivery may subsequently occasion cash settlement as determined by OCC.

Contract Adjustment

Date: Effective on the business day the Plan becomes effective.

Option Symbol: HTZGQ changes to HTZQ1

Strike Divisor: 1

Contract Multiplier: 1

New Multiplier: 100 (e.g., a premium of 1.50 yields \$150; a strike of 1 yields \$100.00)

New Deliverable Per Contract:

- 1) \$153.00 Cash ($\1.53×100)
- 2) 100 x pro rata portion of 3% of the total Reorganized Hertz Parent Common Shares, subject to dilution as described in the Plan
- 3) 100 x pro rata portion of New Warrants

CUSIPs: Reorganized Hertz Parent: TBD
New Warrants: TBD

Settlement Allocation: Reorganized Hertz Parent: TBD
New Warrants: TBD

THE ALLOCATION OF THE AGGREGATE STRIKE PRICE AMOUNT IS BEING PROVIDED SOLELY FOR THE PURPOSE OF THE INTERFACE BETWEEN OCC AND THE NATIONAL SECURITIES CLEARING CORPORATION (NSCC), AND IS NOT INTENDED TO BE USED FOR ANY OTHER PURPOSE, TRANSACTION OR CUSTOMER ACCOUNT STATEMENTS.

Delayed Settlement

OCC will delay settlement of the share and warrant components of the HTZQ1 deliverable until the final distribution ratios and trading status are determined. Upon determination of the distribution ratios and trading status, OCC will require Put exercisers and Call assignees to deliver the appropriate number of shares and warrants. The cash component of the HTZQ1 deliverable will be settled by the OCC.

Disclaimer

This Information Memo provides an unofficial summary of the terms of corporate events affecting listed options or futures prepared for the convenience of market participants. OCC accepts no responsibility for the accuracy or completeness of the summary, particularly for information which may be relevant to investment decisions. Option or futures investors should independently ascertain and evaluate all information concerning this corporate event(s).

The determination to adjust options and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article VI, Sections 11 and 11A. The determination to adjust futures and the nature of any adjustment is made by OCC pursuant to OCC By-Laws, Article XII, Sections 3, 4, or 4A, as applicable. For both options and futures, each adjustment decision is made on a case by case basis. Adjustment

decisions are based on information available at the time and are subject to change as additional information becomes available or if there are material changes to the terms of the corporate event(s) occasioning the adjustment.

ALL CLEARING MEMBERS ARE REQUESTED TO IMMEDIATELY ADVISE ALL BRANCH OFFICES AND CORRESPONDENTS ON THE ABOVE.

For questions regarding this memo, call Investor Services at 1-888-678-4667 or email investorservices@theocc.com. Clearing Members may contact Member Services at 1-800-544-6091 or, within Canada, at 1-800-424-7320, or email memberservices@theocc.com.