

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D)
OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): August 13, 2020 (August 10, 2020)

Avis Budget Group, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction
of Incorporation)

001-10308
(Commission
File Number)

06-0918165
(I.R.S. Employer
Identification No.)

6 Sylvan Way
Parsippany, NJ
(Address of Principal Executive Offices)

07054
(Zip Code)

(973) 496-4700
Registrant's telephone number, including area code

N/A
(Former name or former address if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title Of Each Class	Trading Symbol(s)	Name Of Each Exchange On Which Registered
Common Stock, par value \$0.01	CAR	The NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

Amendment to Third Amended and Restated Cooperation Agreement

On August 12, 2020, Avis Budget Group, Inc. (the “Company”) entered into an Amendment (the “Amendment”) to the Third Amended and Restated Cooperation Agreement (the “Third A&R Cooperation Agreement”), dated as of February 23, 2020, among the Company, SRS Investment Management, LLC and certain of its affiliates (collectively, “SRS”).

The Amendment, which becomes effective on August 21, 2020, provides that during the Standstill Period (as defined in the Third A&R Cooperation Agreement), the number of persons that SRS will be entitled to designate to serve as members of the Board of Directors of the Company (the “Board”) will be reduced from three to two. The Amendment also removes the provisions requiring the Board to appoint additional directors to the Board. Under the terms of the Amendment, the size of each of the Corporate Governance Committee and the Compensation Committee will be set at no fewer than two and no more than three members, rather than three members.

The foregoing summary of the Amendment does not purport to be complete and is qualified in its entirety by reference to the full text of the Amendment, a copy of which is attached as Exhibit 10.1 hereto and is incorporated herein by reference.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Mr. Choi

On August 13, 2020, the Company announced that Brian J. Choi will resign from the Board, which will become effective August 21, 2020, and he will become Chief Financial Officer of the Company, effective August 24, 2020. John F. North, III will continue to serve as Chief Financial Officer until August 24, 2020.

Mr. Choi, 37, has been a member of the Board since January 2016, and a partner at SRS, serving in various roles, from October 2008. Mr. Choi will resign from SRS, effective August 21, 2020, and will no longer have any affiliation with SRS. Prior to joining SRS, Mr. Choi worked at Metalmark Capital from 2007 to 2008 and also served as an analyst in the Leveraged Finance Group at Lehman Brothers from 2005 to 2007.

Pursuant to Mr. Choi’s offer letter, dated August 12, 2020 (the “Offer Letter”), Mr. Choi will receive an annual base salary of \$500,000, will be eligible to earn an annual incentive award at a target rate of 100% of base salary, subject to attainment of applicable performance goals, and starting in 2021 will be eligible to participate in the Company’s long-term incentive program. In connection with his appointment, Mr. Choi is expected to receive a time-based restricted stock unit award with a grant date value of \$3,000,000 at the end of August 2020, which is expected to vest ratably over the three years from the date of grant, subject to continued service.

Mr. North

Mr. North will transition from Chief Financial Officer of the Company, effective August 24, 2020, and will remain employed with the Company as an advisor through the end of 2020. In connection with Mr. North’s transition, the Company entered into a Separation Agreement with Mr. North, dated August 12, 2020 (the “Separation Agreement”), on terms consistent with Mr. North’s Severance Agreement with the Company. Accordingly, the Separation Agreement provides for cash severance of \$2.5 million and the acceleration of 99,678 outstanding time-based restricted stock units, and the cancellation of 12,645 time-based restricted stock units and 37,933 performance-based stock units. The Company is not expected to be obligated to make any severance payments until 2021, and the Company’s obligation to provide severance payments or benefits is contingent on Mr. North’s execution and non-revocation of a release of claims pursuant to the terms of the Separation Agreement. The Separation Agreement also provides that Mr. North will remain subject to non-competition and non-solicitation covenants for two years following his separation from the Company.

The Offer Letter and the Separation Agreement are attached hereto as Exhibit 10.2 and 10.3, respectively, and incorporated herein by reference. The foregoing description of the Offer Letter and the Separation Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the Offer Letter and Separation Agreement, respectively.

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On August 10, 2020, the Board approved an amendment to the Company's Amended and Restated By-Laws. The amendment reduced the required number of members on the Compensation Committee from three to two members.

The foregoing summary is qualified in its entirety by reference to the text of the Company's Amended and Restated By-Laws, as of August 10, 2020, a copy of which is attached as Exhibit 3.2 and is incorporated herein by reference.

Item 7.01 Regulation FD Disclosure.

On August 13, 2020, the Company issued a press release regarding certain of the foregoing items. A copy of the press release is furnished herewith as Exhibit 99.1 and is incorporated herein by reference.

Item 8.01 Other Items.

In connection with the resignation of Mr. Choi from the Board, the Board has approved the composition of the Board Committees as follows:

- *Audit:* Carl Sparks (Chair), Lynn Krominga and Glenn Lurie
- *Compensation:* Karthik Sarma (Chair), Lynn Krominga and Glenn Lurie
- *Corporate Governance:* Lynn Krominga (Chair), Karthik Sarma and Carl Sparks

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
3.2	<u>Amended and Restated Bylaws of Avis Budget Group, Inc., dated as of August 10, 2020</u>
10.1	<u>Amendment, dated August 12, 2020, to Third Amended and Restated Cooperation Agreement, dated as of February 23, 2020, by and among Avis Budget Group, Inc., SRS Investment Management, LLC and certain of its affiliates.</u>
10.2	<u>Offer Letter, dated August 12, 2020, between Brian Choi and Avis Budget Group, Inc.</u>
10.3	<u>Separation Agreement, dated August 12, 2020, between John North and Avis Budget Group, Inc.</u>
99.1	<u>Press Release dated August 13, 2020.</u>
104	The cover page from this Current Report on Form 8-K formatted in Inline XBRL (included as Exhibit 101).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereto duly authorized.

AVIS BUDGET GROUP, INC.

By: /s/ Jean M. Sera

Jean M. Sera

Senior Vice President, General Counsel,

Chief Compliance Officer and Corporate Secretary

Date: August 13, 2020

AMENDED AND RESTATED BY-LAWS
(As of August 10, 2020)
OF
AVIS BUDGET GROUP, INC.
(the “Corporation”)

ARTICLE I.
Offices

SECTION 1. Offices.

The registered office of the Corporation in the State of Delaware shall be in the City of Wilmington, County of New Castle, State of Delaware.

The Corporation shall have offices at such other places as the Board of Directors may from time to time determine.

ARTICLE II.
Stockholders

SECTION 1. Annual Meeting.

The annual meeting of the stockholders for the election of Directors and for the transaction of such other business as may properly come before the meeting shall be held at such place, within or without the State of Delaware, and hour as shall be determined by the Board of Directors. The day, place and hour of each annual meeting shall be specified in the notice of annual meeting.

The meeting may be adjourned from time to time and place to place until its business is completed.

At an annual meeting of the stockholders, only such business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, business must be (a) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors (or duly authorized committee thereof), (b) otherwise properly brought before the meeting by or at the direction of the Board of Directors (or any duly authorized committee thereof), or (c) otherwise properly brought before the meeting by a stockholder of the Corporation (i) who is a stockholder of record on the date of the giving of

the notice provided for in this Section 1 and on the record date for the determination of stockholders entitled to notice of and to vote at such annual meeting and (ii) who complies with the notice procedures set forth in this Section 1. For business to be properly brought before an annual meeting by a stockholder, the stockholder must have given timely notice thereof in writing to the Secretary of the Corporation.

To be timely, a stockholder's notice to the Secretary must be delivered to or mailed and received at the principal executive offices of the Corporation not less than sixty (60) days nor more than ninety (90) days prior to the anniversary date of the immediately preceding annual meeting of stockholders; provided, however, that in the event that the annual meeting of stockholders is called for a date that is not within twenty-five (25) days before or after such anniversary date, notice by the stockholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which such notice of the date of the annual meeting of stockholders was mailed or such public disclosure of the date of the annual meeting of stockholders was made, whichever first occurs. A stockholder's notice to the Secretary shall set forth as to each matter the stockholder proposes to bring before the annual meeting: (a) a brief description of the business desired to be brought before the annual meeting and the reasons for conducting such business at the annual meeting, (b) the name and address, as they appear on the Corporation's books, of the stockholder proposing such business, (c) the class and number of shares of the Corporation which are owned beneficially or of record by the stockholder, (d) a description of all arrangements or understandings between such stockholder and any other person or persons, (e) any material interest of the stockholder in such business, and (f) a representation that such stockholder intends to appear in person or by proxy at the annual meeting to bring such business before the meeting. Notwithstanding anything in the By-Laws to the contrary, no business shall be conducted at an annual meeting except in accordance with the procedures set forth in this Section 1; provided, however, that, once business has been properly brought before the annual meeting in accordance with such procedures, nothing in this Section 1 shall be deemed to preclude discussion by any stockholder of any such business.

The presiding officer of an annual meeting shall, if the facts warrant, determine and declare to the meeting that business was not properly brought before the meeting and in accordance with the provisions of this Section 1, and if he should so determine, he shall so declare to the meeting and any such business not properly brought before the meeting shall not be transacted.

SECTION 2. Special Meeting.

Except as otherwise required by law, special meetings of the stockholders may be called only by the Chairman of the Board, the President, or the Board of Directors pursuant to a resolution approved by a majority of the entire Board of Directors. At a special meeting of stockholders, only such business shall be conducted as shall be specified in the notice of meeting (or any supplement thereto).

SECTION 3. Stockholder Action; How Taken.

Any action required or permitted to be taken by the stockholders of the Corporation must be effected at a duly called annual or special meeting of such holders and may not be effected by any consent in writing by such holders.

SECTION 4. Notice of Meeting.

Notice of every meeting of the stockholders shall be given in the manner prescribed by law.

SECTION 5. Quorum.

Except as otherwise required by law, the Certificate of Incorporation or these By-Laws, the holders of not less than one-third of the shares entitled to vote at any meeting of the stockholders, present in person or by proxy, shall constitute a quorum.

If a quorum shall fail to attend any meeting, the chairman of the meeting may adjourn the meeting to another place, date or time.

If a notice of any adjourned special meeting of stockholders is sent to all stockholders entitled to vote thereat, stating that it will be held with those present constituting a quorum, then, except as otherwise required by law, those present at such adjourned meeting shall constitute a quorum.

SECTION 6. Qualification of Voters.

The Board of Directors (hereinafter sometimes referred to as the "Board") may fix a day and hour not more than sixty nor less than ten days prior to the day of holding any meeting of the stockholders as the time which the stockholders entitled to notice of and to vote at such meeting shall be determined. Only those persons who were holders of record of voting stock at such time shall be entitled to notice of and to vote at such meeting.

SECTION 7. Procedure.

The order of business and all other matters of procedure at every meeting of the stockholders may be determined by the presiding officer.

The Board shall appoint two or more Inspectors of Election to serve at every meeting of the stockholders at which Directors are to be elected.

**ARTICLE III.
Directors**

SECTION 1. Number, Election and Terms.

The number of Directors shall be fixed from time to time by the Board of Directors but shall not be less than three. From and after the annual meeting of stockholders to be held in 2004, the Directors shall hold office for a term expiring at the annual meeting of stockholders to be held in the year following their election with each member to hold office until his or her successor is elected and qualified or until his or her earlier resignation or removal; provided that the term of any Director appointed prior to the annual meeting of stockholders to be held in 2004 shall be unaffected. At each annual meeting of stockholders, the successors of the Directors whose term expires at that meeting shall be elected to hold office for a term expiring at the annual meeting of stockholders held in the year following the year of their election.

The term "entire Board" as used in these By-Laws means the total number of Directors which the Corporation would have if there were no vacancies.

Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation, except as may be otherwise provided in the Certificate of Incorporation with respect to the right of holders of preferred stock of the Corporation to nominate and elect a specified number of directors in certain circumstances. Nominations of persons for election to the Board of Directors may be made at any annual meeting of stockholders, or at any special meeting of stockholders called for the purpose of electing directors, (a) by or at the direction of the Board of Directors (or any duly authorized committee thereof) or (b) by any stockholder of the Corporation (i) who is a stockholder of record on the date of the giving of the notice provided for in this Section 1 and on the record date for the determination of stockholders entitled to notice of and to vote at such meeting and (ii) who complies with the notice procedures set forth in this Section 1.

In addition to any other applicable requirements, for a nomination to be made by a stockholder, such stockholder must have given timely notice thereof in proper written form to the Secretary of the Corporation. To be timely, a written notice of such stockholder's intent to make such nomination or nominations must be given, either by personal delivery or by United States mail, postage prepaid, to the Secretary of the Corporation not later than (a) with respect to an election to be held at an annual meeting of stockholders, not less than ninety (90) days prior to the anniversary date of the immediately preceding annual meeting of stockholders; provided, however, that in the event that the annual meeting of stockholders is called for a date that is not within twenty-five (25) days before or after such anniversary date, notice by the stockholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which such notice of such meeting was mailed or such public disclosure of the date of such meeting was made, whichever first occurs; and (b) with respect to an election to be held at a special meeting of stockholders for the election of Directors, not later than the close of business on the tenth (10th) day following the day on which notice of such meeting was mailed or public disclosure of the date of such meeting was made, whichever first occurs.

To be in proper written form, each such notice must set forth: (a) as to each person whom the stockholder proposes to nominate for election as a director (i) the name, age, business address and residence address of the person, (ii) the principal occupation or employment of the person, (iii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by the person and (iv) any other information relating to the person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder; and (b) as to the stockholder giving the notice (i) the name and record address of such stockholder, (ii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by such stockholder, (iii) a description of all arrangements or understandings between such stockholder and each proposed nominee and any other person or persons (including their names) pursuant to which the nomination(s) are to be made by such stockholder, (iv) a representation that such stockholder intends to appear in person or by proxy at the meeting to nominate the persons named in its notice and (v) any other information relating to such stockholder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder. Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee and to serve as a director if elected. No person shall be eligible for election as a director of the Corporation unless nominated in accordance with the procedures set forth in this Section 1. If the presiding officer of the meeting determines that a nomination was not made in accordance with the foregoing procedures, the presiding officer shall declare to the meeting that the nomination was defective and such defective nomination shall be disregarded.

In order for any incumbent Director to become a nominee of the Board of Directors for further service on the Board of Directors, such person must submit an irrevocable resignation, contingent on (i) that person not receiving a majority of votes cast in an election that is not a Contested Election (as defined below), and (ii) acceptance of that resignation by the Board of Directors in accordance with the policies and procedures adopted by the Board of Directors for such purpose.

Each Director that has been properly nominated in accordance with the procedures set forth in this Article III, Section 1 shall be elected by the vote of a majority of votes cast with respect to that Director's election at any meeting for the election of Directors at which a quorum is present, provided that if, as of the date that is fourteen (14) days in advance of the date that the Corporation first files with the Securities and Exchange Commission its definitive proxy statement for the relevant meeting of stockholders (regardless of whether or not thereafter revised, amended or supplemented), the number of nominees for director exceeds the number of Directors to be elected (a "Contested Election"), then the Directors shall be elected by the vote of a plurality of the shares represented in person or by proxy at any such meeting and entitled to vote on the election of Directors (and in such Contested Election stockholders shall not be permitted to vote "against" a nominee). For purposes of this Article III, Section 1, a "majority of votes cast" shall mean that the number of votes cast "for" a Director's election exceeds the number of votes cast "against" that Director's election (with "abstentions" and "broker nonvotes" not counted as votes cast either "for" or "against" that Director's election).

In the event an incumbent Director fails to receive a majority of votes cast in an election that is not a Contested Election, the Corporate Governance Committee of the Board of Directors shall make a recommendation to the Board of Directors as to whether to accept or reject the resignation of such incumbent Director, or whether other action should be taken. The Board of Directors shall act on the resignation, taking into account the Corporate Governance Committee's recommendation, and publicly disclose (by a press release and filing an appropriate disclosure with the Securities and Exchange Commission) its decision regarding the resignation (and, if such resignation is rejected, the rationale behind the decision) within ninety (90) days following certification of the election results. The Corporate Governance Committee, in making its recommendation, and the Board of Directors, in making its decision, each may consider any factors and other information that they consider appropriate and relevant. The Director who tenders his or her resignation shall not participate in the recommendation of the Corporate Governance Committee or the decision of the Board of Directors with respect to his or her resignation. If such Director's resignation is not accepted by the Board of Directors, such Director shall continue to serve until his or her successor is duly elected and qualified, or until his or her earlier resignation or removal.

SECTION 2. Newly Created Directorships and Vacancies.

Newly created directorships resulting from any increase in the number of Directors and any vacancies on the Board of Directors resulting from the death, resignation, disqualification, or removal of a director shall be filled solely by the affirmative vote of a majority of the remaining Directors then in office, even though less than a quorum of the Board of Directors. Any Directors elected (a) to fill any vacancy resulting from the death, resignation, disqualification or removal of a Director shall hold office for the remainder of the full term of the Director whose death, resignation, disqualification or removal created such vacancy and (b) to fill any vacancy resulting from a newly created directorship shall hold office until the next annual meeting of stockholders, and, in each case, until such Director's successor shall have been elected and qualified. No decrease in the number of Directors constituting the Board of Directors shall shorten the term of any incumbent Director.

SECTION 3. Removal.

Any Director may be removed from office, with or without cause, only by the affirmative vote of the holders of a majority of the combined voting power of the then outstanding shares of stock entitled to vote generally in the election of Directors, voting together as a single class.

SECTION 4. Regular Meetings.

Regular meetings of the Board shall be held at such times and places as the Board may from time to time determine.

SECTION 5. Special Meetings.

Special meetings of the Board may be called at any time, at any place and for any purpose by the Chairman of the Executive Committee (if such committee has been constituted by the Board of Directors), the Chairman of the Board, a Vice Chairman of the Board, or by any officer of the Corporation upon the request of a majority of the entire Board.

SECTION 6. Notice of Meeting.

Notice of regular meetings of the Board need not be given.

Notice of every special meeting of the Board shall be given to each Director at his usual place of business, or at such other address as shall have been furnished by him for the purpose. Such notice shall be given at least twenty-four hours before the meeting by telephone or by being personally delivered, mailed, or telegraphed. Such notice need not include a statement of the business to be transacted at, or the purpose of, any such meeting.

SECTION 7. Quorum.

Except as may be otherwise provided by law or in these By-Laws, the presence of a majority of the Board shall be necessary and sufficient to constitute a quorum for the transaction of business at any meeting of the Board, and the act of a majority of such quorum shall be deemed the act of the Board.

Less than a quorum may adjourn any meeting of the Board from time to time without notice.

SECTION 8. Participation In Meetings By Conference Telephone.

Members of the Board, or of any committee thereof, may participate in a meeting of such Board or committee by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other and such participation shall constitute presence in person at such meeting.

SECTION 9. Powers.

The business, property and affairs of the Corporation shall be managed by or under the direction of its Board of Directors, which shall have and may exercise all the powers of the Corporation to do all such lawful acts and things as are not by law, or by the Certificate of Incorporation, or by these By-Laws, directed or required to be exercised or done by the stockholders.

SECTION 10. Compensation of Directors.

Directors shall receive such compensation for their services as shall be determined by a majority of the Board provided that Directors who are serving the Corporation as officers or employees and who receive compensation for their services as such officers or employees shall not receive any salary or other compensation for their services as Directors.

ARTICLE IV.
Officers

SECTION 1. Number.

a) General. The officers of the Corporation shall be appointed or elected by the Board of Directors. The officers shall be a Chief Executive Officer, a President, a Chief Financial Officer, a General Counsel, such number of vice presidents as the Board may from time to time determine and a Secretary. A Chairman of the Board shall be appointed, and one or more Vice Chairmen of the Board may also be appointed and each may, but is not required to, be an officer of the Corporation. The Chairman of the Board or, in his absence or if such office be vacant, the Chief Executive Officer (provided that the Chief Executive Officer is also a member of the Board of Directors), shall preside at all meetings of the stockholders and of the Board. In the absence of the Chairman of the Board and the Chief Executive Officer (including, with respect to the Chief Executive Officer, because the Chief Executive Officer is not a member of the Board of Directors), a Vice Chairman of the Board shall preside at all meetings of the stockholders and of the Board. Any person may hold two or more offices, other than the offices of Chairman of the Board and Vice Chairman of the Board, at the same time. Subject to this Section 1, the Chairman of the Board and the Vice Chairmen of the Board shall be chosen from among the members of the Board, but the other officers need not be members of the Board.

b) Chairman of the Board. The Chairman of the Board shall be a member of the Board of Directors and may, but is not required to, be an officer of the Corporation.

c) Chief Executive Officer. The Chief Executive Officer, may, but is not required to, be a member of the Board of Directors and shall be an officer of the Corporation. The Chief Executive Officer shall be the chief executive officer of the Corporation and shall supervise, coordinate and manage the Corporation's business and activities and supervise, coordinate and manage its operating expenses and capital allocation, shall have general authority to exercise all the powers necessary for the Chief Executive Officer of the Corporation and shall perform such other duties and have such other powers as may be prescribed by the Board or these By-Laws, all in accordance with basic policies as established by and subject to the oversight of the Board. In the absence or disability of the Chairman of the Board, the duties of the Chairman of the Board shall be performed and the Chairman of the Board's authority may be exercised by the Chief Executive Officer (provided that the Chief Executive Officer is also a member of the Board of Directors), or, in the absence or disability of the Chief Executive Officer (including because the Chief Executive Officer is not a member of the Board of Directors), a Vice Chairman, provided that such person is a member of the Board.

d) President. The President shall have general day-to-day supervision, direction and control over the administrative functions of the Corporation and the officers, employees and agents relating to such functions as may be prescribed by the Board or the Chief Executive Officer. The President shall perform such other duties and have such other powers as may be prescribed by the Board, the Chief Executive Officer or these By-Laws, all in accordance with the basic policies as established by and subject to the oversight of the Board, the Chairman of the Board and the Chief Executive Officer.

e) Chief Financial Officer. The Chief Financial Officer shall have responsibility for the financial affairs of the Corporation and shall exercise supervisory responsibility for the performance of the duties of the Treasurer, the Controller and the Chief Accounting Officer. The Chief Financial Officer shall perform such other duties and have such other powers as may be prescribed by the Board or these By-Laws, all in accordance with basic policies as established by and subject to the oversight of the Board, the Chairman of the Board, the Chief Executive Officer or the President.

f) General Counsel. The General Counsel shall have responsibility for the legal affairs of the Corporation. The General Counsel shall perform such other duties and have such other powers as may be prescribed by the Board or these By-Laws, all in accordance with basic policies as established by and subject to the oversight of the Board, the Chairman of the Board, the Chief Executive Officer or the President.

g) Secretary. The Secretary shall act as Secretary of all meetings of the stockholders and of the Board at which the Secretary is present, shall record all the proceedings of all such meetings in a book to be kept for that purpose, shall have supervision over the giving and service of notices of the Corporation, and shall have supervision over the care and custody of the corporate records and the corporate seal of the Corporation. The Secretary shall be empowered to affix the corporate seal to documents, the execution of which on behalf of the Corporation under its seal, is duly authorized, and when so affixed, may attest the same. The Secretary shall have all powers and duties usually incident to the office of Secretary, except as specifically limited by a resolution of the Board, and may delegate such powers and duties to duly appointed or elected Assistant Secretaries. The Secretary shall exercise such other powers and perform such other duties as may be assigned to the Secretary from time to time by the Board, the Chairman of the Board, the Chief Executive Officer, the President or the General Counsel.

SECTION 2. Additional Officers.

The Board may appoint such other officers, agents and employees as it shall deem appropriate. All references in these By-Laws to a particular officer shall be deemed to refer to the person holding such office regardless of whether such person holds additional offices.

SECTION 3. Terms of Office.

All officers, agents and employees of the Corporation shall hold their respective offices or positions at the pleasure of the Board of Directors and may be removed at any time by the Board of Directors with or without cause.

SECTION 4. Duties.

The officers, agents and employees shall perform the duties and exercise the powers usually incident to the offices or positions held by them respectively, and/or such other duties and powers as may be assigned to them from time to time by the Board of Directors or the Chief Executive Officer.

ARTICLE V.
Committees of the Board of Directors

SECTION 1. Designation.

- a) The Board of Directors of the Corporation may, but is not required to, have the following committee:

An Executive Committee consisting of not less than three Directors elected by a majority vote of the Board to serve until the Board shall otherwise determine. The Executive Committee (if constituted by the Board of Directors) shall have and may exercise all of the powers of the Board of Directors when the Board is not in session, including the power to authorize the issuance of stock, except that the Executive Committee shall have no power to (i) alter, amend or repeal these By-Laws or any resolution or resolutions of the Board of Directors; (ii) declare any dividend or make any other distribution to the stockholders of the Corporation; (iii) appoint any member of the Executive Committee; or (iv) take any other action which legally may be taken only by the Board. The Chairman of the Board will also serve as Chairman of the Executive Committee. Each resolution of the Executive Committee will require approval by a majority of the members of such Committee.

b) The Board of Directors of the Corporation shall have the following committees:

i) A Compensation Committee consisting of not less than two Directors may be elected by a majority vote of the Board to serve until the Board shall otherwise determine. The Compensation Committee will have the following powers and authority: (1) determining and fixing the compensation for all senior officers of the Corporation and those of its subsidiaries that the Compensation Committee shall from time to time consider appropriate, as well as all employees of the Corporation and its subsidiaries compensated at a rate in excess of such amount per annum as may be fixed or determined from time to time by the Board; (2) performing the duties of the committees of the Board provided for in any present or future stock option, incentive compensation or employee benefit plan of the Corporation or, if the Compensation Committee shall so determine, any such plan of any subsidiary; and (3) reviewing the operations of and policies pertaining to any present or future stock option, incentive compensation or employee benefit plan of the Corporation or any subsidiary that the Compensation Committee shall from time to time consider appropriate. Each resolution of the Compensation Committee will require approval by a majority of the members of such committee. Notwithstanding anything to the contrary contained herein or in any option plan adopted from time to time by the Corporation, neither the Board of Directors nor the Compensation Committee shall have the authority, without prior shareholder approval, to alter the price at which options, once granted, may be exercised, except to the extent any such alteration may be contemplated in such option plan or the applicable stock option agreement in connection with a change of capitalization of the Corporation.

ii) An Audit Committee consisting of not less than three Directors may be elected by a majority vote of the Board to serve until the Board shall otherwise determine. The Audit Committee will have the following powers and authority: (1) employing independent public accountants to audit the books of account, accounting procedures, and financial statements of the Corporation and to perform such other duties from time to time as the Audit Committee may prescribe; (2) receiving the reports and comments of the Corporation's internal auditors and of the independent public accountants employed by the Audit Committee and to take such action with respect thereto as may seem appropriate; (3) requesting the Corporation's consolidated subsidiaries and affiliated companies to employ independent public accountants to audit their respective books of account, accounting procedures, and financial statements; (4) requesting the independent public accountants to furnish to the Compensation Committee the certifications required under any present or future stock option, incentive compensation or employee benefit plan of the Corporation; (5) reviewing the adequacy of internal financial controls; (6) approving the accounting principles employed in financial reporting; (7) approving the appointment or removal of the Corporation's general auditor; and (8) reviewing the accounting principles employed in financial reporting. Each resolution of the Audit Committee will require approval

by a majority of the members of such committee. Notwithstanding the foregoing, there will be no changes in the composition of the Audit Committee prior to the date of the adoption of a resolution of the Audit Committee approving its final report concerning accounting issues.

SECTION 2. Meetings; Notice.

Regular meetings of committees shall be held at such times and places as the Board or the committee in question may from time to time determine. Special meetings of any committee may be called at any time, at any place and for any purpose by the Chairman of such committee, the Chairman of the Board, or by any officer of the Corporation upon the request of a majority of the members of such committee. Notice of regular meetings of the committees need not be given. Notice of every special meeting of any committee shall be given to each member at his usual place of business, or at such other address as shall have been furnished by him for the purpose. Such notice shall be given at least twenty-four hours before the meeting by telephone or by being personally delivered, mailed, or telegraphed. Such notice need not include a statement of the business to be transacted at, or the purpose of, any such meeting.

SECTION 3. Committee Members; Board of Director Nominations.

a) Each member of any committee of the Board shall hold office until such member's successor is elected and has qualified, unless such member sooner dies, resigns or is removed.

b) The Board may remove a director from a committee or change the chairmanship of a committee by resolution adopted by a majority of the Board.

c) The Board may designate one or more Directors as alternate members of any committee to fill any vacancy on a committee and to fill a vacant chairmanship of a committee, occurring as a result of a member or chairman leaving the committee, whether through death, resignation, removal or otherwise. Any such designation may be made or amended by the affirmative vote of a majority of the Board.

ARTICLE VI.

Indemnification of Directors, Officers and Employees

SECTION 1. Power to Indemnify in Actions, Suits or Proceedings other than Those by or in the Right of the Corporation.

Subject to Section 3 of this Article VI, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed

action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that such person is or was a director or officer of the Corporation, or is or was a director or officer of the Corporation serving at the request of the Corporation as a director or officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by such person in connection with such action, suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which such person reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.

SECTION 2. Power to Indemnify in Actions, Suits or Proceedings by or in the Right of the Corporation.

Subject to Section 3 of this Article VI, the Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that such person is or was a director or officer of the Corporation, or is or was a director or officer of the Corporation serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation; except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

SECTION 3. Authorization of Indemnification.

Any indemnification under this Article VI (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director or officer is proper in the circumstances because such person has met the applicable standard of conduct set forth in Section 1 or Section 2 of this Article VI, as the case may be. Such determination shall be made (i) by a majority vote of the Directors who are not parties to such action, suit or proceeding, even though less than a quorum, or (ii) if there are no such Directors, or if such Directors so direct, by independent legal counsel in a written opinion or (iii) by the stockholders. To the extent, however, that a director or officer of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding described above, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith, without the necessity of authorization in the specific case.

SECTION 4. Good Faith Defined.

For purposes of any determination under Section 3 of this Article VI, a person shall be deemed to have acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the Corporation, or, with respect to any criminal action or proceeding, to have had no reasonable cause to believe such person's conduct was unlawful, if such person's action is based on the records or books of account of the Corporation or another enterprise, or on information supplied to such person by the officers of the Corporation or another enterprise in the course of their duties, or on the advice of legal counsel for the Corporation or another enterprise or on information or records given or reports made to the Corporation or another enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Corporation or another enterprise. The term "another enterprise" as used in this Section 4 shall mean any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise of which such person is or was serving at the request of the Corporation as a director, officer, employee or agent. The provisions of this Section 4 shall not be deemed to be exclusive or to limit in any way the circumstances in which a person may be deemed to have met the applicable standard of conduct set forth in Section 1 or 2 of this Article VI, as the case may be.

SECTION 5. Indemnification by a Court.

Notwithstanding any contrary determination in the specific case under Section 3 of this Article VI, and notwithstanding the absence of any determination thereunder, any director or officer may apply to the Court of Chancery in the State of Delaware for indemnification to the

extent otherwise permissible under Sections 1 and 2 of this Article VI. The basis of such indemnification by a court shall be a determination by such court that indemnification of the director or officer is proper in the circumstances because such person has met the applicable standards of conduct set forth in Section 1 or 2 of this Article VI, as the case may be. Neither a contrary determination in the specific case under Section 3 of this Article VI nor the absence of any determination thereunder shall be a defense to such application or create a presumption that the director or officer seeking indemnification has not met any applicable standard of conduct. Notice of any application for indemnification pursuant to this Section 5 shall be given to the Corporation promptly upon the filing of such application. If successful, in whole or in part, the director or officer seeking indemnification shall also be entitled to be paid the expense of prosecuting such application.

SECTION 6. Expenses Payable in Advance.

Expenses incurred by a current or former director or officer in defending any civil, criminal, administrative or investigative action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that such person is not entitled to be indemnified by the Corporation as authorized in this Article VI. Any disagreement concerning the foregoing expense advancement provisions shall be resolved in a summary proceeding as expeditiously as possible.

SECTION 7. Nonexclusivity of Indemnification and Advancement of Expenses.

The indemnification and advancement of expenses provided by or granted pursuant to this Article VI shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the Certificate of Incorporation, any By-Law, agreement, vote of stockholders or disinterested Directors or otherwise, both as to action in such person's official capacity and as to action in another capacity while holding such office, it being the policy of the Corporation that indemnification of the persons specified in Sections 1 and 2 of this Article VI shall be made to the fullest extent permitted by law. The provisions of this Article VI shall not be deemed to preclude the indemnification of any person who is not specified in Section 1 or 2 of this Article VI but whom the Corporation has the power or obligation to indemnify under the provisions of the General Corporation Law of the State of Delaware, or otherwise.

SECTION 8. Insurance.

The Corporation may purchase and maintain insurance on behalf of any person who is or was a director or officer of the Corporation, or is or was a director or officer of the Corporation serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of such person's status as such, whether or not the Corporation would have the power or the obligation to indemnify such person against such liability under the provisions of this Article VI.

SECTION 9. Certain Definitions.

For purposes of this Article VI, references to "the Corporation" shall include, in addition to the resulting corporation, any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which, if its separate existence had continued, would have had power and authority to indemnify its Directors or officers, so that any person who is or was a director or officer of such constituent corporation, or is or was a director or officer of such constituent corporation serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, shall stand in the same position under the provisions of this Article VI with respect to the resulting or surviving corporation as such person would have with respect to such constituent corporation if its separate existence had continued. For purposes of this Article VI, references to "fines" shall include any excise taxes assessed on a person with respect to an employee benefit plan; and references to "serving at the request of the Corporation" shall include any service as a director, officer, employee or agent of the Corporation which imposes duties on, or involves services by, such director or officer with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner such person reasonably believed to be in the interest of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner "not opposed to the best interests of the Corporation" as referred to in this Article VI.

SECTION 10. Survival of Indemnification and Advancement of Expenses.

The indemnification and advancement of expenses provided by, or granted pursuant to, this Article VI shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

SECTION 11. Limitation on Indemnification.

Notwithstanding anything contained in this Article VI to the contrary, except for proceedings to enforce rights to indemnification (which shall be governed by Section 5 hereof), the Corporation shall not be obligated to indemnify any director or officer in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors of the Corporation.

SECTION 12. Indemnification of Employees and Agents.

The Corporation may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification and to the advancement of expenses to employees and agents of the Corporation similar to those conferred in this Article VI to Directors and officers of the Corporation.

**ARTICLE VII.
Seal**

SECTION 1. The Corporate seal shall bear the name of the Corporation and the words "Corporate Seal, Delaware."

**ARTICLE VIII.
Amendments**

SECTION 1. Amendments of By-Laws.

Subject to the provisions of the Certificate of Incorporation and the provisions of these By-Laws, these By-Laws may be altered, amended or repealed at any regular meeting of the stockholders (or at any special meeting thereof duly called for that purpose) by the vote of a majority of the shares outstanding and entitled to vote at such meeting; provided that in the notice of such special meeting notice of such purpose shall be given. Subject to the laws of the State of Delaware, the provisions of Certificate of Incorporation and the provisions of these By-Laws, the Board of Directors may by majority vote of those present at any meeting at which a quorum is present amend these By-Laws, or enact such other by-laws as in their judgment may be advisable for the regulation of the conduct of the affairs of the Corporation.

**AMENDMENT TO
THIRD AMENDED AND RESTATED COOPERATION AGREEMENT**

This Amendment to the Third Amended and Restated Cooperation Agreement, dated as of August 12, 2020 (this "Amendment"), is by and among Avis Budget Group, Inc. (the "Company") and the entities set forth on Schedule A hereto (together with their Affiliates, "SRS").

WHEREAS, the Company and SRS have previously entered into that certain Third Amended and Restated Cooperation Agreement, dated as of February 23, 2020 (the "Agreement"), with respect to certain matters relating to the Board of Directors of the Company (the "Board") and certain other matters, as provided therein; and

WHEREAS, the Agreement entitles SRS to designate three persons to serve as members of the Board consisting of nine total members following the required appointment of certain additional directors; and

WHEREAS, pursuant to the Agreement, SRS designated Brian Choi, Jagdeep Pahwa and Karthik Sarma to serve as members of the Board, and the Board recommended the election of each of them at the 2020 annual meeting of stockholders of the Company, and each of them was subsequently elected at such annual meeting; and

WHEREAS, the Company plans to announce that it is appointing Mr. Choi as the Chief Financial Officer of the Company and, in connection therewith, Mr. Choi will resign from the Board; and

WHEREAS, the parties, upon mutual agreement, may appoint additional directors from time to time in order to achieve and maintain their goals of diversity in background, experience, gender and ethnicity of board members.

NOW, THEREFORE, pursuant to Section 24 of the Agreement, and in consideration of the covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company and SRS wish to amend the Agreement on the terms set forth herein, and agree as follows effective as of August 21, 2020:

1. Amendments to the Agreement.

(a) Clause (i) of Section 1(a) of the Agreement is amended by deleting the phrase "(collectively, the "Applicable Directors")" and inserting a new sentence at the end of Section 1(a) as follows:

"For purposes of this Agreement, "Applicable Directors" shall mean (i) from the date of the Agreement through the Amendment Date, Brian Choi, Jagdeep Pahwa and Karthik Sarma, and (ii) following the Amendment Date, Jagdeep Pahwa and Karthik Sarma."

(b) The first sentence of Section 1(e) of the Agreement is amended and restated in its entirety as follows:

“During the Standstill Period, SRS shall be entitled to designate two (2) persons to serve as members of the Board.”

(c) The first sentence of Section 1(f) of the Agreement is amended and restated in its entirety as follows:

“During the Standstill Period, (i) SRS shall be entitled to appoint one (1) Applicable Director to the Corporate Governance Committee of the Board, (ii) SRS shall be entitled to appoint one (1) Applicable Director to the Compensation Committee of the Board, which Applicable Director shall serve as Chair of the Compensation Committee of the Board, (iii) the size of each of the Corporate Governance Committee and the Compensation Committees shall be not less than two (2) nor more than three (3) members, all of whom shall qualify as “independent” of the Company pursuant to the applicable stock exchange listing requirements (unless the Board (including, solely in the case of an Applicable Director joining such committee, a majority of the directors who are not former or current employees of, or advisors or consultants to, SRS or an Affiliate of SRS) approves the appointment to such committee of a director who does not qualify as “independent” of the Company in accordance with an applicable exception thereunder) and (iv) SRS shall be entitled to designate one Applicable Director to serve as Vice Chairman of the Board.”

(d) The penultimate sentence of Section 1(f) of the Agreement is amended and restated in its entirety as follows:

“As of the Amendment Date, SRS has presently designated Mr. Sarma to serve on the Corporate Governance Committee and SRS shall designate an Applicable Director to serve on, and be Chair of, the Compensation Committee.”

(e) The second sentence of Section 1(h) of the Agreement is amended and restated in its entirety as follows:

“During the period commencing with the Amendment Date through the expiration or termination of the Standstill Period, the Board and all applicable committees of the Board shall take all necessary actions (including with respect to nominations for election at the Applicable Meetings) so that the size of the Board is no more than six (6) directors.”

(f) Section 1(j) of the Agreement is amended and restated in its entirety as follows: “[RESERVED]”.

(g) Section 1(k) of the Agreement is amended and restated in its entirety as follows: “[RESERVED]”

(h) The reference to “Section 5(c)” in Section 2 of the Agreement is replaced with a reference to “Section 5(b)”.

(i) The first sentence of Section 5 of the Agreement is amended and restated in its entirety as follows:

“If at any time following the execution and delivery of this Agreement, SRS’s aggregate Beneficial Ownership of Voting Securities is less than (a) the greater of (x) 5,576,738 and (y) 7.5% of the issued and outstanding Voting Securities publicly disclosed as of such date, the resignation letter provided by one Applicable Director (or any Replacement thereof) shall become effective or (b) the greater of (x) 3,717,826 and (y) 5% of the issued and outstanding Voting Securities publicly disclosed as of such date, the resignation letter provided by the final Applicable Director (or any Replacement thereof), shall become effective (each of the percentages in clauses (a) and (b), a “Minimum Ownership Level”); provided, that in the case of clauses (a) and (b), SRS shall promptly notify the Company of which Applicable Director (as applicable) will resign in each instance and, failing such notice, the Corporate Governance Committee of the Board shall determine which Applicable Director (as applicable) will resign.”

(j) Section 15 of the Agreement is amended by adding a new clause (j) at the end thereof to read as follows:

“(j) “Amendment Date” shall mean the date of effectiveness of the Amendment to the Agreement, which is August 21, 2020.

2. Defined Terms. All capitalized terms used but not specifically defined herein shall have the same meanings given such terms in the Agreement unless the context clearly indicates or dictates a contrary meaning.
3. Ratification of Agreement. Except as set forth herein, the Agreement shall remain unmodified and in full force and effect.
4. Counterparts. This Amendment may be executed in two or more counterparts, which together shall constitute a single agreement.
5. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Delaware without reference to the conflict of laws principles thereof.

[Signature Page Follows]

IN WITNESS WHEREOF, each of the parties hereto has executed this Amendment, or caused the same to be executed by its duly authorized representative as of the date first above written.

AVIS BUDGET GROUP, INC.

By: /s/ Jean M. Sera
Name: Jean M. Sera
Title: Senior Vice President, General Counsel, Chief
Compliance Officer and Corporate Secretary

[Signature Page to Amendment to Third Amended and Restated Cooperation Agreement]

SRS INVESTMENT MANAGEMENT, LLC

By: /s/ David B. Zales

Name: David B. Zales

Title: General Counsel

SRS PARTNERS MASTER FUND LP

By: SRS Investment Management, LLC, its
investment manager

By: /s/ David B. Zales

Name: David B. Zales

Title: General Counsel

**SRS SPECIAL OPPORTUNITIES MASTER
II, LP**

By: SRS Investment Management, LLC, its
investment manager

By: /s/ David B. Zales

Name: David B. Zales

Title: General Counsel

**SRS LONG OPPORTUNITIES MASTER
FUND, LP**

By: SRS Investment Management, LLC, its
investment manager

By: /s/ David B. Zales

Name: David B. Zales

Title: General Counsel

[Signature Page to Amendment to Third Amended and Restated Cooperation Agreement]

SCHEDULE A

SRS Investment Management, LLC

SRS Partners Master Fund LP

SRS Special Opportunities Master II, LP

SRS Long Opportunities Master Fund, LP



August 10, 2020

Brian Choi

Dear Brian,

We are pleased to confirm our offer of employment with Avis Budget Group, Inc. (“Avis Budget” or “the Company”), as Executive Vice President and Chief Financial Officer, effective August 24, 2020. This position will report directly to Joseph Ferraro, President and Chief Executive Officer, and will be based in the Company’s headquarters in Parsippany, NJ. Your base salary will be \$19,230.78 paid on a bi-weekly basis, which equates to an annualized salary of \$500,000.

You will be eligible to participate in our annual incentive program. Your target under the program will be 100% of your base salary and will be prorated, if applicable, for actual days employed. Actual payouts will be determined by the Compensation Committee of the Board of Directors of the Company (the “Compensation Committee”) based upon the terms of the program. The Company retains the right in its sole discretion to amend, modify, suspend or rescind the program at any time and for any reason.

You will receive a time-based restricted stock unit sign-on award of \$3,000,000, upon approval by the Board, with an anticipated grant date of August 31, 2020. The restricted stock units will vest 1/3rd per year on each of the first three anniversaries of the grant date, subject to your continued employment through the vesting dates. You will be eligible to participate in the Company’s Long Term Incentive Plan (“LTIP”) program, with an annual target award value in 2021 of \$1,500,000. Equity awards under the Company’s LTIP program are determined by the Compensation Committee and in its sole discretion. The equity awards described in this paragraph will be subject to the terms and conditions of the Avis Budget Group, Inc. Amended and Restated Equity and Incentive Plan and the applicable award agreements, which include restricted covenants (including non-compete, non-solicit and confidentiality provisions).

Brian, we are excited that you will be joining our Company. If there is anything further I can do to assist you, please do not hesitate to contact me at 973-496-3710.

Best Regards,

Ned Linnen
Chief Human Resources Officer
Avis Budget Group

Understood and accepted:

/s/ Brian Choi	August 12, 2020
Brian Choi	Date

Enclosures

cc: J. Sera / K. Richards / Employee File



SEPARATION AGREEMENT

This Separation Agreement (the "Agreement") is by and between John F. North, III (the "Executive") and Avis Budget Group, Inc., a Delaware Corporation (the "Company").

WHEREAS, the Executive and the Company are party to that certain Letter Agreement dated August 15, 2019 (the "Severance Agreement"); and

WHEREAS, the Executive will transition from his position as Executive Vice President and Chief Financial Officer of the Company effective August 24, 2020 (the "Transition Date") and will continue to be employed by the Company until January 1, 2021 (the "Separation Date");

NOW, THEREFORE, for the promises and covenants set forth herein and for such other good and valuable consideration, the receipt of which is hereby acknowledged, the Executive and the Company enter into this Agreement on the following terms and conditions:

1. Transition; Separation. The Executive will continue to be employed as Executive Vice President and Chief Financial Officer from the date hereof through the Transition Date. Following the Transition Date, the Executive will continue to be employed by the Company as an Adviser to the Chief Financial Officer through the Separation Date (unless earlier terminated by the Company for "Cause" as defined in the Severance Agreement or by the Executive). Effective as of the Transition Date, the Executive will resign (and will be deemed to have resigned without any further action by the Executive) from his position of Executive Vice President and Chief Financial Officer of the Company, and effective as of the Separation Date, the Executive will resign (and will be deemed to have resigned without any further action by the Executive) from all of the Executive's positions with the Company and its affiliates (and as a fiduciary of any benefit plan of the Company and its affiliates). The Executive shall execute such additional documents as requested by the Company to evidence the foregoing.

2. Accrued obligations; Survival of Rights and Obligations.

(a) Accrued Obligations. Within ten (10) business days following the Separation Date (or such earlier time as may be required by applicable law), the Company shall pay the Executive any base salary earned but unpaid through the Separation Date, plus any unreimbursed business expenses entitled to reimbursement, all in accordance with the Company's policies. For the avoidance of doubt, no amounts shall be paid to the Executive under the 2020 annual incentive program.

(b) Severance. Provided that the Second Release Effective Date occurs, and subject to the Executive's compliance with the terms and conditions of this Agreement, the Company agrees to pay to Executive, on the fifteenth (15th) day following the Second Release Effective Date, a lump-sum amount equal to \$2,500,000. Payment will be made by direct deposit into the same bank account that the Executive's salary has been paid into while he was employed with the Company.

(c) **Equity Incentive Awards.** Provided that the Second Release Effective Date occurs, and subject to the Executive’s compliance with the terms and conditions of this Agreement, all outstanding unvested stock-based awards granted to the Executive that, in each case, are scheduled to vest in accordance with their original vesting schedule by the two (2)-year anniversary of the Separation Date will immediately vest in full as of the Separation Date; provided that any such awards that vest based on the achievement of specified objective performance goals will not vest in full, but will remain outstanding and become vested or be forfeited at such time(s) as provided in accordance with the terms and conditions of the applicable award agreement based on actual achievement of the performance goals applicable for purposes of vesting such awards. Any other outstanding unvested stock-based awards granted to the Executive shall be canceled as of the Separation Date. For the avoidance of doubt, solely the following outstanding stock-based awards shall be subject to vesting under this provision as set forth below:

Immediate Vesting Following Separation Date

<u>Original Grant Date</u>	<u>Scheduled Vesting Date</u>	<u>Total RSUs</u>
4/17/19	14,116 on 4/17/21 14,117 on 4/17/22	28,233
4/17/19	7,058 on 4/17/21 7,058 on 4/17/22	14,116
8/7/19	8/7/21	32,041
3/9/20	12,644 on 3/9/21 12,644 on 3/9/22	25,288

Awards to Remain Outstanding And Vest/Forfeit Based on Achievement of Performance

<u>Original Grant Date</u>	<u>Scheduled Vesting Date</u>	<u>PSUs</u>
4/17/19	4/17/22	21,174

(d) Payments due to the Executive under this Section 2 shall be in lieu of any other severance benefits otherwise payable to the Executive under the Employment Agreement or any severance plan or policy of the Company or its affiliates.

3. Continuation of Health Benefits and Perquisites.

(a) Provided that the Second Release Effective Date occurs, and subject to the Executive’s compliance with the terms and conditions of this Agreement, for a period of two years following the Separation Date (the “Continuation Period”), the Executive shall be entitled to continued access to company car usage and financial planning in accordance with Company policy.

(b) Executive shall remain eligible to continue to participate in Company-sponsored health, vision and dental plans (as they may be modified from time to time with respect to all senior executive officers) for the Continuation Period or until the Executive becomes eligible for comparable coverage under the medical plans of a subsequent employer, if earlier (the “Continuation of Health Benefits Period”). The Executive shall be required to make

contributions for health plan participation during the Continuation of Health Benefits Period that are substantially equal to the contributions required of active employed executives of the Company. If Executive is not permitted to be covered under the Company's plans for the entire Continuation of Health Benefits Period, the Company will be permitted to alter the manner in which health benefits are provided to the Executive pursuant to this Section 3; provided the after-tax cost to the Executive of such benefits shall not be greater than the cost applicable to active employed executives of the Company.

(c) Outplacement services offered to other salaried employees who are terminated by the Company shall be made available to the Executive, upon request, for a period of up to one year following the Separation Date on a basis no less favorable than as provided to any other similarly situated executive of the Company; it being understood that any type of coaching will not be covered by this provision.

4. **No Other Compensation.** The Executive acknowledges and agrees that the payments provided pursuant to this Agreement are in full discharge of any and all liabilities and obligations of the Company and its affiliates to the Executive, monetarily or with respect to employee benefits or otherwise, including, but not limited to, any and all obligations arising under the Employment Agreement, any alleged written or oral employment agreement, policy, plan or procedure of the Company and its affiliates and/or any alleged understanding or arrangement between the Executive and the Company.

5. **Release.**

(a) In consideration for the payment and benefits to be provided to the Executive pursuant to this Agreement, the Executive, for the Executive and for the Executive's heirs, executors, administrators, trustees, legal representatives and assigns, forever release and discharge the Company and its past, present and future parent entities, subsidiaries, divisions, affiliates and related entities, successors and assigns, assets, employee benefit plans or funds, and any of its or their respective past, present and/or future directors, managers, officers, fiduciaries, attorneys, agents, trustees, administrators, employees and assigns, whether acting on behalf of the Company and its affiliates or in their individual capacities (collectively, the "**Released Parties**") to the extent provided below.

(b) Except as provided in Sections 5(d) and 5(e) below and except for the provisions of the Employment Agreement which expressly survive the termination of the Executive's employment with the Company, the Executive knowingly and voluntarily (for himself, his heirs, executors, administrators, trustees, legal representatives and assigns) releases and forever discharges the Company and the other Released Parties from any and all claims, suits, controversies, actions, causes of action, cross-claims, counter-claims, demands, debts, compensatory damages, liquidated damages, punitive or exemplary damages, other damages, claims for costs and attorneys' fees, or liabilities of any nature whatsoever in law and in equity, both past and present (through the date that this Agreement becomes effective and enforceable) and whether known or unknown, suspected, or claimed against the Company or any of the Released Parties which the Executive, his spouse, or any of his heirs, executors, administrators, trustees, legal representatives or assigns, may have, (i) from the beginning of time through the

date upon which the Executive signs this Agreement and/or re-executes this Agreement (as applicable), (ii) which arise out of or are connected with his employment with the Company through the date upon which the Executive signs this Agreement and/or re-executes this Agreement (as applicable), (iii) which arise out of or are connected with his separation or termination from the Company no later than the Separation Date; and/or (iv) which arise out of or connected with any agreement with any Released Parties and/or any other awards, policies, plans, programs or practices of the Released Parties that may apply to Executive or in which Executive may participate, other than as set forth in this Agreement, and, in each case, through the date upon which the Executive signs this Agreement and/or re-executes this Agreement (as applicable), including, but not limited to, any allegation, claim or violation, arising under: Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including the Older Workers Benefit Protection Act); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990; the Family and Medical Leave Act of 1993; the Worker Adjustment Retraining and Notification Act; the Employee Retirement Income Security Act of 1974; any applicable Executive Order Programs; the Fair Labor Standards Act; or their state or local counterparts; or under any other federal, state or local civil or human rights law, or under any other local, state, or federal law, regulation or ordinance; or under any public policy, contract or tort, or under common law; or arising under any policies, practices or procedures of the Company; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys' fees incurred in these matters) (all of the foregoing collectively referred to herein as the "Claims").

(c) The Executive represents that the Executive has made no assignment or transfer of any right, Claims, demand, cause of action, or other matter covered by Section 5(b) above.

(d) The Executive agrees that this Agreement does not waive or release any rights or Claims that the Executive may have under the Age Discrimination in Employment Act of 1967 which arise after the date the Executive executes this Agreement or re-executes it (as applicable); provided, however, that the parties have agreed that the Executive's employment with the Company is terminating no later than the Separation Date. The Executive acknowledges and agrees that the Executive's separation from employment with the Company is in compliance with the terms of the Employment Agreement and shall not serve as the basis for any claim or action (including, without limitation, any claim under the Age Discrimination in Employment Act of 1967).

(e) Notwithstanding the above, the Executive further acknowledges that the Executive is not waiving and is not being required to waive any right that cannot be waived by private agreement under applicable law, including the right to file an administrative charge or participate in an administrative investigation or proceeding with the Equal Employment Opportunity Commission or similar state agency; provided, however, that the Executive disclaims and waives any right to share or participate in any monetary award resulting from the prosecution of such discrimination charge or investigation or proceeding and represents and warrants that Executive is not aware of any matter that would give rise to such a charge, investigation or

proceeding. Additionally, notwithstanding anything to the contrary in this Agreement, the Executive retains and is not waiving (i) any rights to which the Executive is entitled under Section 2 of this Agreement, (ii) any claim or right relating to or under the Company's directors' and officers' liability insurance coverage or any right of indemnification under the Company's organizational documents, the Employment Agreement or otherwise, (iii) the Executive's rights as an equity or security holder in the Company or its affiliates, (iv) the Executive's rights under the Company's deferred compensation plan and/or (v) the Executive's rights to vested benefits, including the Executive's benefits under the Company's 401K Plan.

(f) In signing this Agreement, the Executive acknowledges and intends that it shall be effective as a bar to each and every one of the Claims hereinabove mentioned or implied. The Executive expressly consents that this Agreement shall be given full force and effect according to each and all of its express terms and provisions. The Executive acknowledges and agrees that this waiver is an essential and material term of this Agreement and that without such waiver the Company would not have agreed to the terms of this Agreement.

(g) The Executive further agrees that in the event the Executive should bring a Claim seeking damages against the Company, or in the event the Executive should seek to recover against the Company in any Claim brought by a governmental agency on the Executive's behalf, this Agreement shall serve as a complete defense to such Claims to the maximum extent permitted by law. The Executive further agrees that he is not aware of any pending claim of the type described in Section 5(b) above as of the execution of this Agreement.

(h) The Executive agrees that neither this Agreement, nor the furnishing of the consideration for this Agreement, shall be deemed or construed at any time to be an admission by the Company, any Released Party or the Executive of any improper or unlawful conduct.

(i) Nothing in this Agreement or any other policies of the Company shall prohibit or restrict the Executive or his attorneys from: (x) making any disclosure of relevant and necessary information or documents in any action, investigation, or proceeding relating to this Agreement, or as required by law or legal process, including with respect to possible violations of law; (y) participating, cooperating, or testifying in any action, investigation, or proceeding with, or providing information to, any governmental agency or legislative body, any self-regulatory organization, and/or pursuant to the Sarbanes-Oxley Act; or (z) accepting any U.S. Securities and Exchange Commission awards. In addition, nothing in this Agreement prohibits or restricts the Executive from initiating communications with, or responding to any inquiry from, any regulatory or supervisory authority regarding any good faith concerns about possible violations of law or regulation. The parties acknowledge and agree that, in connection with the Executive's separation from the Company, the Company has requested that he fully and truthfully disclose to the Company any violations of law or regulatory requirements, or material breaches of contract by the Company or any of the other Released Parties, about which he is aware or believes in good faith to have occurred. The Executive hereby confirms that he has disclosed all such instances (if any).

(j) The Executive acknowledges that he may hereafter discover claims or facts in addition to or different than those which the Executive now knows or believes to exist with respect to the subject matter of the release set forth in Section 5(b) above and which, if known or suspected at the time of entering into this Agreement, may have materially affected this Agreement and the Executive's decision to enter into it.

(k) Notwithstanding anything in this Agreement to the contrary, this Agreement shall not relinquish, diminish, or in any way affect any rights or claims arising out of any breach by the Company or by any Released Party of this Agreement after the date upon which the Executive signs this Agreement or re-executes this Agreement (as applicable).

6. Return of Company Property. All correspondence, records, documents, software, promotional materials, and other Company property, including all copies, which came into the Executive's possession by, through or in the course of Executive's employment, regardless of the source and whether created by the Executive, are the sole and exclusive property of the Company, and immediately upon the Separation Date, or any time at the Company's request, the Executive shall return to the Company all such property of the Company.

7. Publicity. Executive shall not issue, without consent of the Company, any press release or make any public announcement with respect to this Agreement. Following the effective date of this Agreement and regardless of any dispute that may arise in the future, the Executive agrees that he will not disparage, criticize or make statements which are negative, detrimental or injurious to the Company to any individual, company or client, including within the Company.

8. No Assignments; Binding Effect. Except as provided in this Section 8, no party may assign or delegate any rights or obligations hereunder without first obtaining the written consent of the other party hereto. The Company shall assign this Agreement to any successor to all or substantially all of the operations and/or assets of the Company. As used in this Agreement, the term "Company" shall mean the Company and any successor to its operations and/or assets, which assumes and agrees to perform the duties and obligations of the Company under this Agreement by operation of law or otherwise. This Agreement is binding upon, and shall inure to the benefit of, the parties and their respective heirs, executors and administrators (including the Executive's estate, in the event of the Executive's death), and their respective permitted successors and assigns.

9. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of New Jersey, without giving effect to the principles of conflicts of law thereof.

10. Arbitration.

(a) Any controversy, dispute or claim arising out of or relating to this Agreement or the breach hereof which cannot be settled by mutual agreement (other than with respect to the matters covered by Section VIII of the Employment Agreement for which the Company may, but shall not be required to, seek injunctive relief) shall be finally settled by binding arbitration in

accordance with the Federal Arbitration Act (or if not applicable, the applicable state arbitration law) as follows: Any party who is aggrieved shall deliver a notice to the other party setting forth the specific points in dispute. Any points remaining in dispute twenty (20) days after the giving of such notice may be submitted to arbitration in New York, New York, to the American Arbitration Association, before a single arbitrator appointed in accordance with the arbitration rules of the American Arbitration Association, modified only as herein expressly provided. After the aforesaid twenty (20) days, either party, upon ten (10) days' notice to the other, may so submit the points in dispute to arbitration. The arbitrator may enter a default decision against any party who fails to participate in the arbitration proceedings.

(b) The decision of the arbitrator on the points in dispute shall be final, unappealable and binding, and judgment on the award may be entered in any court having jurisdiction thereof.

(c) Except as otherwise provided in this Agreement, the arbitrator shall be authorized to apportion its fees and expenses and the reasonable attorneys' fees and expenses of any such party as the arbitrator deems appropriate. In the absence of any such apportionment, the fees and expenses of the arbitrator shall be borne equally by each party, and each party shall bear the fees and expenses of its own attorney.

(d) The parties agree that this Section 10 has been included to rapidly and inexpensively resolve any disputes between them with respect to this Agreement, and that this Section 10 shall be grounds for dismissal of any court action commenced by either party with respect to this Agreement, other than post-arbitration actions seeking to enforce an arbitration award. In the event that any court determines that this arbitration procedure is not binding, or otherwise allows any litigation regarding a dispute, claim, or controversy covered by this Agreement to proceed, the parties hereto hereby waive any and all right to a trial by jury in or with respect to such litigation.

(e) The parties shall keep confidential, and shall not disclose to any person, except to their respective counsel and as may be required by law or valid subpoena, the existence of any controversy hereunder, the referral of any such controversy to arbitration or the status or resolution thereof, provided, however, that the Executive may also disclose such information to his immediate family.

11. Entire Agreement; Restrictive and Other Covenants.

(a) The Executive understands that this Agreement, all relevant plans referred to herein and the sections of the award agreements related to the equity incentive awards described in Section 2(c) (the "Award Agreements") that survive termination, including Section 15 of such agreements, constitute the complete understanding between the Company and the Executive, and, except as specifically provided herein, supersedes any and all agreements, understandings, and discussions, whether written or oral, between the Executive and any of the Released Parties. No other promises or agreements shall be binding unless in writing and signed by both the Company and the Executive.

(b) Notwithstanding the foregoing, Section 15 the Award Agreements and Sections 2(d), 5, 6, 7, 9, 10, 12 and 14 of this Agreement shall survive in accordance with their terms. For the avoidance of doubt, Executive agrees to comply at all times with Section 15 of the Award Agreements, including, without limitation, the non-competition and non-solicitation covenants provided therein for a period of 24 months following the Separation Date. It is hereby acknowledged and agreed that companies whose principal business is auto insurance or auto financing; vehicle maintenance or repair; auto parts; non-mobility-related franchising; automotive retailing; or auto manufacturing will not be deemed for purposes of Section 15 of the Award Agreements to compete with the business of the Company or any of its affiliates; provided, that Executive cannot work specifically for a car rental or car sharing operation within such company. The Executive shall inform the Chief Human Resources Officer of the Company prior to commencing any employment or other service during such 24-month post-employment restrictive covenant period.

12. Notices. All notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given when personally delivered to the Company or received by electronic mail as provided below. Such notices, demands and other communications shall be addressed to the Executive at his last known address on the books of the Company or, in the case of the Company, to it at its principal place of business, attention General Counsel, jean.sera@avisbudget.com, or to such other address as either party may specify by notice to the other actually received.

13. Miscellaneous. This Agreement is not intended, and shall not be construed, as an admission that any of the Released Parties has violated any federal, state or local law (statutory or decisional), ordinance or regulation, breached any contract or committed any wrong whatsoever against the Executive. Should any provision of this Agreement require interpretation or construction, it is agreed by the parties that the entity interpreting or constructing this Agreement shall not apply a presumption against one party by reason of the rule of construction that a document is to be construed more strictly against the party who prepared the document. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. Neither party shall be deemed to have made any admission of wrongdoing as a result of executing this Agreement.

14. Tax Matters; Authorized or Required Deductions. The Company may withhold from any and all amounts payable to the Executive under this Agreement such federal, state or local taxes as may be required to be withheld pursuant to any applicable law or regulation and any authorized or required reductions. The intent of the Parties is that payment and benefits under this Agreement comply with Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder ("Section 409A") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted and administered to be in compliance therewith.

15. Executive Acknowledgements. The Executive acknowledges that the Executive: (a) has carefully read this Agreement in its entirety; (b) has had an opportunity to consider this Agreement for twenty-one (21) days; (c) fully understands the significance of all of the terms and conditions of this

Agreement and has discussed them with the Executive's independent legal counsel, or has had a reasonable opportunity to do so; and (d) is entering into this Agreement, knowingly, freely and voluntarily in exchange for good and valuable consideration to which the Executive would not be entitled in the absence of executing and not revoking this Agreement.

16. Initial Consideration and Revocation Period; Effectiveness. The Executive understands that the Executive will have twenty-one (21) days from the date of receipt of this Agreement to consider the terms and conditions of this Agreement. The Executive understands that the Executive may execute this Agreement less than twenty-one (21) days from its receipt from the Company, but agrees that such execution will represent the Executive's knowing waiver of such consideration period. The Executive may accept this Agreement by signing it and returning it to the Human Resources department, attention Ned Linnen, within such twenty-one (21) day period. After executing this Agreement, the Executive shall have seven (7) days (the "Revocation Period") to revoke this Agreement by indicating the Executive's desire to do so in writing delivered to the Human Resources department by no later than the seventh (7th) day after the date that the Executive signs this Agreement. The effective date of this Agreement shall be the eighth (8th) day after the Executive signs this Agreement. In the event that the Executive does not accept this Agreement as set forth above, or in the event that the Executive revokes this Agreement during the Revocation Period, this Agreement shall be deemed automatically null and void.

17. Re-Execution of Agreement. The Company's obligations under Sections 2(b) and 2(c) and Section 3 of this Agreement are strictly contingent upon the Executive's re-execution and non-revocation of this Agreement within twenty-one (21) days following the Separation Date. The date of the Executive's re-execution of this Agreement is referred to herein as the "Re-Execution Date". By re-executing this Agreement, the Executive advances to the Re-Execution Date Executive's general waiver and release of all Claims against the Released Parties and the other covenants set forth in Section 5 of this Agreement. The Executive shall have seven (7) calendar days from the Re-Execution Date to revoke his re-execution of this Agreement by indicating the Executive's desire to do so in writing delivered to the Human Resources department by no later than the seventh (7th) day after the Re-Execution Date. In the event of no revocation by the Executive, the date of the releases and covenants set forth in Section 5 of this Agreement shall be advanced through the Re-Execution Date on the eighth (8th) day after the Re-Execution Date (the "Second Release Effective Date"). In the event of such revocation by the Executive, the date of the releases and covenants set forth in Section 5 of this Agreement shall not be advanced, but shall remain effective up to and including the date upon which Executive originally signs this Agreement and the Company shall not be obligated to provide the consideration in Section 2(b)-(c) and Section 3 of this Agreement.

18. Third Party Beneficiaries. The Released Parties are intended third-party beneficiaries of this Agreement, and this Agreement may be enforced by each of them in accordance with the terms hereof in respect of the rights granted to such Released Parties hereunder. Except and to the extent set forth in the preceding sentence and as otherwise set forth in this Agreement, this Agreement is not intended for the benefit of any person other than the parties hereto, and no such other person or entity shall be deemed to be a third party-beneficiary hereof. Without limiting the generality of the foregoing, it is not the intention of the Company to establish any policy, procedure, course of dealing, or plan of general application for the benefit of or otherwise in respect of any other employee, officer, director, or



**AVIS BUDGET GROUP ANNOUNCES
CHIEF FINANCIAL OFFICER TRANSITION**

PARSIPPANY, N.J., August 13, 2020 — Avis Budget Group, Inc. (NASDAQ: CAR) today announced that John F. North III will transition from Chief Financial Officer to pursue other interests. Brian Choi will assume the role of Chief Financial Officer on August 24, 2020. As part of the transition, Mr. Choi will resign from the Avis Budget Group Board of Directors and will also no longer have any affiliation with SRS Investment Management. Mr. North will remain with Avis Budget Group as an advisor through the end of the year to help facilitate a smooth transition.

Joe Ferraro, Chief Executive Officer of Avis Budget Group, said, "I want to thank John for his leadership and dedicated service to Avis Budget. John has been a tremendous asset to the Company, particularly in recent months, when he has played a key role in delivering on the operational and financial strategies critical in helping navigate the Company through the most challenged time in its history. We are pleased that we will continue to benefit from John's insights and expertise in his new role as an advisor and wish him well in his future endeavors."

"It has been an intense, yet gratifying experience for me at Avis Budget Group, and I am proud of what we have accomplished amid unprecedented challenges," said Mr. North. "As we work through the transition, I am confident the Company is well positioned and financially structured to emerge from the pandemic on solid footing. I look forward to working with Joe, Brian and the rest of the management team as we continue to build on our momentum."

Mr. Choi is a highly experienced finance executive with deep analytical, business development and financial acumen in the car rental business. He has served on the Avis Budget Group Board of Directors since January 2016 and as a partner at SRS Investment Management, LLC since 2008. Earlier in his career, he worked in the Leveraged Finance Group at Lehman Brothers.

Mr. Ferraro continued, "We are delighted to have Brian join our senior management team. He brings intimate familiarity with our organization and strategy as a member of our Board, and I am confident his deep financial management experience will serve us well. He will be a great asset as we continue to reshape our Company for a post-pandemic world."

With Mr. Choi's resignation, the Avis Budget Board will be reduced from seven to six members and the cooperation agreement with SRS Management has been amended accordingly.

About Avis Budget Group

Avis Budget Group, Inc. is a leading global provider of mobility solutions, both through its Avis and Budget brands, which have more than 11,000 rental locations in approximately 180 countries around the world, and through its Zipcar brand, which is the world's leading car sharing network, with more than one million members. Avis Budget Group operates most of its car rental offices in North America, Europe and Australasia directly, and operates primarily through licensees in other parts of the world. Avis Budget Group is headquartered in Parsippany, N.J.

Forward-Looking Statements

Certain statements in this press release constitute “forward-looking statements.” Any statements that refer to outlook, expectations or other characterizations of future events, circumstances or results, including all statements related to our future results, the impact of the coronavirus and the timing of and extent to which the travel industry will reopen, are forward-looking statements. Various risks that could cause future results to differ from those expressed by the forward-looking statements included in this press release include, but are not limited to, the severity and duration of the COVID-19 outbreak and related travel restrictions, the ability or desire of people to travel due to travel restrictions and stay-at-home and other similar orders, the possibility of future waves of coronavirus infections and the other factors described in the “Risk Factors” and “Forward-Looking Statements” sections of Avis Budget Group’s Annual Report on Form 10-K for the year ended December 31, 2019 and Quarterly Report on Form 10-Q for the three months ended June 30, 2020. Accordingly, actual results, levels of activity, performance, achievements and events could differ materially from those stated, anticipated or implied by such forward-looking statements. The Company undertakes no obligation to publicly update any forward-looking statements to reflect subsequent events or circumstances.

Contacts

Investor Contact:

David Calabria

IR@avisbudget.com

Media Contact:

Sard Verbinnen & Co.

David Millar/Tori Goodell

(212) 687-8080