

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

FORM 10-K

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

For the fiscal year ended December 31, 2018

OR

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

For the transition period from _____ to _____

COMMISSION FILE NO. 001-10308

AVIS BUDGET GROUP, INC.

(Exact name of Registrant as specified in its charter)

DELAWARE

(State or other jurisdiction of incorporation or organization)

06-0918165

(I.R.S. Employer Identification Number)

**6 SYLVAN WAY
PARSIPPANY, NJ**

(Address of principal executive offices)

07054

(Zip Code)

973-496-4700

(Registrant's telephone number, including area code)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

TITLE OF EACH CLASS
Common Stock, Par Value \$.01

NAME OF EACH EXCHANGE ON WHICH REGISTERED
The NASDAQ Global Select Market

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definition of "large accelerated filer", "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

As of June 30, 2018, the aggregate market value of the registrant's common stock held by non-affiliates of the registrant was \$2,564,141,255 based on the closing price of its common stock on the NASDAQ Global Select Market. All executive officers and directors of the registrant have been deemed, solely for the purpose of the foregoing calculation, to be "affiliates" of the registrant.

As of January 31, 2019, the number of shares outstanding of the registrant's common stock was 75,769,075.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement to be mailed to stockholders in connection with the registrant's 2019 annual meeting of stockholders (the "Annual Proxy Statement") are incorporated by reference into Part III hereof.

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FORWARD-LOOKING STATEMENTS

Certain statements contained in this Annual Report on Form 10-K may be considered “forward-looking statements” as that term is defined in the Private Securities Litigation Reform Act of 1995. The forward-looking statements contained herein are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from those expressed or implied by any such forward-looking statements. Forward-looking statements include information concerning our future financial performance, business strategy, projected plans and objectives. These statements may be identified by the fact that they do not relate to historical or current facts and may use words such as “believes,” “expects,” “anticipates,” “will,” “should,” “could,” “may,” “would,” “intends,” “projects,” “estimates,” “plans,” and similar words, expressions or phrases. The following important factors and assumptions could affect our future results and could cause actual results to differ materially from those expressed in such forward-looking statements:

- the high level of competition in the mobility industry, including from new companies or technology, and the impact such competition may have on pricing and rental volume;
- a change in our fleet costs as a result of a change in the cost of new vehicles, manufacturer recalls, disruption in the supply of new vehicles, and/or a change in the price at which we dispose of used vehicles either in the used vehicle market or under repurchase or guaranteed depreciation programs;
- the results of operations or financial condition of the manufacturers of our cars, which could impact their ability to perform their payment obligations under our agreements with them, including repurchase and/or guaranteed depreciation arrangements, and/or their willingness or ability to make cars available to us or the rental car industry as a whole on commercially reasonable terms or at all;
- a change in travel demand, including changes or disruptions in airline passenger traffic;
- any change in economic conditions generally, particularly during our peak season or in key market segments;
- an occurrence or threat of terrorism, pandemic disease, natural disasters, military conflict, civil unrest or political instability in the locations in which we operate;
- any substantial changes in the cost or supply of fuel, vehicle parts, energy, labor or other resources on which we depend to operate our business;
- our ability to continue to successfully implement our business strategies, achieve and maintain cost savings and adapt our business to changes in mobility;
- political, economic or commercial instability in the countries in which we operate, and our ability to conform to multiple and conflicting laws or regulations in those countries;
- our dependence on third-party distribution channels, third-party suppliers of other services and co-marketing arrangements with third parties;
- our dependence on the performance and retention of our senior management and key employees;
- risks related to completed or future acquisitions or investments that we may pursue, including the incurrence of incremental indebtedness to help fund such transactions and our ability to promptly and effectively integrate any acquired businesses or capitalize on joint ventures, partnerships and other investments;
- our ability to utilize derivative instruments, and the impact of derivative instruments we utilize, which can be affected by fluctuations in interest rates, gasoline prices and exchange rates, changes in government regulations and other factors;
- our exposure to uninsured or unpaid claims in excess of historical levels;

- risks associated with litigation, governmental or regulatory inquiries, or any failure or inability to comply with laws, regulations or contractual obligations or any changes in laws, regulations or contractual obligations, including with respect to personally identifiable information and consumer privacy, labor and employment, and tax;
- risks related to protecting the integrity of, and preventing unauthorized access to, our information technology systems or those of our third-party vendors, and protecting the confidential information of our employees and customers against security breaches, including physical or cybersecurity breaches, attacks, or other disruptions, and compliance with privacy and data protection regulation;
- any impact on us from the actions of our licensees, dealers, third-party vendors and independent contractors;
- any major disruptions in our communication networks or information systems;
- risks related to tax obligations and the effect of future changes in tax laws and accounting standards;
- risks related to our indebtedness, including our substantial outstanding debt obligations, potential interest rate increases, and our ability to incur substantially more debt;
- our ability to obtain financing for our global operations, including the funding of our vehicle fleet through the issuance of asset-backed securities and use of the global lending markets;
- our ability to meet the financial and other covenants contained in the agreements governing our indebtedness;
- our ability to accurately estimate our future results; and
- other business, economic, competitive, governmental, regulatory, political or technological factors affecting our operations, pricing or services.

We operate in a continuously changing business environment and new risk factors emerge from time to time. New risk factors, factors beyond our control, or changes in the impact of identified risk factors may cause actual results to differ materially from those set forth in any forward-looking statements. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results. Moreover, we do not assume responsibility for the accuracy and completeness of those statements. Other factors and assumptions not identified above, including those discussed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" set forth in Item 7, in "Risk Factors" set forth in Item 1A and in other portions of this Annual Report on Form 10-K, may contain forward-looking statements and involve uncertainties that could cause actual results to differ materially from those projected in such statements.

Although we believe that our assumptions are reasonable, any or all of our forward-looking statements may prove to be inaccurate and we can make no guarantees about our future performance. Should unknown risks or uncertainties materialize or underlying assumptions prove inaccurate, actual results could differ materially from past results and/or those anticipated, estimated or projected. We undertake no obligation to release any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events. For any forward-looking statements contained in any document, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

PART I**ITEM 1. BUSINESS**

Except as expressly indicated or unless the context otherwise requires, the "Company," "Avis Budget," "we," "our" or "us" means Avis Budget Group, Inc. and its subsidiaries. "Avis," "Budget," "Budget Truck," "Zipcar," "Payless," "Apex," "Maggiore," "Morini Rent," "Turiscar" and "FranceCars" refer to our Avis Rent A Car System, LLC, Budget Rent A Car System, Inc., Budget Truck Rental, LLC, Zipcar, Inc., Payless Car Rental, Inc., Apex Car Rentals, Maggiore Rent S.p.A., Morini S.p.A., Turiscar Group and AAA France Cars SAS operations, respectively, and, unless the context otherwise requires, do not include the operations of our licensees, as further discussed below.

OVERVIEW

We are a leading global provider of mobility solutions through our three most recognized brands, Avis, Budget and Zipcar, together with several other brands, well recognized in their respective markets. We and our licensees operate the Avis and Budget brands in approximately 180 countries throughout the world. We generally maintain a leading share of airport car rental revenue in North America, Europe and Australasia, and we operate one of the leading truck rental businesses in the United States.

Our differentiated brands help us meet a wide range of customer mobility needs throughout the world. Avis is a leading vehicle rental brand positioned to serve the premium commercial and leisure segments of the travel industry. Budget is a leading vehicle rental brand focused primarily on more value-conscious segments of the industry. Our Zipcar brand is one of the world's leading car sharing networks offering an alternative to traditional vehicle rental and ownership.

On average, our rental fleet totaled nearly 650,000 vehicles in 2018 and we completed more than 40 million vehicle rental transactions worldwide. We generate approximately 65% of our revenue from on-airport locations and approximately 35% of our revenue from off-airport locations. We license the use of the Avis, Budget, Zipcar and Payless trademarks to licensees in areas in which we do not operate directly. Our brands have an extended global reach with more than 11,000 car and truck rental locations throughout the world, including approximately 4,600 car rental locations operated by our licensees. We believe that Avis, Budget and Zipcar enjoy complementary demand patterns with mid-week commercial demand balanced by weekend leisure demand.

We operate Budget Truck, one of the leading truck rental businesses in the United States, through a network of dealer-operated and Company-operated locations throughout the continental United States. We also own Payless, a car rental brand that operates in the deep-value segment of the industry in the United States and certain other international regions; Apex, which is a leading deep-value car rental brand in New Zealand and Australia; Maggiore and Morini Rent, leading vehicle rental brands in Italy; Turiscar, a well-established car rental brand in Portugal; and FranceCars, which operates one of the largest light commercial vehicle fleets in France. We also have investments in certain of our Avis and Budget licensees outside of the United States.

We categorize our operations into two reportable business segments:

- *Americas*, which provides and licenses the Company's brands to third parties for vehicle rentals and ancillary products and services in North America, South America, Central America and the Caribbean, and operates the Company's car sharing business in certain of these markets; and
- *International*, which provides and licenses the Company's brands to third parties for vehicle rentals and ancillary products and services in Europe, the Middle East, Africa, Asia and Australasia, and operates the Company's car sharing business in certain of these markets.

Additional discussion of our reportable segments is included in the Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" and in Note 19 to the Consolidated Financial Statements included in this Annual Report on Form 10-K.

COMPANY HISTORY

Avis was founded in 1946 and is believed to be the first company to rent cars from airport locations. Since its founding, Avis has expanded its business throughout the United States and internationally, becoming one of the largest and most recognized car rental brands in the world. In 1996, Avis was acquired by HFS Incorporated and in 1997 merged with our predecessor company, with the combined entity being renamed Cendant Corporation. In 2006, Cendant spun off several significant subsidiaries and changed its name to Avis Budget Group, Inc. The Company is a Delaware corporation headquartered in Parsippany, New Jersey.

Budget was founded in 1958 to appeal to the value-conscious car rental customer. In 2002, we acquired the Budget brand and certain Budget vehicle rental operations, including the Budget truck rental business. In 2011, we acquired Avis Europe, an independently-owned Company licensee, to expand our international operations and globally reunite the Avis and Budget brands. In 2012 and 2013, we acquired our Apex and Payless brands, respectively, which allowed us to expand our presence in the deep-value segment of the car rental industry. In 2013, we acquired Zipcar, one of the world's leading car sharing networks, to better serve a greater variety of our customers' mobility needs. In 2015, we acquired Maggiore, a leading provider of vehicle rental services in Italy. In 2016, we acquired FranceCars, a privately held vehicle rental company based in France, which significantly expanded our presence in the French market. In 2018, we acquired Morini, which focuses on rentals of cars, vans and refrigerated trucks in Northern Italy, and Turiscar, a well-established vehicle rental company in Portugal, and also invested in our licensee in Greece. These acquisitions have allowed us to continue to expand our global footprint of Company-operated locations and brand presence.

OUR STRATEGY

Our objective is to drive sustainable, profitable growth for our Company by delivering strategic initiatives aimed at winning and retaining customers through differentiated brands and products, increasing our margins via revenue growth and operational efficiency and enhancing our leadership in the evolving mobility industry.

Supporting and Strengthening Our Brands

In executing our strategy, we will continue to position our distinct and well-recognized global brands to focus on different segments of customer demand, complemented by our other brands in their respective regional markets. While our brands address different use-cases and target customers, we achieve efficiencies by sharing the same operational and administrative infrastructure while providing differentiated value propositions tailored to each of our brands.

We currently operate our brands, either directly or through independent operators and licensees around the world and we plan to continue to strengthen and further expand our global footprint through organic growth and, potentially, through acquisitions, joint ventures, licensing agreements or other relationships:

- In countries where we have Company-operated locations, we will continue to identify opportunities to add new rental locations, to grant licenses to independent third parties for areas where we do not currently operate and do not wish to operate directly, to strengthen the presence of our brands and in certain cases to re-acquire previously granted license rights.
- In countries operated by licensees or partners, we will seek to ensure that those businesses are well positioned to realize the growth potential of our brands in those countries and are growing their presence in those markets, and in certain cases we will continue to consider the re-acquisition of previously granted license rights.
- In countries where we have either Company-operated or licensee-operated locations, we will also continue to identify opportunities to leverage our Zipcar brand and its car sharing model, which allows us to fulfill the expanding urban mobility needs of customers.

Since our Avis brand represents approximately 58% of our revenue and is recognized as a global leader in vehicle rental, we are particularly focused on maintaining and building its reputation as a reliably high-quality service provider. Our Avis Preferred loyalty program, which offers our customers the ability to bypass the rental

counter and also earn reward points, coupled with our continued investment in technology, including our Avis mobile application and websites, and our growing fleet of connected cars, are all key parts of our efforts to enhance the Avis experience for our customers.

We aim to provide a range of vehicles, products and services at competitive prices, to leverage various marketing channels and to maintain marketing affiliations and corporate account contracts that complement each brand's positioning. We also continue to invest in our brands through a variety of efforts, including both on-line and off-line marketing. We continue to see particular growth opportunities for Budget and our other local brands in Europe, as the share of airport car rentals for Budget is significantly smaller in Europe than in certain other parts of the world.

To further support and strengthen our brands, we are committed to serving our customers and enhancing their rental experience through new organic offerings that optimize our brands, our systems and our employees. We frequently solicit feedback from and survey our customers to better understand their needs and we have implemented actions to enhance our services, including the following:

- We created our Avis mobile application to provide a higher quality end-to-end user experience, building upon direct feedback from customers to re-design the rental experience to meet their needs. Our Avis mobile application allows customers to reserve, update and cancel reservations, choose their car, exchange or upgrade their vehicle, add ancillary products, extend rentals, return the vehicle with one click, view and share current and past rental receipts to expedite expense processing, review rental agreement details and the vehicle's insurance card, and, in the case of connected vehicles, lock and unlock the vehicle, confirm their fuel level at the beginning and end of their rental as well as miles driven, using their mobile device;
- We continue to upgrade our technology and the ways it can further serve our customers, to make the vehicle reservation, pick-up and return processes more convenient and user-friendly, with a particular emphasis on enabling and simplifying our customers' online transactions. We have partnered with other technology and product companies to continuously improve the user experience through various mobile and technology capabilities. These include working with Amazon to allow for voice-controlled access to our services through Amazon Alexa enabled devices; and
- We piloted and subsequently launched "Curbside Delivery" services in select U.S. airport markets, in which customers can bring their car to the Avis and Budget return lot, where an Avis or Budget employee will drive them to their appointed terminal or gate and complete the vehicle return process transaction at the curb.

We will continue to invest in these and other innovative efforts, with a particular emphasis on technologies, services and products that will allow us to not only serve customers more effectively and efficiently, but offer new brand-differentiating options.

Margins and Operational Efficiency

Our strategy is focused on identifying and implementing actions to increase our margins over the next several years. We see significant potential in opportunities that optimize our pricing and customer mix; increase sales of ancillary products and services through new product and service development; optimize our procurement processes; refine the deployment and disposition of vehicles (e.g. increasing the use of non-auction channels for selling our vehicles); drive operational efficiency in our business; and apply connected car/in-vehicle systems and other innovative mobility technologies in our operations.

We continue to pursue opportunities intended to drive our margins and increase our revenues and profitability, including:

- Offering our customers useful ancillary products and services, promoting car class upgrades, adjusting our mix of vehicles to match customer demand; repositioning our sales strategy to focus on the most profitable segments, increasing the number of rentals that customers book directly through our websites and mobile applications and increasing the proportion of "Pay Now" transactions by which customers prepay for rentals.
- Investing in yield management and pricing analytics tools, such as our Revenue Management System, to increase the profits we earn per rental day. We have implemented, and plan to continue deploying, new technology systems that strengthen our yield management decisions and enable us to tailor our product,

service and price offerings to meet our customers' needs and react quickly to shifting market conditions. We will continue to adjust our pricing to improve profitability and manage our fleet to match changes in demand.

- Managing and improving our fleet decisions to better optimize and drive the purchase, deployment, and disposition of our fleet to lower costs and meet customer demand, grow our direct-to-dealer and consumer sales performance, reduce maintenance and repair expenses, better optimize our salvage costs, reduce the risk of damage to our vehicles, and improve fleet utilization benefits and savings by combining our vehicle rental and car sharing fleets when appropriate which we believe will create significant financial benefits.
- Seeking opportunities where our investments will generate strong margin returns, including expanding rental locations, acquiring and integrating existing licensees in key markets, participating in joint ventures and acquiring leading local brands.
- Increasing our Zipcar membership base within its existing markets, as well as expanding the brand into new markets.

We also continued to focus our efforts on rigorously controlling our costs, aggressively reducing expenses and increasing efficiencies throughout our organization by:

- Implementing process improvements throughout our business to increase efficiencies, reduce operating costs and create sustainable cost savings.
- Achieving reductions in underlying direct operating and selling, general and administrative expenses, including reductions in staff where and when appropriate.
- Assessing location, segment and transaction profitability to address less-profitable aspects of our business and focus on the more-profitable accounts that will help drive increased margins.
- Deploying changes to our sales, marketing and affinity programs to improve profitability.
- Integrating our acquired businesses, to realize cost efficiencies from combined maintenance, systems, technology and administrative infrastructure.
- Implementing innovative technological solutions like self-service voice reservation technology, mobile communications with customers and fleet optimization technologies to reduce costs.

We believe such operational improvements will continue to assist and in some cases, drive our financial performance.

Our Evolving Mobility Platform

We believe our Company is well-positioned as a global leader in the evolving mobility marketplace. Mobility is more than providing a clean reliable car of choice for a customer to use to get from point A to point B; it also means providing our customers the choice to rent a vehicle or share a vehicle, and to do so by the year, month, week, day, hour or fraction of an hour. Mobility means our customers, using their smartphones or tablets, can customize their experiences with our products, services, and employees, bypass the counter or change their minds about the make or model of a vehicle and review their options on their mobile device right up to the moment they exit the parking lot. Mobility also means providing customers with choices even on the shortest trips, including how they want to be transported to or from their rental vehicles at the airport or by providing them with real time data about the wait time for the next shuttle.

When our customers return their rental vehicles to our fleet, whether at an airport or off-airport facility or a designated customer parking spot, our preferred customers can receive their complete charges for their transaction including gas, ancillary products use, and any other applicable charges, via email or text, within minutes of their proper return of the vehicle. In the future we intend to deliver more data content to our customers in their vehicles and to their devices that will provide them with customized access to useful information they want to know about, including eating, shopping, lodging, emergency assistance and tips on just enjoying the location they are visiting.

With our connected cars, mobility means being able to collect data about the car that will improve customer service and vehicle safety. It also means that we will be able to provide a new suite of services for clients who are looking to utilize our operational experience and our technology to maintain and manage their own fleets, and provide supply chain services with quality and precision at levels that exceed their ability to do so themselves.

Our current and growing list of business partnerships with other mobility service providers in adjacent business models allows us to offer more options to our business and leisure customers to satisfy a wide variety of mobility needs.

For our shareholders, mobility means seizing opportunities that will increase our overall value through strategies that expand the use of our technologies, fleet and employees, open new markets, increase revenue and margins across all our brands; and maintain our strength as an innovator in the expanding mobility market.

Since 2017, we have undertaken several initiatives and entered into partnerships in support of our strategy, including:

- Exceeding our goal of having more than 100,000 connected vehicles in our U.S. Avis fleet in 2018, delivering both customer benefits and operational efficiencies, including entering into agreements with Ford and Toyota to connect all their vehicles in our U.S. Avis fleet. We also expect to expand connected vehicles in Europe during 2019, bringing us closer to our goal of having a 100% global connected fleet;
- Our launch of our first-ever Mobility Lab in the Kansas City, Missouri area, utilizing fully connected vehicles that allows us to leverage our capabilities to deliver operational efficiencies through on-demand inventory counts, mileage management and automated maintenance notifications that enhance and optimize the Company's fleet management capabilities;
- Our integration with Amazon Alexa, which allows travelers to book and manage their car rental reservations through the voice platform on Amazon Echo;
- Our partnership with Waymo, an Alphabet Inc. company, through which we are offering fleet support and maintenance services for their growing fleet of autonomous vehicles in Phoenix, Arizona. This provides a unique opportunity to grow our understanding of the support and operational maintenance requirements for self-driving vehicles at the fleet level, including staffing and facility requirements;
- Our focus on emerging technologies through our collaboration with various international and local technology incubators;
- Our partnership with Lyft, in which we are enabling Lyft drivers across North America the ability to use Avis vehicles on a monthly and weekly basis as an alternative to using their own personal vehicle;
- Our partnership with Brightline in Florida, the only privately owned and operated passenger rail service in the United States, in which we offer Brightline passengers and those living or working near Brightline's stations convenient access to Avis and Zipcar vehicles that can be reserved via integration with the Brightline app; and
- Our use of Amazon Web Services' ("AWS") Connected Vehicle Solution to build our data analytics platform, providing highly secure and scalable cloud services and allows us to leverage AWS' capabilities for artificial intelligence, machine learning, and data management to develop a wide variety of innovative connected vehicle applications and mobility services.

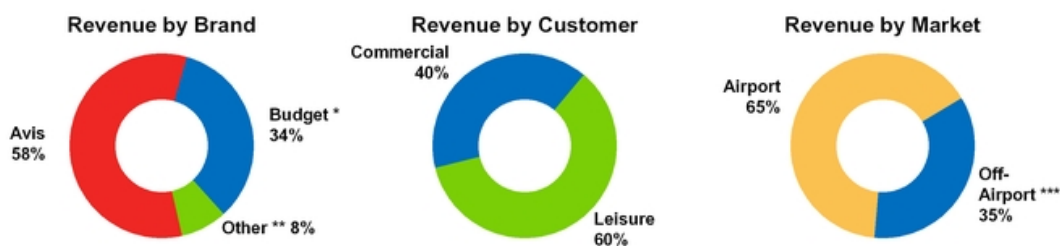
We are committed to finding new and innovative ways of thinking and operating, and to leverage our technology, employees, global presence and capabilities to be leaders among the contributors that are now shaping the evolving mobility market.

OUR BRANDS AND OPERATIONS

OUR BRANDS

Our Avis, Budget and Zipcar brands are three of the most recognized brands in our industry. We believe that we enjoy significant benefits from operating our brands with services and products targeted to different customers and sharing the same maintenance facilities, fleet management systems, technology and administrative infrastructure. In addition, we are able to recognize significant benefits and savings by combining our car rental and car sharing maintenance activities and fleets at times to increase our fleet utilization efficiency and to meet demand peaks. We believe that Avis, Budget and Zipcar all enjoy complementary demand patterns with mid-week commercial demand balanced by weekend leisure demand. We also operate the Apex and Payless brands, which operate in the deep-value segment of the car rental industry, augmenting our Avis, Budget and Zipcar brands. In addition, our Maggiore and Morini brands in Italy, FranceCars brand in France and Turiscar brand in Portugal further extend the range of vehicle use occasions we are able to serve.

The following graphs present the approximate composition of our revenue by brand, customer and market in 2018.



* Includes Budget Truck.
 ** Includes Zipcar and other operating brands.
 *** Includes Budget Truck and Zipcar.

Avis

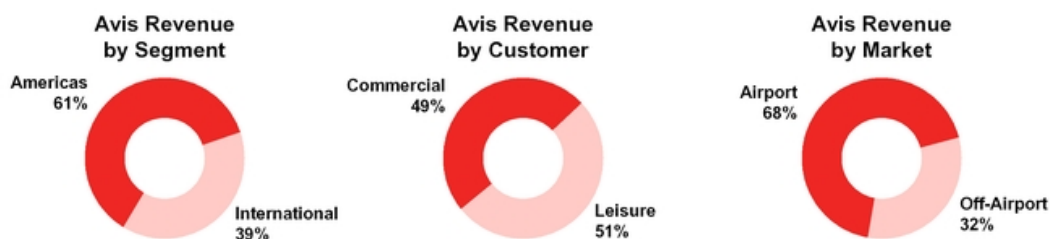
The Avis brand provides high-quality vehicle rental and other mobility solutions at price points generally above non-branded and value-branded vehicle rental companies to serve the premium commercial and leisure segments of the travel industry. We operate or license the Avis vehicle rental system (the "Avis System"), one of the largest global vehicle rental systems, at approximately 5,500 locations worldwide, including in virtually all of the largest commercial airports and cities in the world.

The Avis System is comprised of an approximately equal number of company-owned and licensee vehicle rental locations worldwide, in both the on-airport and off-airport, or local, rental markets. The table below presents the approximate number of locations that comprise the Avis System as of December 31, 2018.

	Avis System Locations*		
	Americas	International	Total
Company-operated locations	1,550	1,300	2,850
Licensee locations	700	1,950	2,650
Total Avis System Locations	2,250	3,250	5,500

* Certain locations support multiple brands.

In 2018, our company-operated Avis locations generated total world-wide revenue of approximately \$5.3 billion, of which approximately \$2.6 billion was derived from commercial customers and approximately \$3.6 billion was derived from customers renting at airports. The following graphs present the approximate composition of our Avis revenue by segment, customer and market in 2018.



We also license the Avis System to independent commercial owners who operate approximately half of our locations worldwide and generally pay royalty fees to us based on a percentage of applicable revenue. In 2018, approximately 33% of the global Avis System revenue was generated by our licensees. The graphs below present the approximate composition of the Avis System revenue in 2018.



We offer Avis customers a variety of premium services, including:

- the Avis mobile application, which allows customers a new and innovative way to control many elements of their rental experience via their mobile devices without the need to visit the rental counter. The Avis mobile application also allows customers to track Avis shuttle buses to rental locations, find their vehicle, and locate nearby gas stations and parking facilities;
- *Avis Preferred*, a frequent renter rewards program that offers counter-bypass at major airport locations and reward points for every dollar spent on vehicle rentals and related products;
- the Avis Select Series, a selection of luxury vehicles including Mercedes, Jaguars, Corvettes, and others;
- availability of premium, sport and performance vehicles as well as eco-friendly vehicles, including gasoline/electric hybrids;
- access to portable navigation units, tablets and in-dash satellite radio service;
- Avis rental services such as roadside assistance, fuel service options, e-receipts, electronic toll collection services that allow customers to pay highway tolls without waiting in toll booth lines, and amenities such as *Avis Access*, a full range of special products and services for drivers and passengers with disabilities;
- Curbside Delivery, a service that provides customers at select airport locations in the United States with the added convenience of being dropped off at the airport terminal in the same car that they rented;
- for our corporate customers, Avis Budget Group Business Intelligence, a proprietary customer reporting solution that provides a centralized reporting tool and customer reporting portal for all corporate clients around the globe. This enables them to easily view and analyze their rental activity, permitting them to better manage their travel budgets and monitor employee compliance with applicable travel policies; and
- applications that serve our customers through various mobile and technology platforms, including Apple Watch devices and voice-controlled access through Amazon Alexa enabled devices.

Budget

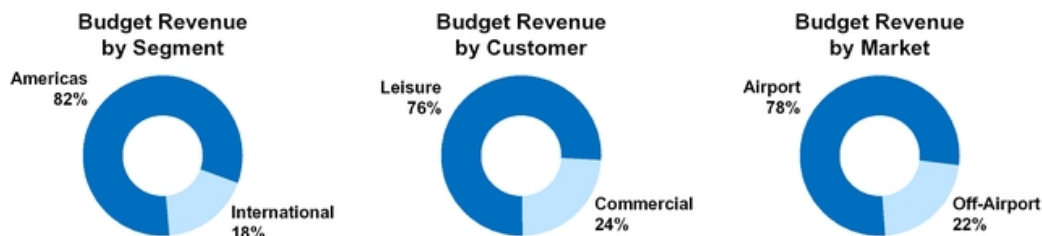
The Budget brand is a leading supplier of vehicle rental and other mobility solutions focused primarily on more value-conscious customers. We operate or license the Budget vehicle rental system (the "Budget System"), which is comprised of vehicle rental locations at most of the largest airports and cities in the world.

The table below presents the approximate number of locations that comprise the Budget System as of December 31, 2018.

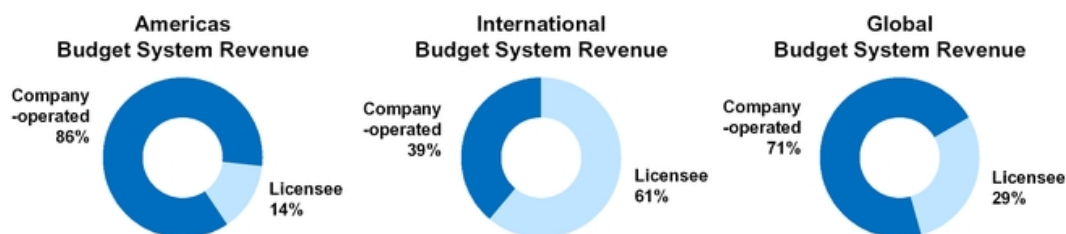
	Budget System Locations*		
	Americas	International	Total
Company-operated locations	1,375	875	2,250
Licensee locations	650	1,100	1,750
Total Budget System Locations	2,025	1,975	4,000

* Certain locations support multiple brands.

In 2018, our company-operated Budget vehicle rental operations generated total revenue of approximately \$2.7 billion, of which approximately \$2.0 billion was derived from leisure customers and \$2.1 billion was derived from customers renting at airports. The following graphs present the approximate composition of our Budget revenue by segment, customer and market in 2018.



We also license the Budget System to independent commercial owners who operate approximately half of our locations worldwide and generally pay royalty fees to us based on a percentage of applicable revenue. In 2018, approximately 29% of the global Budget System revenue was generated by our licensees. The graphs below present the approximate composition of the Budget System revenue in 2018.



Budget offers its customers several products and services similar to Avis, such as refueling options, roadside assistance, electronic toll collection, curbside dropoff and other supplemental rental products, emailed receipts and special rental rates for frequent renters. In addition, Budget's mobile application allows customers to reserve, modify and cancel reservations on their mobile device, and its Fastbreak service, expedites rental service for frequent travelers.

Budget Truck

Our Budget Truck rental business is one of the largest local and one-way truck rental businesses in the United States. As of December 31, 2018, our Budget Truck fleet is comprised of approximately 18,000 vehicles that are rented through a network of approximately 640 dealer-operated and 430 Company-operated locations throughout the continental United States. These dealers are independently-owned businesses that generally operate other retail service businesses. In addition to their principal businesses, the dealers rent our light- and medium-duty trucks to customers and are responsible for collecting payments on our behalf. The dealers receive a commission on all truck and ancillary equipment rentals. The Budget Truck rental business serves both the consumer and light commercial sectors. The consumer sector consists primarily of individuals who rent trucks to move household goods on either a one-way or local basis. The light commercial sector consists of a wide range of businesses that rent light- to medium-duty trucks, which we define as trucks having a gross vehicle weight of less than 26,000

pounds, for a variety of commercial applications.

Zipcar

Zipcar operates one of the world's leading membership-based car sharing networks, which provides its members on-demand access to vehicles in over 500 cities and towns and at more than 600 college campuses around the world. Zipcar provides its members on-demand, self-service vehicles in reserved parking spaces located in neighborhoods, business districts, office complexes, college campuses and airports, as an alternative to car ownership. Members can reserve vehicles online, on a mobile device or over the phone, by the minute, hour or by the day, at rates that include gasoline, insurance and other costs associated with vehicle ownership. In 2018, we widened Zipcar's product offering by launching our Zipcar Commuter product, which is now available in 11 major markets in North America and provides unlimited, sole access to a vehicle and dedicated parking spot for Zipcar members who commute outside of the city for work. We also began offering our Zipcar "Flex" product in London providing for one-way rentals that are typically at a lower price than ride-hailing services.

Other Brands

Our Payless brand is a leading rental car supplier positioned to serve the deep-value segment of the vehicle rental industry. We operate or license the Payless brand, which is comprised of approximately 280 locations worldwide, including approximately 120 Company-operated locations and more than 160 locations operated by licensees. Company-operated Payless locations are primarily located in North America, the majority of which are at or near major airports. Payless' rental fees are often lower than those of larger, more established brands, but Payless has historically achieved a greater penetration of ancillary products and services with its customers. The Payless business model allows the Company to extend the life-cycle of a portion of our fleet, as we "cascade" certain vehicles that exceed certain Avis and Budget age or mileage thresholds to be used by Payless.

Our Apex brand operates in the deep-value segment of the vehicle rental industry in New Zealand and Australia, where we have approximately 30 rental locations. Apex operates its own rental fleet, separate from Avis and Budget vehicles. Apex generates its reservations through its proprietary websites as well as its contact center and online travel agencies and typically has a greater-than-average length of rental. Apex operates rental locations at, or near, major airports and in several metropolitan cities.

Our Maggiore brand is a leading vehicle rental brand in Italy, where we operate or license approximately 140 rental locations under the Maggiore name. Our Maggiore brand has a strong domestic reputation and benefits from a strong presence at airport, off-airport and railway locations, and benefits from the integration of our existing operations and fleet management expertise. In addition, our recently acquired Morini brand is a leading vehicle rental brand in Italy, which offers rental of cars, vans and refrigerated vehicles. We operate or license more than 40 rental locations under the Morini name throughout the country.

Our FranceCars brand operates one of the largest light commercial vehicle fleets in France from approximately 85 rental locations and leverages our existing operational processes and local customer base.

Our recently acquired Turiscar brand is a leading vehicle rental brand in Portugal, primarily in the corporate market, including light commercial vehicles, from approximately 25 rental locations throughout the country.

RESERVATIONS, MARKETING AND SALES

Reservations

Our customers can make vehicle rental reservations through our brand-specific websites and toll-free reservation centers, by calling a specific location directly, through our brand-specific mobile applications, online travel agencies, travel agents or through selected partners, including many major airlines, associations and retailers. Travel agents can access our reservation systems through all major global distribution systems, which provide information with respect to rental locations, vehicle availability and applicable rate structures.

Our Zipcar members may reserve cars by the minute, hour or by the day through Zipcar's reservation system, which is accessible through the Zipcar website, through the Zipcar application on their smartphone or by phone.

We also provide two-way SMS texting, enabling us to proactively reach out to members during their reservation via their mobile device to manage their reservation, including instant reservation extension.

Marketing and Sales

We support our brands through a range of marketing channels and campaigns, including traditional media, such as television and print advertising, as well as Internet and email marketing, social media and mobile device applications. We market through sponsorships of major sports entities such as the PGA Tour, the New York Yankees, the Toronto Maple Leafs and Toronto FC. We also market through sponsorships of charitable organizations such as the Make-A-Wish Foundation. We utilize a customer relationship management system that enables us to deliver more targeted and relevant offers to customers across online and offline channels and allows our customers to benefit through better and more relevant marketing, improved service delivery and loyalty programs that reward frequent renters with free rental days and car class upgrades.

We maintain strong links to the travel industry including marketing alliances with numerous marketing partners, such as:

- Many major airlines, including Air Canada, Air France, Air New Zealand, American Airlines, British Airways, Frontier Airlines, Hawaiian Airlines, Iberia Airlines, Japan Airlines, JetBlue Airways, KLM, Lufthansa, Norwegian Air, Qantas, SAS, Southwest Airlines, Virgin America and WestJet Airlines;
- Many major hotel companies, including Best Western International, Inc., Choice Hotels International, Hyatt Corporation, MGM Resorts International, Radisson Hotels and Resorts, Universal Parks & Resorts and Wyndham Hotels & Resorts and in 2018, we became the exclusive car rental partner of Luxury Retreats, an Airbnb worldwide villa rental company;
- Offering customers the ability to earn frequent traveler points with many major airlines' and hotels' frequent traveler programs. We are the exclusive rental partner of the Aeroplan, JetBlue and Wyndham Rewards loyalty programs; and
- Relationships with non-travel entities, such as affinity groups, membership organizations, retailers, financial institutions and credit card companies.

In addition, we developed new relationships that provide brand exposure and access to new customers, including a multi-year deal with Lyft to provide vehicles to the Lyft Express Drive Program in cities across North America, an agreement with Amazon to reward customers who rent an Avis or Budget car with gift cards, and a mobility partnership with Brightline, a privately owned passenger rail service in Florida.

Approximately 60% of vehicle rental transactions in 2018 from our Company-operated Avis locations were generated by travelers who rented from Avis under contracts between Avis and their employers or through membership in an organization with which Avis has a contractual affiliation (such as AARP and Costco Wholesale). Avis also maintains marketing relationships with other organizations such as American Express, MasterCard International and others, through which we are able to provide their customers with incentives to rent from Avis. Generally, Avis licensees also have the option to participate in these affiliations.

Additionally, we offer "Unlimited Rewards[®]," an award-winning loyalty incentive program for travel agents, and Avis and Budget programs for small businesses that offer discounted rates, central billing options and rental credits to members. Budget has contractual arrangements with American Express, MasterCard International and other organizations, which offer members incentives to rent from Budget.

Our Zipcar brand also partners with other active lifestyle brands that appeal to our Zipcar members and we organize, sponsor and participate in charitable and community events with organizations that are important to our Zipcar members. Zipcar maintains close relationships with universities that allow us to market to the "next generation consumer" who, upon graduation, may continue their relationship with us and advocate for broad sponsorship of Zipcar membership at their places of work. Through our Zipcar for Business program, we also offer reduced weekday driving rates to employees of companies, federal agencies and local governments that sponsor the use of Zipcars.

LICENSING

We have licensees in approximately 175 countries throughout the world. Royalty fee revenue derived from our vehicle rental licensees in 2018 totaled \$135 million, with approximately \$97 million in our International segment and \$38 million in our Americas segment. Licensed locations are independently operated by our licensees and range from large operations at major airport locations and territories encompassing entire countries to relatively small operations in suburban or rural locations. Our licensees generally maintain separate independently owned and operated fleets. Royalties generated from licensing provide us with a source of high-margin revenue because there are relatively limited additional costs associated with fees paid by licensees to us. Locations operated by licensees represented approximately 45% of our Avis and Budget vehicle rental locations worldwide and approximately 31% of total revenue generated by the Avis and Budget Systems in 2018. We facilitate one-way vehicle rentals between Company-operated and licensed locations, which enables us to offer an integrated network of locations to our customers.

We generally enjoy good relationships with our licensees and meet regularly with them at regional, national and international meetings. Our relationships with our licensees are governed by license agreements that grant the licensee the right to operate independently operated vehicle rental businesses in certain territories. Our license agreements generally provide our licensees with the exclusive right to operate under one or more of our brands in their assigned territory. These agreements impose obligations on the licensee regarding its operations, and most agreements restrict the licensee's ability to sell, transfer or assign its rights granted under the license agreement or to change the control of its ownership without our consent.

The terms of our license agreements, including duration, royalty fees and termination provisions, vary based upon brand, territory, and original signing date. Royalty fees are generally structured to be a percentage of the licensee's gross rental income. We maintain the right to monitor the operations of licensees and, when applicable, can declare a licensee to be in default under its license agreement. We perform audits as part of our program to assure licensee compliance with brand quality standards and contract provisions. Generally, we can terminate license agreements for certain defaults, including failure to pay royalties or to adhere to our operational standards. Upon termination of a license agreement, the licensee is prohibited from using our brand names and related marks in any business. In the United States, these license relationships constitute "franchises" under most federal and state laws regulating the offer and sale of franchises and the relationship of the parties to a franchise agreement.

We continue to optimize the Avis and Budget Systems by issuing new license agreements and periodically acquiring licensees to grow our revenues and expand our global presence. Discussion of our recent acquisitions is included in Note 5 to the Consolidated Financial Statements included in this Annual Report on Form 10-K.

OTHER REVENUE

In addition to revenue from our vehicle rentals and licensee royalties, we generate revenue from our customers through the sale and/or rental of optional ancillary products and services. We offer products to customers that will enhance their rental experience, including:

- collision and loss damage waivers, under which we agree to relieve a customer from financial responsibility arising from vehicle damage incurred during the rental;
- additional/supplemental liability insurance or personal accident/effects insurance products which provide customers with additional protections for personal or third-party losses incurred;
- products for driving convenience such as fuel service options, chauffeur drive services, roadside assistance services, electronic toll collection services, curbside dropoff, tablet rentals, access to satellite radio, portable navigation units and child safety seat rentals; and
- products that supplement truck rental including automobile towing equipment and other moving accessories such as hand trucks, furniture pads and moving supplies.

We offer customized bundling of certain of these ancillary products and services, allowing our customers to benefit from discounted pricing and providing customers the flexibility to add multiple products or services that suit their needs.

We also receive payment from our customers for certain operating expenses that we incur, including vehicle licensing fees, as well as airport concession fees that we pay in exchange for the right to operate at airports and other locations. In addition, we collect membership fees in connection with our car sharing business.

OUR TECHNOLOGIES

Vehicle Rental

We use a broad range of technologies in our vehicle rental operations, substantially all of which are linked to what we call our Wizard system, which is a worldwide reservation, rental, fleet control, data processing and information management system. The Wizard system enables us to process millions of incoming customer inquiries each day, providing our customers with accurate and timely information about our locations, rental rates and vehicle availability, as well as the ability to place or modify reservations. Additionally, the Wizard system is linked to virtually all major travel distribution networks worldwide and provides real-time processing for travel agents, travel industry partners (such as airlines and online travel sites), corporate travel departments and individual consumers through our websites or contact centers. The Wizard system also provides personal profile information to our reservation and rental agents to help us better serve our customers.

We also use data supplied from the Wizard system and other third-party reservation and information management systems to maintain centralized control of major business processes such as fleet acquisition and logistics, sales to corporate accounts and determination of pricing. The principal components of the systems we employ include:

- *Fleet planning model.* We have a comprehensive decision tool to develop fleet plans and schedules for the acquisition and disposition of our fleet, along with fleet age, mix, mileage and cost reports, allowing management to monitor and change fleet deployment on a daily basis and to optimize our fleet plan based on estimated business levels and available repurchase and guaranteed depreciation programs.
- *Revenue management system.* We have a revenue management system which is designed to enhance profitability by providing greater control of vehicle availability, inventory movements and pricing at our rental locations. Our system monitors and forecasts both vehicle supply and customer demand to support our strategy to optimize volume and rate at each location. An integrated fleet distribution module takes into consideration the costs and benefits associated with distributing vehicles to various rental locations within a geographic area to accommodate demand, and make specific recommendations for movement of vehicles between locations. We utilize sophisticated systems to gather and report competitive industry rental rate changes every day using data from third-party reservation systems, which automatically scan rate movements and report significant changes for evaluation.
- *Websites and mobile applications.* Our websites and mobile applications leverage our technology across brands and provide a simpler, streamlined experience for our customers.
- *Connected car services application.* We have developed an enterprise-wide application that interfaces with various telematics solutions that support our self-service and connected car strategy. This application, among other things, enables a more accurate reading of fuel and mileage to enable a customer to self-service check-out and check-in their vehicle.
- *Campaign management.* We have deployed tools that enable us to recognize customer segments and value, and to automatically present appropriate offers on our websites.
- *Interactive adjustments.* We have developed a customer data system that allows us to easily retrieve pertinent customer information and make needed adjustments to completed rental transactions online for superior customer service.

Car Sharing

Our Zipcar car sharing technology was specifically designed and built for our car sharing business and has been continually refined and upgraded. Our fully-integrated platform centralizes the management of our Zipcar reservations, member services, fleet operations and financial systems to optimize the member experience, minimize costs and leverage efficiencies. Our platform allows for basic functions such as processing new member applications, managing reservations and keyless vehicle access, and providing the mobile and website applications used by our members. This platform also allows us to manage and monitor member interactions and communications, billing and payment processing, manage our car sharing fleet, including service and cleanings, vehicle locations and monitor and analyze key metrics of each Zipcar such as utilization rate, mileage and maintenance requirements.

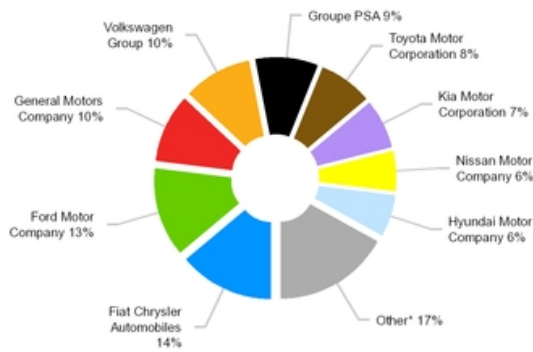
Each Zipcar is typically equipped with a combination of telematics modules, including a control unit with mobile data service, radio frequency identification card readers, wireless antennae, wiring harness, vehicle interface modules and transponders for toll systems. This hardware, together with internally developed embedded firmware, vehicle communication protocols and datacenter software, allows us to authorize secure access to our Zipcars from our data centers and provides us with a comprehensive set of fleet management data that is stored in our centralized database.

Interactions between members and our Zipcars are captured in our system, across all communication channels, providing us with knowledge we use to improve our members' experiences and optimize our business processes. We continue to innovate our technology platform to provide scale to support growth, drive operational efficiency and improve the member experience.

OUR FLEET

We offer a wide variety of vehicles in our rental fleet, including luxury cars, specialty-use vehicles and light commercial vehicles. Our fleet consists primarily of vehicles from the current and immediately preceding model year. We maintain a single fleet of vehicles for Avis and Budget in countries where we operate both brands. The substantial majority of Zipcar's fleet is dedicated to use by Zipcar. We maintain a diverse rental fleet, in which no vehicle manufacturer represented more than 14% of our 2018 fleet purchases, and we regularly adjust our fleet levels to be consistent with demand. We participate in a variety of vehicle purchase programs with major vehicle manufacturers. The following presents the approximate percentage of fleet purchases by manufacturer in 2018.

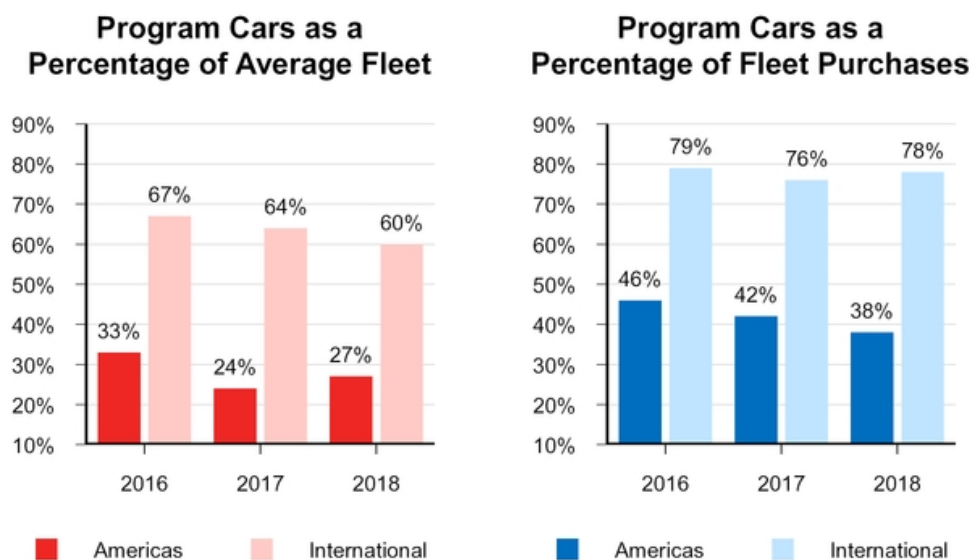
Fleet Purchases by Manufacturer



* Includes all manufacturers for which fleet purchases were less than 5%.

Fleet costs represented approximately 25% of our aggregate expenses in 2018. Fleet costs can vary from year to year based on the prices at which we are able to purchase and dispose of rental vehicles.

In 2018, on average, approximately 38% of our rental car fleet was comprised of vehicles subject to agreements requiring automobile manufacturers to repurchase vehicles at a specified price during a specified time period or guarantee our rate of depreciation on the vehicles during a specified period of time, or were vehicles subject to operating leases, which are subject to a fixed lease period and interest rate. We refer to cars subject to these agreements as “program” cars and cars not subject to these agreements as “risk” cars because we retain the risk associated with such cars’ residual values at the time of their disposition. The following graphs present the approximate percentage of program cars in both our average rental car fleet and fleet purchases within each of our reporting segments in the last three years.



Our agreements with automobile manufacturers typically require that we pay more for program cars and maintain them in our fleet for a minimum number of months and impose certain return conditions, including car condition and mileage requirements. When we return program cars to the manufacturer, we receive the price guaranteed at the time of purchase and are therefore protected from fluctuations in the prices of previously-owned vehicles in the wholesale market. In 2018, approximately 54% of the vehicles we disposed of were sold pursuant to repurchase or guaranteed depreciation programs. The future percentages of program and risk cars in our fleet will depend on several factors, including our expectations for future used car prices, our seasonal needs and the availability and attractiveness of manufacturers’ repurchase and guaranteed depreciation programs.

We dispose of our risk cars largely through automobile auctions and direct-to-dealer sales. In 2018, we continued to expand the scope of our direct-to-consumer car sales program to include the sale of our risk cars directly to consumers through our retail lots in several U.S. cities and through our Ultimate Test Drive program, which offers customers the ability to purchase well-maintained, late-model rental vehicles from our rental car fleet. Alternative disposition channels such as direct-to-consumer, online auctions, retail lots and direct-to-dealer sales provide the opportunity to increase vehicle sale prices and reduce relevant fleet costs compared to selling cars at auctions.

In 2018, our average monthly vehicle rental fleet size ranged from a low of approximately 557,000 vehicles in January to a high of approximately 746,000 vehicles in July. Our average monthly car rental fleet size typically peaks in the summer months. Average fleet utilization for 2018, which is based on the number of rental days (or portion thereof) that vehicles are rented compared to the total amount of time that vehicles are available for rent, ranged from 65% in January to 75% in July. Our calculation of utilization may not be comparable to other companies’ calculation of similarly titled metrics.

We place a strong emphasis on the quality of our vehicle maintenance for customer safety and customer satisfaction reasons, and because quick and proper repairs are critical to fleet utilization. To accomplish this task, we developed specialized training programs for our technicians. Our Maintenance and Damage Planning Department prepares technical service bulletins that can be retrieved electronically at our repair locations. In addition, we have implemented policies and procedures to promptly address manufacturer recalls as part of our ongoing maintenance and repair efforts.

CUSTOMER SERVICE

Our commitment to delivering a consistently high level of customer service across all of our brands is a critical element of our success and business strategy. Our *Customer Led, Service Driven*[™] program focuses on continually improving the overall customer experience based on our research of customer service practices, improved customer insights, executing our customer relationship management strategy, delivering customer-centric employee training and leverage our mobile applications technology and the enriched experience it provides our customers.

The employees at our Company-operated locations are trained and empowered to resolve most customer issues at the location level. We also continuously track customer-satisfaction levels by sending location-specific surveys to recent customers and utilize detailed reports and tracking to assess and identify ways that we can improve our customer service delivery and the overall customer experience. Our location-specific surveys ask customers to evaluate their overall satisfaction with their rental experience and the likelihood that they will recommend our brands, as well as key elements of the rental experience. Results are analyzed in aggregate and by location to help further enhance our service levels to our customers.

We understand our customers' time is valuable and we offer rental options that provide greater control and self-service capabilities. While our mobile applications provide a fast customer experience, our customers know a company representative is always available to meet their needs. Our survey platform includes specific questions to learn more about individual preferences and find innovative ways to better serve and anticipate our customers' needs.

EMPLOYEES

As of December 31, 2018, we employed approximately 30,000 people worldwide, of whom approximately 8,800 were employed on a part-time basis. Of our approximately 30,000 employees, approximately 18,000 were employed in our Americas segment and 12,000 in our International segment.

In our Americas segment, the majority of our employees are at-will employees and, therefore, not subject to any type of employment contract or agreement. Certain of our executive officers may be employed under employment contracts that specify a term of employment and specify pay and other benefits. In our International segment, we enter into employment contracts and agreements in those countries in which such relationships are mandatory or customary. The provisions of these agreements correspond in each case with the required or customary terms in the subject jurisdiction. Many of our employees are covered by a variety of union contracts and governmental regulations affecting, among other things, compensation, job retention rights and pensions.

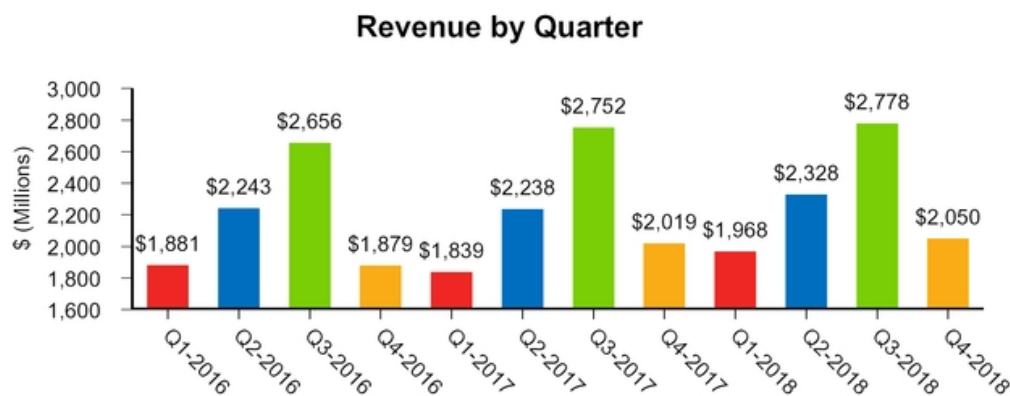
As of December 31, 2018, approximately 27% of our employees were covered by collective bargaining or similar agreements with various labor unions. We believe our employee relations are satisfactory.

AIRPORT CONCESSION AGREEMENTS

We generally operate our vehicle rental and car sharing services at airports under concession agreements with airport authorities, pursuant to which we typically make airport concession payments and/or lease payments. In general, concession fees for on-airport locations are based on a percentage of total commissionable revenue (as defined by each airport authority), often subject to minimum annual guaranteed amounts. Concessions are typically awarded by airport authorities every three to ten years based upon competitive bids. Our concession agreements with the various airport authorities generally impose certain minimum operating requirements, provide for relocation in the event of future construction and provide for abatement of the minimum annual guarantee in the event of extended low passenger volume.

OTHER BUSINESS CONSIDERATIONS**SEASONALITY**

Our vehicle rental business is subject to seasonal variations in customer demand patterns, with the spring and summer vacation periods representing our peak seasons for the majority of the countries in which we operate. We vary our fleet size over the course of the year to help manage any seasonal variations in demand, as well as localized changes in demand. The following chart presents our quarterly revenues for the years ended December 31, 2016, 2017 and 2018.

**COMPETITION**

The competitive environment for our industry is generally characterized by intense price and service competition among global, local and regional competitors. Competition in our vehicle rental operations is based primarily upon price, customer service quality, including usability of booking systems and ease of rental and return, vehicle availability, reliability, rental locations, product innovation and national or international distribution. In addition, competition is also influenced strongly by advertising, marketing, loyalty programs and brand reputation. We believe the prominence and service reputation of our brands, extensive worldwide ownership of mobility solutions and commitment to innovation provides us with a competitive advantage.

The use of technology has increased pricing transparency among vehicle rental companies and other mobility solutions providers enabling cost-conscious customers to more easily compare on the Internet and their mobile devices the rates available for the mobility solutions that fit their needs. This transparency has further increased the prevalence and intensity of price competition in the industry.

Our vehicle rental operations compete primarily with Enterprise Holdings, Inc., which operates the Enterprise, National and Alamo car rental brands; Hertz Global Holdings, Inc., which operates the Hertz, Dollar and Thrifty brands; Europcar Mobility Group, which operates the Europcar, Goldcar, InterRent and Ubeeqo brands; and Sixt AG. We also compete with smaller local and regional vehicle rental companies for vehicle rental market share, and with ride-hailing companies largely for short length trips in urban areas. Our Zipcar brand also competes with various local and regional mobility companies, including mobility services sponsored by several auto manufacturers, ride-hailing and car sharing companies and other technology players in the mobility industry. Our Budget Truck operations in the United States competes with several other local, regional and nationwide truck rental companies including U-Haul International, Inc., Penske Truck Leasing Corporation, Ryder Systems, Inc. and Enterprise.

INSURANCE AND RISK MANAGEMENT

Our vehicle rental and corporate operations expose us to various types of claims for bodily injury, death and property damage related to the use of our vehicles and/or properties, as well as general employment-related matters stemming from our operations. We generally retain economic exposure for liability to third parties arising from vehicle rental and car sharing services in the United States, Canada, Puerto Rico and the U.S. Virgin Islands, in accordance with the minimum financial responsibility requirements ("MFRs") and primacy of coverage laws of the relevant jurisdiction. In certain cases, we assume liability above applicable MFRs, up to \$1 million per occurrence, other than in cases involving a negligent act on the part of the Company, for which we purchase insurance coverage for exposures beyond retained amounts from a combination of unaffiliated excess insurers.

In Europe, we insure the risk of liability to third parties arising from vehicle rental and car sharing services in accordance with local regulatory requirements primarily through insurance policies provided by unaffiliated insurers. We may retain a portion of the insured risk of liability through local deductibles, and by reinsuring certain risks through our captive insurance subsidiary AEGIS Motor Insurance Limited. In Australasia, motor vehicle bodily injury insurance coverage is compulsory and provided upon vehicle registration. In addition, we provide our customers with third-party property damage insurance through an unaffiliated third-party insurer. We retain a share of property damage risk through local deductibles and through AEGIS Motor Insurance Limited. We insure the risk of liability to third parties in Argentina and Brazil through unaffiliated insurers.

We offer our U.S. customers a range of optional insurance products and coverages such as supplemental liability insurance, personal accident insurance, personal effects protection, emergency sickness protection, automobile towing protection and cargo insurance, which create additional risk exposure for us. When a customer elects to purchase supplemental liability insurance or other optional insurance related products, we typically retain economic exposure to loss, since the insurance is provided by an unaffiliated insurer that is reinsuring its exposure through our captive insurance subsidiary, Constellation Reinsurance Co., Ltd. Additional personal accident insurance offered to our customers in Europe and Australasia is provided by a third-party insurer, and reinsured by our Avis Budget Europe International Reinsurance Limited subsidiary. We also maintain excess insurance coverage through unaffiliated carriers to help mitigate our potential exposure to large liability losses. We otherwise bear these and other risks, except to the extent that the risks are transferred through insurance or contractual arrangements.

OUR INTELLECTUAL PROPERTY

We rely primarily on a combination of trademark, trade secret and copyright laws, as well as contractual provisions with employees and third parties, to establish and protect our intellectual property rights. The service marks "Avis," "Budget," and "Zipcar" and related marks or designs incorporating such terms and related logos and marks such as "We Try Harder," "We Know The Road" and "Own The Trip, Not The Car" are material to our vehicle rental and car sharing businesses. Our subsidiaries and licensees actively use these marks. All of the material marks used by Avis, Budget and Zipcar are registered (or have applications pending for registration) with the U.S. Patent and Trademark Office as well as in foreign jurisdictions. Our subsidiaries own the marks and other intellectual property, including the Wizard system, used in our business. We also own trademarks and logos related to the "Apex Car Rentals" brand in Australia and New Zealand, the "Payless Car Rental" brand in the United States and several other countries, the "Maggiore" and "Morini" brands in Italy, the "FranceCars" brand in France and the "Turiscar" brand in Portugal.

CORPORATE SOCIAL RESPONSIBILITY

At Avis Budget Group, we take our responsibilities as a corporate citizen seriously. We remain aware of how our actions can benefit the community and are sensitive to the needs of the environment, our customers and our employees. We recognize that being a successful organization means our progress is measured not only in economic terms, but also in the many ways we impact the world around us.

We believe in being responsible global corporate citizens and strive to establish and maintain best practices in corporate social responsibility through a focus on:

- *The Environment:* As a responsible corporate citizen, we are committed to monitoring, measuring and managing our environmental impact, and working to reduce it where practicable on an ongoing basis. The following illustrate those commitments:
 - Car Sharing: Through our Zipcar brand, operating one of the world's leading car sharing networks, considered to be one of the most environmentally-friendly transportation alternatives available;
 - Fleet: Offering our customers a wide variety of vehicles that are environmentally friendly, including as defined by the U.S. Environmental Protection Agency's SmartWay Certification Program;
 - Outreach: Partnering with our corporate customers to help them measure and manage the environmental impact of Avis and Budget rental vehicles used by their employees and, where applicable, partnering to help them achieve their sustainability goals;
 - Compliance: Meeting or voluntarily exceeding the requirements of all federal, state and local health, safety and environmental protection laws; and
 - Reduction: Limiting our use of natural resources and recycling where practicable, whether water, oil, tire rubber, paper, plastic or other materials.
- *Our People and our Customers:* We believe that our success has its foundation in how we treat our employees. Avis Budget Group is committed to maintaining a professional and supportive workplace built on trust between employees and management. In concert with our core values, we seek to foster an environment where communication among our employees is open, honest, and respectful; performance is recognized; growth is encouraged; and accomplishments – individual and collective – are celebrated. We also seek to support the well-being and development of the people we employ and the communities in which they work. The following initiatives reflect our commitment to achieving these goals:
 - Employee Engagement: We periodically measure the success of our workplace initiatives in a Company-wide employee survey. Conducted by an independent third-party to ensure impartiality and confidentiality, the survey is part of a long tradition of listening to what employees have to say about the Company, about the job they do, and about what they expect. The findings from each survey are presented by managers to employees and plans to address areas for improvement are established;
 - Employee Benefits Programs: Our employees are critical to our success. To ensure their well-being and professional growth, we generally offer a competitive salary, plus incentive compensation potential and comprehensive benefits. In addition, we offer health and welfare benefits that may include a range of training, employee assistance and personal development programs to help employees and their families prosper. Our employee benefit programs are all offered and administered in compliance with applicable local law;
 - Live Well – Healthy Living: We maintain a comprehensive program of initiatives designed to encourage our employees and their families to be mindful of their health and to enhance their ability to care for themselves and manage their health care expenses;
 - Equal Opportunity Employment: We are committed to providing equal employment opportunity to all applicants and employees without regard to race, religion, color, sex, sexual orientation, gender, gender identity, age, national origin, ancestry, citizenship, protected veteran or disability status or any factor prohibited by law, and as such we affirm in policy and practice to support and promote the concept of equal employee opportunity and affirmative action, in accordance with all applicable federal, state, provincial and municipal laws. In addition, the Company will reasonably accommodate known disabilities and religious beliefs of employees and qualified applicants; and
 - Diversity and Inclusion: As a growing global organization, the Company is proud of the diversity of its workforce. We strive to attract and retain talented and diverse people throughout our organization by engaging in several initiatives to support diversity and inclusion, including programs specifically designed to develop female leaders and to assist current and former military personnel.

- *Our Communities:* The Company is committed to supporting the communities in which it operates by working with nonprofit organizations focused on assisting those in need such as Make-A-Wish. Through relationships with widely-recognized charitable groups and outreach through the Avis Budget Group Charitable Foundation and employee volunteer teams, the Company and its employees contribute to many worthwhile organizations and deserving causes that help improve and inspire change in our communities.
- *Our Business:* We hold our employees to high ethical standards. We place great emphasis on professional conduct, safety and security, information protection and integrity.
 - **Ethical Standards:** Our employees are required to follow our Code of Conduct. This important document represents the core of our business philosophy and values and covers numerous areas, including standards of work-related behavior; safe work practices; security of information, systems and other assets; conflicts of interest; securities laws; and community service. We provide employees with training to help them understand both our Code of Conduct and how to interpret it in various situations.
 - **Sustainable Procurement:** Our Third-Party Standards of Conduct represents the Company's commitment to fostering sustainable relationships with our business partners, agents, consultants, suppliers and other third parties and ensuring that they uphold ethical, social and environmental standards.
 - **Supplier Diversity:** The Company also maintains an industry-leading supplier diversity program to promote the growth and development of suppliers who are disadvantaged, minority-owned or women-owned business enterprises. As a result of our commitment, we are honored to be one of America's Top Corporations for Women's Business Enterprises for 17 consecutive years and a corporate member of the Billion Dollar Roundtable.
 - **Data Protection:** We are committed to taking appropriate measures to properly secure information, records, systems and property. Employees are trained to take particular precautions to protect the Company, our employees, vendors and customers, and, in many cases, themselves, from the unlawful or inappropriate use or disclosure of that information.

REGULATION

We are subject to a wide variety of laws and regulations in the countries in which we operate, including those relating to, among others, consumer protection, insurance products and rates, franchising, customer privacy and data protection, securities and public disclosure, competition and antitrust, environmental matters, taxes, automobile-related liability, corruption and anti-bribery, labor and employment matters, health and safety, claims management, automotive retail sales, currency-exchange and other various banking and financial industry regulations, cost and fee recovery, the protection of our trademarks and other intellectual property, and local ownership or investment requirements. Additional information about the regulations that we are subject to can be found in Item 1A - Risk Factors of this Annual Report on Form 10-K.

COMPANY INFORMATION

Our principal executive office is located at 6 Sylvan Way, Parsippany, New Jersey 07054 (our telephone number is 973-496-4700). The Company files electronically with the Securities and Exchange Commission (the "SEC") required reports on Form 8-K, Form 10-Q, Form 10-K and Form 11-K; proxy materials; ownership reports for insiders as required by Section 16 of the Securities Exchange Act of 1934; registration statements and other forms or reports as required. Certain of the Company's officers and directors also file statements of changes in beneficial ownership on Form 4 with the SEC. Such materials may be accessed electronically on the SEC's Internet site (sec.gov). The Company maintains a website (avisbudgetgroup.com) and copies of our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, Section 16 reports, proxy materials and any amendments to these reports filed or furnished with the SEC are available free of charge in the Investor Relations section of our website, as soon as reasonably practicable after filing with the SEC. Copies of our board committee charters, Codes of Conduct and Ethics, Corporate Governance Guidelines and other corporate governance information are also available on our website. If the Company should decide to amend any of its

board committee charters, Codes of Conduct and Ethics or other corporate governance documents, copies of such amendments will be made available to the public through the Company's website. The information contained on the Company's website is not included in, or incorporated by reference into, this Annual Report on Form 10-K.

ITEM 1A. RISK FACTORS

The following is a cautionary discussion of the most significant risks, uncertainties and assumptions that we believe are significant to our business and should be considered carefully in conjunction with all of the other information set forth in this Annual Report on Form 10-K. The risks described below are not an exhaustive list of all of the risks that we face and are not listed by order of priority or materiality. In addition to the factors discussed elsewhere in this Annual Report on Form 10-K, the factors described in this item could, individually or in the aggregate, cause our actual results to differ materially from those described in any forward-looking statements. Should unknown risks or uncertainties materialize or underlying assumptions prove inaccurate, actual results could materially differ from past results and/or those anticipated, estimated or projected. Achievement of future results is subject to risks, uncertainties and potentially inaccurate assumptions. Past financial performance may not be a reliable indicator of future performance and historical trends should not be used to anticipate results or trends in future periods.

RISKS RELATED TO OUR BUSINESS***We face risks related to the high level of competition in the mobility industry.***

The mobility industry is highly competitive, with price being one of the primary competitive factors. To the extent that our competitors reduce their pricing and we do not provide competitive pricing or if price increases we implement make us less competitive, we risk losing rental volume from existing customers, as well as lessening the chances of success for future bids for new customer accounts. If competitive pressures lead us to lose rental volume or match any downward pricing and we are unable to reduce our operating costs, then our financial condition or results of operations could be materially adversely impacted.

Additionally, pricing in the vehicle rental industry is impacted by the size of rental fleets and the supply of vehicles available for rent. Any significant fluctuations in the supply of rental vehicles available in the market due to an unexpected decrease in demand, or actions taken by our competitors to increase market share by acquiring more fleet could negatively affect our pricing, operating plans or results of operations if we are unable to adjust the size of our rental fleet in response to fluctuations in demand.

We expect that the competitive environment for our mobility services will become more intense as additional companies, including automobile manufacturers, ride-hailing companies, car sharing companies, and other technology players in the mobility industry enter our existing markets or try to expand their operations. Companies offering new mobility business models, including ride-hailing or car sharing services, or autonomous vehicles, may affect demand for rental vehicles. Some of these companies may have access to substantial capital, innovative technologies or have the ability to launch new services at a relatively low cost. To the extent these companies can improve transportation efficiency, alter driving patterns or attitudes toward vehicle rental, offer more competitive prices or fleet management services, more effectively utilize mobile platforms, undertake more aggressive marketing campaigns, price their competing services below market or otherwise disrupt the mobility industry, we risk heightened pricing competition and/or loss of rental volume, which could adversely impact our business and results of operations if we are unable to compete with such efforts.

The risk of competition on the basis of pricing in the truck rental industry can be even more impactful than in the car rental industry as it can be more difficult to reduce the size of our truck rental fleet in response to significantly reduced demand.

We face risks related to fleet costs.

Fleet costs typically represent our single largest expense and can vary from year to year based on the prices that we are able to purchase and dispose of our vehicles. We purchase program cars, which are guaranteed a rate of depreciation through agreements with auto manufacturers, and non-program, or "risk" vehicles. In 2018, on average approximately 62% of our rental car fleet was comprised of risk vehicles.

The costs of our risk vehicles may be adversely impacted by the relative strength of the used car market, particularly the market for one- to two-year old used vehicles. We currently sell risk vehicles through various sales channels in the used vehicle marketplace, including traditional auctions, on-line auctions, direct-to-dealer sales, and directly to consumers through either retail lots or our Ultimate Test Drive consumer car sales program. These

channels may not produce stable vehicle prices in the future, as the market for used vehicles is subject to changes in demand for such vehicles, consumer interests, inventory levels, new car pricing, interest rates, fuel costs, tariffs and general economic conditions. A reduction in residual values for risk vehicles in our rental fleet could cause us to sustain a substantial loss on the ultimate sale of such vehicles or require us to depreciate those vehicles at a more accelerated rate than previously anticipated while we own them.

If the market value of the vehicles in our fleet is reduced or our ability to sell vehicles in the used vehicle marketplace were to become severely limited, we may have difficulty meeting collateral requirements due under our asset-backed financing facilities, which could lead to decreased capacity in such facilities and effectively increase our fleet costs or adversely impact our profitability. In addition, if we are unable to meet our collateral requirements under such facilities, the outstanding principal amount due may be required to be repaid earlier than anticipated. If that were to occur, the holders of our asset-backed debt may have the ability to exercise their right to instruct the trustee to direct the return of program cars and/or the sale of risk cars to generate proceeds sufficient to repay such debt.

Program and leased vehicles enable us to determine our depreciation expense in advance of purchase. Our program and leased vehicles also generally provide us with flexibility to reduce the size of our fleet rapidly. This flexibility is affected by the percentage of program vehicles in our fleet and the features of the programs provided by auto manufacturers. Our inability to reduce the size of our fleet in response to seasonal demand fluctuations, economic constraints or other changes in demand could have an adverse impact on our fleet costs and results of operations.

While we source our fleet purchases from a wide range of auto manufacturers, our program purchases expose us to risk to the extent that any of these auto manufacturers significantly curtail production, increase the cost of purchasing program vehicles or decline to sell program vehicles to us on terms or at prices consistent with past agreements. Should any of these risks occur, we may be unable to obtain a sufficient number of vehicles to operate our business without significantly increasing our fleet costs or reducing our volumes.

Failure by a manufacturer to fulfill its obligations under any program agreement or incentive payment obligation could leave us with a material expense if we are unable to dispose of program cars at prices estimated at the time of purchase or with a substantial unpaid claim against the manufacturer, particularly with respect to program cars that were either (i) resold for an amount less than the amount guaranteed under the applicable program and therefore subject to a "true-up" payment obligation from the manufacturer; or (ii) returned to the manufacturer, but for which we were not yet paid, and therefore we could incur a substantial loss as a result of such failure to perform.

We face risks related to safety recalls affecting our vehicles.

Our vehicles may be subject to safety recalls by their manufacturers that could have an adverse impact on our business when we remove recalled vehicles from our rentable fleet. We cannot control the number of vehicles that will be subject to manufacturer recalls in the future. Recalls often require us to retrieve vehicles from customers and/or hold vehicles until we can arrange for the repairs described in the recalls to be completed. As such, recalls can result in incremental costs, negatively impact our revenues and/or reduce our fleet utilization. If a large number of vehicles were to be the subject of simultaneous recalls, or if needed replacement parts were not in adequate supply, we may be unable to utilize recalled vehicles for a significant period of time. We could also face liability claims related to vehicles subject to a safety recall. Depending on the nature and severity of the recall, it could create customer service problems, reduce the residual value of the vehicles involved, harm our general reputation and/or have an adverse impact on our financial condition or results of operations.

Weakness in travel demand or general economic conditions, and/or a significant increase in fuel costs, can adversely impact our business.

Demand for vehicle rentals can be subject to and impacted by international, national and local economic conditions. If travel demand or economic conditions in the United States, Europe and/or worldwide were to weaken, our financial condition or results of operations could be adversely impacted.

Any significant airline capacity reductions, airfare or related fee increases, reduced flight schedules, or any events that disrupt or reduce business or leisure air travel or weaken travel demand and tourism, such as work

stoppages, military conflicts, terrorist incidents, natural disasters, disease epidemics, or the response of governments to any such events, could have an adverse impact on our results of operations. Likewise, any significant increases in fuel prices, a severe protracted disruption in fuel supplies or rationing of fuel could discourage our customers from renting vehicles or reduce or disrupt air travel, which could also adversely impact our results of operations.

Our truck rental business can be impacted by the housing market. If conditions in the housing market were to weaken, we may see a reduction in truck rental transactions, which could have an adverse impact on our business.

We face risks related to our ability to successfully implement our business strategies and to preserve the value of our brands.

Our strategic objectives involve winning and retaining customers through supporting and strengthening our brands, increasing operational efficiency and margins and enhancing our position in the evolving mobility industry. We see significant potential in the areas of optimizing our pricing, customer mix and sales of ancillary products and services; optimizing our procurement, deployment and disposition of vehicles, including increased use of non-auction channels for selling our risk cars; and applying connected-car/in-vehicle systems and other emerging technologies in our operations. If we are unsuccessful in implementing our strategic initiatives, our financial condition or results of operations could be adversely impacted.

The Company continues to further streamline its administrative and shared-services infrastructure through a restructuring program that identifies and replicates best practices, leverages the scale and capabilities of third-party service providers, and is designed to increase the global standardization and consolidation of non-rental-location functions over time. We cannot be certain that such initiatives will continue to be successful. Failure to successfully implement any of these initiatives could have an adverse impact on our financial condition or results of operations.

Any failure to adapt to changes in the mobility industry, provide a high-quality rental experience for our customers and members, adopt new technologies, capitalize on cost saving initiatives or meet customer needs could substantially harm our reputation and competitiveness, and could adversely impact our financial condition or results of operations.

We face risks related to political, economic and commercial instability or uncertainty in the countries in which we operate.

Our global operations expose us to a number of risks, including exposure to a wide range of international, national and local economic and political conditions and instability. For example, our operations in the United Kingdom includes a significant amount of cross-border business that could be negatively impacted by the withdrawal of the United Kingdom from the European Union. Uncertainty related to the proposed withdrawal of the United Kingdom from the European Union could lead to volatility in the global financial markets, adversely affect tax, legal and regulatory regimes, and could impact the economies of the United Kingdom and other countries in which we operate, which could have a material adverse effect on our results in such countries. Operating our business in a number of different regions and countries exposes us to a number of risks, including:

- multiple and potentially conflicting laws, regulations, trade policies and agreements that are subject to change;
- varying tax regimes, including consequences from changes in applicable tax laws;
- the imposition of currency restrictions, restrictions on repatriation of earnings or other restraints, as well as difficulties in obtaining financing in foreign countries for local operations;
- potential changes to import-export laws, trade treaties or tariffs in the countries where we purchase vehicles;
- local ownership or investment requirements, or compliance with local laws, regulations or business practices;

- uncertainty and changes to political and regulatory regimes as a result of changing social, political, regulatory and economic environments in the United States and internationally;
- national and international conflict, including terrorist acts; and
- political and economic instability or civil unrest that may severely disrupt economic activity in affected countries.

Exposure to these risks may adversely impact our financial condition or results of operations. Our licensees' vehicle rental operations may also be impacted by political, economic and commercial instability, which in turn could impact the amount of royalty payments they make to us.

We face risks related to third-party distribution channels that we rely upon.

We rely upon third-party distribution channels to generate a significant portion of our car rental reservations, including:

- traditional and online travel agencies, airlines and hotel companies, marketing partners such as credit card companies and membership organizations and other entities that help us attract customers; and
- global distribution systems ("GDS"), such as Amadeus, Galileo/Apollo, Sabre and Worldspan, that connect travel agents, travel service providers and corporations to our reservation systems.

Changes in our pricing agreements, commission schedules or arrangements with third-party distribution channels, the termination of any of our relationships or a reduction in the transaction volume of such channels, or a GDS's inability to process and communicate reservations to us could have an adverse impact on our financial condition or results of operations, particularly if our customers are unable to access our reservation systems through alternate channels.

We face risks related to our reliance on communications networks and centralized information systems.

We rely heavily on the satisfactory performance and availability of our information systems, including our reservation systems, websites and network infrastructure to attract and retain customers, accept reservations, process rental and sales transactions, manage our fleet of vehicles, account for our activities and otherwise conduct our business. We have centralized our information systems and we rely on third-party communications service and system providers to provide technology services and link our systems with the business locations these systems were designed to serve. A failure or interruption that results in the unavailability of any of our information systems, or a major disruption of communications between a system and the locations it serves, could cause a loss of reservations, interfere with our fleet management, slow rental and sales processes, create negative publicity that damages our reputation or otherwise adversely impacts our ability to manage our business effectively. We may experience system interruptions or disruptions for a variety of reasons, including as the result of network failures, power outages, cyber attacks, employee errors, software errors, an unusually high volume of visitors attempting to access our systems, or localized conditions such as fire, explosions or power outages or broader geographic events such as earthquakes, storms, floods, epidemics, strikes, acts of war, civil unrest or terrorist acts. Because we are dependent in part on independent third parties for the implementation and maintenance of certain aspects of our systems and because some of the causes of system interruptions may be outside of our control, we may not be able to remedy such interruptions in a timely manner, or at all. Our systems' business continuity plans and insurance programs seek to mitigate such risks but they cannot fully eliminate the risks as a disruption could be experienced in any of our information systems.

We face risks related to cybersecurity breaches of our systems and information technology.

Threats to network and data security are becoming increasingly diverse and sophisticated. As cybersecurity threats become more frequent, intense and sophisticated, costs of proactive defense measures may increase. Third parties may have the technology or expertise to breach the security of our customer transaction data and our security measures may not prevent physical security or cybersecurity breaches, which could result in substantial harm to our business, our reputation or our results of operations. We rely on encryption and/or

authentication technology licensed from and, at times, administered by independent third parties to secure transmission of confidential information, including credit card numbers and other customer personal information. Our outsourcing agreements with these third-party service providers generally require that they have adequate security systems in place to protect our customer transaction data. However, advances in computer capabilities, new discoveries in the field of cryptography or other cybersecurity developments could render our security systems and information technology, or those used by our third-party service providers, vulnerable to a breach. In addition, anyone who is able to circumvent our security measures could misappropriate proprietary information or cause interruptions in our operations. Risks of cybersecurity incidents caused by malicious third parties using sophisticated, targeted methods to circumvent firewalls, encryption, and other security defenses, could include hacking, viruses, malicious software, ransomware, phishing attacks, denial of service attacks and other attempts to capture, disrupt or gain unauthorized access to data are rapidly evolving and could lead to disruptions in our reservation system or other data systems, unauthorized release of confidential or otherwise protected information or corruption of data. The techniques used by third parties change frequently and may be difficult to detect for long periods of time. Any successful efforts by individuals to infiltrate, break into, disrupt, damage or otherwise steal from the Company's, its licensees' or its third-party service providers' security or information systems could damage our reputation and expose us to increased costs, litigation or other liability that could adversely impact our financial condition or results of operations. Failure to appropriately address these issues could also give rise to potentially material legal risks and liabilities.

We face risks related to our property leases and vehicle rental concessions.

We lease or have vehicle rental concessions at locations throughout the world, including at most airports where we operate, and at train stations throughout Europe, where vehicle rental companies are frequently required to bid periodically for space at these locations. If we were to lose a property lease or vehicle rental concession, particularly at an airport or a train station in a major metropolitan area, there can be no assurance that we would be able to find a suitable replacement location on reasonable terms which could adversely impact our business.

We face risks related to the seasonality of our business.

In our business, the third quarter of the year has historically been our most profitable quarter as measured by net income and Adjusted EBITDA due to the increased level of summer leisure travel and household moving activity. We vary our fleet size over the course of the year to help manage seasonal variations in demand, as well as localized changes in demand that we may encounter in the various regions in which we operate. Any circumstance or occurrence that disrupts rental activity during the third quarter, especially in North America and Europe, could have a disproportionately adverse impact on our financial condition or results of operations.

We are dependent on our senior management and other key personnel.

Our success depends on our senior management team and other key personnel, our ability to effectively recruit and retain high quality employees, and replace those who retire or resign. The loss of services of one or more members of our senior management team could adversely affect our business. Failure to retain and motivate our senior management and to hire, retain and develop other important personnel could impact our management and operations, ability to execute our strategies and adversely affect our business and operating results.

We face risks related to acquisitions, including the acquisition of existing licensees or investments in or partnerships with other related businesses.

We may engage in strategic transactions, including the acquisition of or investment in existing licensees and/or other related businesses, or partnerships or joint ventures with companies in related or cross-function lines of business. The risks involved in engaging in these strategic transactions include the possible failure to successfully integrate the operations of acquired businesses, or to realize the expected benefits of such transactions within the anticipated time frame, or at all, such as cost savings, synergies, sales and growth opportunities. In addition, the integration of an acquired business or oversight of a partnership or joint venture may result in material unanticipated challenges, expenses, liabilities or competitive responses, including:

- a failure to implement our strategy for a particular strategic transaction, including successfully integrating the acquired business into our existing infrastructure, or a failure to realize value from a strategic partnership, joint venture or other investment;
- inconsistencies between our standards, procedures and policies and those of the acquired business, partnership and/or joint venture;
- costs or inefficiencies associated with the integration of our operational and administrative systems;
- the increased scope and complexity of our operations could require significant attention from management and could impose constraints on our operations or other projects;
- unforeseen expenses, delays or conditions, including required regulatory or other third-party approvals or consents, or provisions in contracts with third parties that could limit our flexibility to take certain actions;
- an inability to retain the customers, employees, suppliers and/or marketing partners of the acquired business, partnership or joint venture or generate new customers or revenue opportunities through a strategic partnership;
- the costs of compliance with local laws and regulations and the implementation of compliance processes, as well as the assumption of unexpected liabilities, litigation, penalties or other enforcement actions; and
- higher than expected costs arising due to unforeseen changes in tax, trade, environmental, labor, safety, payroll or pension policies.

Any one of these factors could result in delays, increased costs or decreases in the amount of expected revenues related to combining the companies or derived from a strategic transaction and could adversely impact our financial condition or results of operations.

We face risks related to fluctuations in currency exchange rates.

Our operations generate revenue and incur operating costs in a variety of currencies. The financial position and results of operations of many of our foreign subsidiaries are reported in the relevant local currency and then translated to U.S. dollars at the applicable currency exchange rate for inclusion in our Consolidated Financial Statements. Changes in exchange rates among these currencies and the U.S. dollar will affect the recorded levels of our assets and liabilities in our consolidated financial statements. While we take steps to manage our currency exposure, such as currency hedging, we may not be able to effectively limit our exposure to intermediate- or long-term movements in currency exchange rates, which could adversely impact our financial condition or results of operations.

We face risks related to our derivative instruments.

We typically utilize derivative instruments to manage fluctuations in foreign exchange rates, interest rates and gasoline prices. The derivative instruments we use to manage our risk are usually in the form of interest rate swaps and caps and foreign exchange and commodity contracts. Periodically, we are required to determine the change in fair value, called the "mark to market," of some of these derivative instruments, which could expose us to substantial mark-to-market losses or gains if such rates or prices fluctuate materially from the time the derivatives were entered into. Accordingly, volatility in rates or prices may adversely impact our financial position or results of operations and could impact the cost and effectiveness of our derivative instruments in managing our risks.

We face risks related to liability and insurance.

Our global operations expose us to several forms of liability, including claims for bodily injury, death and property damage related to the use of our vehicles, or for having our customers on our premises, as well as workers' compensation and other employment-related claims by our employees. We may become exposed to uninsured liability at levels in excess of our historical levels resulting from unusually high losses or otherwise. In addition, liabilities in respect of existing or future claims may exceed the level of our reserves and/or our insurance, which

could adversely impact our financial condition and results of operations. Furthermore, insurance with unaffiliated insurers may not continue to be available to us on economically reasonable terms or at all. Should we be subject to an adverse ruling, or experience other significant liability for which we did not plan and are unable to adequately insure against such liability, our results of operations, financial position or cash flows could be negatively impacted.

We reinsure certain insurance exposures as well as offer optional insurance coverages through unaffiliated third-party insurers, which then reinsure all or a portion of their risks through our insurance company subsidiaries, which subjects us to regulation under various insurance laws and statutes in the jurisdictions in which our insurance company subsidiaries are domiciled. Any changes in regulations that alter or impede our reinsurance obligations or insurance subsidiary operations could adversely impact the economic benefits that we rely upon to support our reinsurance efforts, which in turn would adversely impact our financial condition or results of operations.

Optional insurance products that we offer to renters in the United States, including, but not limited to, supplemental liability insurance, personal accident insurance and personal effects protection, are regulated under state laws governing such products. Our car rental operations outside the United States must also comply with certain local laws and regulations regarding the sale of supplemental liability and personal accident and effects insurance by intermediaries. Any changes in law that affect our operating requirements with respect to our sale of optional insurance products could increase our costs of compliance or make it uneconomical to offer such products, which would lead to a reduction in revenue and profitability. Should more of our customers decline to purchase optional liability insurance products as a result of any changes in these laws or otherwise, our financial condition or results of operations could be adversely impacted.

We offer loss damage waivers to our customers as an option for them to reduce their financial responsibility that may be incurred as a result of loss or damage to the rental vehicle. Certain states in the United States have enacted legislation that mandates disclosure to each customer at the time of rental that damage to the rented vehicle may be covered to some extent by the customer's personal automobile insurance and that loss damage waivers may not be necessary. In addition, some states have statutes that establish or cap the daily rate that can be charged for loss damage waivers. Should new laws or regulations arise that place new limits on our ability to offer loss damage waivers to our customers, our financial condition or results of operations could be adversely impacted.

Additionally, current U.S. federal law pre-empts state laws that impute tort liability based solely on ownership of a vehicle involved in an accident. If such federal law were to change, our insurance liability exposure could materially increase.

We may be unable to collect amounts that we believe are owed to us by customers, insurers and other third parties related to vehicle damage claims or liabilities. The inability to collect such amounts in a timely manner or to the extent that we expect could adversely impact our financial condition or results of operations.

Costs associated with lawsuits, investigations or increases in legal reserves that we establish based on our assessment of contingent liabilities may have an adverse effect on our results of operations.

Our global operations expose us to various claims, lawsuits and other legal proceedings that arise in and outside of the ordinary course of our business in the countries in which we operate. We may be subject to complaints and/or litigation involving our customers, licensees, employees, independent operators and others with whom we conduct business, including claims for bodily injury, death and property damage related to use of our vehicles or our locations by customers, or claims based on allegations of discrimination, misclassification as exempt employees under the Fair Labor Standards Act, wage and hourly pay disputes, and various other claims. We could be subject to substantial costs and/or adverse outcomes from such complaints or litigation, which could have a material adverse effect on our financial condition, cash flows or results of operations.

We outsource some of our business functions to third parties, including operations at many of our Company-owned locations, which are third-party independent operators who receive commissions to operate such locations. We are involved or may become involved in legal proceedings and investigations that claim that our third-party independent operators should instead be treated as employees. There can be no assurance that legislative, judicial or regulatory authorities will not assert interpretations of existing laws or introduce new

regulations that would mandate that we change the classification of these operators. In the event of such a reclassification, we could be exposed to material liabilities and additional costs which could have an adverse effect on our business and results of operations. These liabilities and additional costs could include exposure under federal, state and local tax laws, workers' compensation, unemployment benefits, labor, and employment laws, as well as potential liability for penalties and interest.

From time to time, our Company and/or other companies in the vehicle rental industry may be reviewed or investigated by government regulators, which could lead to tax assessments, enforcement actions, fines and penalties or the assertion of private litigation claims. It is not possible to predict with certainty the outcome of claims, investigations and lawsuits, and we could in the future incur judgments, taxes, fines or penalties or enter into settlements of lawsuits or claims that could have an adverse impact on our financial condition or results of operations. In addition, while we maintain insurance coverage with respect to exposure for certain types of legal claims, we may not be able to obtain such insurance on acceptable terms in the future, if at all, and any such insurance may not provide adequate coverage against any such claims.

As required by U.S. generally accepted accounting principles ("GAAP"), we establish reserves based on our assessment of actual or potential loss contingencies, including contingencies related to legal claims asserted against us. Subsequent developments may affect our assessment and estimates of such loss contingencies and require us to make payments in excess of our reserves, which could have an adverse effect on our financial condition or results of operations.

We face risks related to laws and regulations that could impact our global operations.

We are subject to multiple, and sometimes conflicting, laws and regulations in the countries in which we operate that relate to, among others, consumer protection, competition and antitrust, customer privacy and data protection, securities and public disclosure, automotive retail sales, franchising, corruption and anti-bribery, environmental matters, taxes, automobile-related liability, labor and employment matters, cost and fee recovery, currency-exchange and other various banking and financial industry regulations, health and safety, insurance rates and products, claims management, protection of our trademarks and other intellectual property and other trade-related laws and regulations. Recent years have seen a substantial increase in the global enforcement of certain of these laws such as the U.S. Foreign Corrupt Practices Act, the UK Bribery Act and similar foreign laws and regulations. Our continued global operations and expansion could increase the risk of governmental investigations and violations of such laws. We cannot predict the nature, scope or effect of future regulatory requirements to which our global operations may be subject or the manner in which existing or future laws may be administered or interpreted. Any alleged or actual violations of any law or regulation, change in law, regulation, trade treaties or tariffs, or changes in the interpretation of existing laws or regulations may subject us to government scrutiny, investigation and civil and criminal penalties, limit our ability to provide services in any of the countries in which we operate and could result in a material adverse impact on our reputation, business, financial position or results of operations.

In certain countries in which we have Company-operated locations, we may recover certain costs from consumers, including costs associated with the title and registration of our vehicles, or concession costs imposed by an airport authority or the owner and/or operator of the premises from which our vehicles are rented. We may in the future be subject to potential laws or regulations that could negatively impact our ability to separately state, charge and recover such costs, which could adversely impact our financial condition or results of operations.

We are subject to privacy, data protection, security transfer and other regulations, as well as private industry standards, that could negatively impact our global operations and cause us to incur additional incremental expense that impacts our future operating results.

Our business requires the secure processing and storage of sensitive information relating to our customers, employees, business partners and others. Current consumer privacy and data protection laws, particularly the European Union's General Data Protection Regulation which became effective in 2018 (the "GDPR"), and other regulations in the jurisdictions in which we operate limit the types of information that we may collect, process and retain about our customers and other individuals with whom we deal or propose to deal, some of which may be non-public personally identifiable information. The GDPR, which is wide-ranging in scope, provides EU residents greater control over their personal data and imposes several requirements relating to the consent of the individuals to whom the personal data relates, the information provided to the individuals, the security and

confidentiality of the personal data, data breach notification and the use of third-party processors in connection with the processing of personal data. It also imposes significant forfeitures and penalties for noncompliance. The Company has adopted policies and procedures in compliance with the GDPR, however, such policies and procedures may need to be updated as additional information concerning best practices is made available through guidance from regulatory authorities or published enforcement decisions. Other privacy laws may be interpreted and applied inconsistently from country to country and impose inconsistent or conflicting requirements. Complying with varying jurisdictional privacy requirements could increase our operating costs, divert management attention or require additional changes to our business practices. Should we be found to not be in compliance with the GDPR or similar privacy and data protection laws, we could be subject to substantial monetary forfeitures and other penalties that could negatively impact our operating results or harm our reputation.

The centralized nature of our information systems requires the routine flow of information about customers and potential customers across national borders, particularly in the United States and Europe. Should this flow of information become illegal or subject to onerous restrictions, our ability to serve our customers could be negatively impacted for an extended period of time. In addition, our failure to maintain the security of the data we hold, whether as a result of our own error or the actions of others, could harm our reputation or give rise to legal liabilities that adversely impact our financial condition or results of operations. Privacy and data protection laws and regulations restrict the ways that we process our transaction information and the Payment Card Industry imposes strict customer credit card data security standards to ensure that our customers' credit card information is protected. Failure to meet these data security standards could result in substantial increased fees to credit card companies, other liabilities and/or loss of the right to collect credit card payments, which could adversely impact our financial condition or results of operations.

We face risks related to environmental laws and regulations.

We are subject to a wide variety of environmental laws and regulations in connection with our operations, including, among other things, with respect to the ownership or use of tanks for the storage of petroleum products such as gasoline, diesel fuel and motor and waste oils; the treatment or discharge of waste waters; and the generation, storage, transportation and off-site treatment or disposal of solid or liquid wastes. We maintain liability insurance covering storage tanks at our locations. In the United States, we administer an environmental compliance program designed to ensure that these tanks are properly registered in the jurisdiction in which they are located and are in compliance with applicable technical and operational requirements. The tank systems located at each of our locations may not at all times remain free from undetected leaks, and the use of these tanks may result in significant spills, which may require remediation and expose us to material uninsured liability or liabilities in excess of insurance.

We may also be subject to requirements related to the remediation of substances that have been released into the environment at properties owned or operated by us or at properties to which we send substances for treatment or disposal. Such remediation requirements may be imposed without regard to fault and liability for environmental remediation can be substantial. These remediation requirements and other environmental regulations differ depending on the country where the property is located. We have made, and will continue to make, expenditures to comply with environmental laws and regulations, including, among others, expenditures for the remediation of contamination at our owned and leased properties, as well as contamination at other locations at which our wastes have reportedly been identified. Our compliance with existing or future environmental laws and regulations may, however, require material expenditures by us or otherwise have an adverse impact on our financial condition or results of operations.

Environmental regulatory authorities are likely to continue to pursue measures related to climate change and greenhouse gas emissions. Should rules establishing limitations on greenhouse gas emissions or rules imposing fees on entities deemed to be responsible for greenhouse gas emission become effective in the countries in which we operate, demand for our services could be affected, our fleet and/or other costs could increase, and our business could be adversely impacted.

We face risks related to franchising or licensing laws and regulations.

We license to third parties the right to operate locations using our brands in exchange for royalty payments. Our licensing activities are subject to various laws and regulations in the countries in which we operate. In particular, laws in the United States require that we provide extensive disclosure to prospective licensees in connection with

licensing offers and sales, as well as comply with franchise relationship laws that could limit our ability to, among other things, terminate license agreements or withhold consent to the renewal or transfer of these agreements. We are also subject to certain regulations affecting our license arrangements in Europe and other international locations. Although our licensing operations have not been materially adversely affected by such existing regulations, such regulations could have a greater impact on us if we were to become more active in granting or selling new licenses to third parties. Should our operations become subject to new laws or regulations that negatively impact our ability to engage in licensing activities, our financial condition or results of operations could be adversely impacted.

We face risks related to the actions of, or failures to act by, our licensees, dealers, independent operators or third-party vendors.

Our vehicle rental licensee and dealer locations are independently owned and operated. We also operate many of our Company-owned locations through agreements with “independent operators,” which are third-party independent contractors who receive commissions to operate such locations. We also enter into service contracts with various third-party vendors that provide services for us or in support of our business. Under our agreements with our licensees, dealers, independent operators and third-party vendors (collectively referred to as “third-party operators”), the third-party operators retain control over the employment and management of all personnel at their locations or in support of the services that they provide our Company. These agreements also generally require that third-party operators comply with all laws and regulations applicable to their businesses, including relevant internal policies and standards. Regulators, courts or others may seek to hold us responsible for the actions of, or failures to act by, third-party operators or their employees based on theories of vicarious liability, negligence, joint operations or joint employer liability. Although we actively monitor the operations of these third-party operators, and under certain circumstances have the ability to terminate their agreements for failure to adhere to contracted operational standards, we are unlikely to detect all misconduct or noncompliance by the third-party operator or its employees. Moreover, there are occasions when the actions of third-party operators may not be clearly distinguishable from our own. It is our policy to vigorously seek to be dismissed from any claims involving third-party operators and to pursue indemnity for any adverse outcomes that affect the Company. Failure of third-party operators to comply with laws and regulations or our operational standards, or our inability to be dismissed from claims against our third-party operators, may expose us to liability, damages and negative publicity that may damage our brand and reputation and adversely affect our financial condition or results of operations.

We face risks related to our protection of our intellectual property.

We have registered certain marks and designs as trademarks in the United States and in certain other countries. At times, competitors may adopt service names similar to ours, thereby impeding our ability to build brand identity and possibly leading to market confusion. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our registered trademarks. From time to time, we have acquired or attempted to acquire Internet domain names held by others when such names have caused consumer confusion or had the potential to cause consumer confusion. Our efforts to enforce or protect our proprietary rights related to trademarks, trade secrets, domain names, copyrights or other intellectual property may be ineffective and could result in substantial costs and diversion of resources and could adversely impact our financial condition or results of operations.

We face risks associated with tax reform.

In 2017, the Tax Cuts and Jobs Act (the “Tax Act”) was signed into law, which broadly reforms the U.S. corporate income tax system. Several provisions of the Tax Act affect the Company, specifically the provision eliminating the use of like-kind exchange for personal property and the provision allowing for full expensing of qualified property purchases through the year 2022. Since 2004, we have utilized a like-kind exchange program whereby we replace vehicles in a manner that allows tax gains on vehicles sold in the U.S. to be deferred, resulting in a material deferral of U.S. federal and state income taxes. The Tax Act repealed like-kind exchange treatment for vehicle sales as of January 1, 2018. The effect of the elimination of our like-kind exchange will be largely offset through 2022 by the full expensing provision of certain business assets in the year placed in service, which we believe includes our vehicles. However, an extended downsizing of our fleet would significantly decrease the amount of tax deductions available under the full expensing provision. This would result in the utilization of tax attributes and increased federal and state income tax liabilities that could require us to make material cash payments. Such a downsizing or reduction in purchases would likely occur if, and to the extent, we are unable to

obtain financing when our asset-backed rental car financings mature, or in connection with a significant decrease in demand for vehicle rentals. In addition, the full expensing provision phases out at the end of year 2022 and we are not certain if this provision will be extended. U.S. states continue to modify their tax statutes as a result of the Tax Act and such state legislation could negate the full expensing benefits granted under the Tax Act or negatively impact our tax liability in that state. Therefore, we cannot offer assurance that the benefits from the expected tax deductions will continue.

The Tax Act also makes significant changes to the U.S. Internal Revenue Code applicable to corporations. Such changes include a permanent reduction to the corporate income tax rate, a mandatory one-time repatriation tax on undistributed historic earnings of foreign subsidiaries, elimination or limitation of the deductibility of certain business expenses, and requiring the inclusion in the U.S. tax base certain earnings generated by foreign subsidiaries, among other changes. While the Company believes it will not be materially impacted by these changes, the ultimate impact of the Tax Act may differ from our current estimates due to changes in interpretations of the Tax Act, legislative action, changes in accounting standards for income taxes, among other things, which could adversely impact our financial condition or results of operations.

RISKS RELATED TO OUR INDEBTEDNESS

We face risks related to our current and future debt obligations.

Our ability to satisfy and manage our debt obligations depends on our ability to generate cash flow and on overall financial market conditions. To some extent, this is subject to prevailing economic and competitive conditions and to certain financial, business and other factors, many of which are beyond our control. Our outstanding debt obligations require us to dedicate a significant portion of our cash flows to pay interest and principal on our debt, which reduces the funds available to us for other purposes. Our business may not generate sufficient cash flow from operations to permit us to service our debt obligations and meet our other cash needs, which may force us to reduce or delay capital expenditures, sell or curtail assets or operations, seek additional capital or seek to restructure or refinance our indebtedness. If we must sell or curtail our assets or operations, it may negatively affect our ability to generate revenue. Certain of our debt obligations contain restrictive covenants and provisions applicable to us and our subsidiaries that limit our ability to, among other things:

- incur additional debt to fund working capital, capital expenditures, debt service requirements, execution of our business strategy or acquisitions and other purposes;
- provide guarantees in respect of obligations of other persons;
- pay dividends or distributions, redeem or repurchase capital stock;
- prepay, redeem or repurchase debt;
- create or incur liens;
- make distributions from our subsidiaries;
- sell assets and capital stock of our subsidiaries;
- consolidate or merge with or into, or sell substantially all of our assets to, another person; and
- respond to adverse changes in general economic, industry and competitive conditions, as well as changes in government regulation and changes to our business.

Our failure to comply with the restrictive covenants contained in the agreements or instruments that govern our debt obligations, if not waived, would cause a default under our senior credit facility and could result in a cross-default under several of our other debt obligations, including our U.S. and European asset-backed debt facilities. If such a default were to occur, certain provisions in our various debt agreements could require that we repay or accelerate debt payments to the lenders or holders of our debt, and there can be no assurance that we would be able to refinance or obtain a replacement for such financing programs.

We face risks related to movements or disruptions in the credit and asset-backed securities markets.

We finance our vehicle fleet purchases and operations through the use of asset-backed securities in the United States, Canada, Australia and Europe and other debt financing structures available through the credit markets. If the asset-backed financing and/or credit markets were to be disrupted for any reason, we may be unable to obtain refinancing for our operations or vehicle fleet purchases at current levels, or at all, when our respective asset-backed financings or debt financings mature. Likewise, any disruption of the asset-backed financing or credit markets could also increase our borrowing costs, as we seek to engage in new financings or refinance our existing financings. In addition, we could be subject to increased collateral requirements to the extent that we request any amendment or renewal of any of our existing asset-backed or debt financings.

We face risks related to potential increases in interest rates.

A portion of our borrowings, primarily our vehicle-backed borrowings, bears interest at variable rates that expose us to interest rate risk. If interest rates were to increase, whether due to an increase in market interest rates or an increase in our own cost of borrowing, our debt service obligations for our variable rate indebtedness would increase even though the amount of borrowings remained the same, and our results of operations could be adversely affected. As of December 31, 2018, our total outstanding debt of approximately \$13.8 billion included unhedged interest rate sensitive debt of approximately \$4.1 billion. During our seasonal borrowing peak in 2018, outstanding unhedged interest rate sensitive debt totaled approximately \$5.5 billion.

Virtually all of our debt under vehicle programs and certain of our corporate indebtedness matures within the next five years. If we are unable to refinance maturing indebtedness at interest rates that are equivalent to or lower than the interest rates on our maturing debt, our results of operations or our financial condition may be adversely affected.

RISKS RELATED TO OUR COMMON STOCK

We face risks related to the market price of our common stock.

We cannot predict the prices at which our common stock will trade. The market price of our common stock experienced substantial volatility in the past and may fluctuate widely in the future, depending upon many factors, some of which may be beyond our control, including:

- weakness in general economic conditions and credit markets;
- changes in consumers', investors' and analysts' perceptions of our industry, business or related industries;
- our quarterly or annual earnings, or those of other companies in our industry, including our key suppliers;
- financial estimates that we provide to the public, any changes in such estimates, or our failure to meet such estimates;
- actual or anticipated fluctuations in our operating results;
- changes in accounting standards, policies, guidance, interpretations or principles;
- announcements by us or our competitors of acquisitions, dispositions, strategies, management or stockholder changes, marketing affiliations, projections, fleet costs, pricing actions or other competitive actions;
- changes in earnings estimates by securities analysts or our ability to meet those estimates;
- the operating and stock price performance of other comparable companies;
- overall stock market fluctuations;

- success or failure of competitive service offerings or technologies;
- tax or regulatory developments in the United States and other countries in which we operate;
- litigation involving us;
- actions of activist stockholders and responses from our Board and senior management; and
- the timing and amount of any share repurchases by us.

If any of the foregoing occurs, it could cause our stock price to fall and may expose us to litigation, including class action lawsuits that, even if unsuccessful, could be costly to defend and a distraction to management.

Our stockholders' percentage of ownership may be diluted in the future.

Our stockholders' percentage of ownership may be diluted in the future due to equity issuances or equity awards that we granted or will grant to our directors, officers and employees. In addition, we may undertake acquisitions financed in part through public or private offerings of securities, or other arrangements. If we issue equity securities or equity-linked securities, the issued securities would have a dilutive effect on the interests of the holders of our common shares. We expect to continue to grant restricted stock units, stock options and/or other types of equity awards in the future.

Certain provisions of our certificate of incorporation and by-laws, and Delaware law could prevent or delay a potential acquisition of control of our Company, which could decrease the trading price of our common stock.

Our amended and restated certificate of incorporation, amended and restated by-laws and the laws in the State of Delaware contain provisions that are intended to deter coercive takeover practices and inadequate takeover bids by making such practices or bids unacceptably expensive to the prospective acquirer and to encourage prospective acquirers to negotiate with our Board of Directors rather than to attempt a hostile takeover. Delaware law also imposes restrictions on mergers and other business combinations between us and any holder of 15% or more of our outstanding common stock.

We believe these provisions protect our stockholders from coercive or otherwise unfair takeover tactics by effectively requiring those who seek to obtain control of the Company to negotiate with our Board of Directors and by providing our Board with more time to assess any acquisition of control. However, these provisions could apply even if an acquisition of control of the Company may be considered beneficial by some stockholders and could delay or prevent an acquisition of control that our Board of Directors determines is not in the best interests of our Company and our stockholders.

Our business could be adversely impacted as a result of actions by activist stockholders or others.

The Company values constructive input from investors and regularly engages in dialogue with its stockholders regarding strategy and performance. The Company's Board of Directors and management team are committed to acting in the best interests of all of the Company's stockholders. There is no assurance that the actions taken by the Board of Directors and management in seeking to maintain constructive engagement with the Company's stockholders will be successful, and we may be subject to formal or informal actions or requests from stockholders or others. Responding to such actions could be costly and time-consuming, divert attention of management and employees, and may have an adverse effect on our business, results of operations and cash flow and the market price of our common stock.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our principal executive offices are located at 6 Sylvan Way, Parsippany, New Jersey 07054 pursuant to a lease agreement that expires in 2023. We own a facility in Virginia Beach, Virginia, which serves as a satellite administrative facility for our car and truck rental operations. We also lease office space in Tulsa, Oklahoma, and Boston, Massachusetts, pursuant to leases expiring in 2022 and 2023, respectively. These locations primarily provide operational and administrative services or contact center operations for our Americas segment. We also lease office space in Bracknell, England, Budapest, Hungary and Barcelona, Spain, pursuant to leases expiring in 2027, 2021 and 2019, respectively, for corporate offices, contact center activities and other administrative functions, respectively, for our International segment. Other office locations throughout the world are leased for administrative, regional sales and operations activities.

We lease or have vehicle rental concessions for our brands at locations throughout the world. We own approximately 2% of the locations from which we operate and in some cases we sublease to franchisees or other third parties. The remaining locations from which we operate our vehicle rental businesses are leased or operated under concession agreements with governmental authorities and private entities. Those leases and concession agreements typically require the payment of minimum rents or minimum concession fees and often also require us to pay or reimburse operating expenses, to pay additional rent, or concession fees above guaranteed minimums, based on a percentage of revenues or sales arising at the relevant premises, or to do both. See Note 14 to our Consolidated Financial Statements for information regarding lease commitments.

We believe that our properties are sufficient to meet our present needs and we do not anticipate any difficulty in securing additional space, as needed, on acceptable terms.

ITEM 3. LEGAL PROCEEDINGS

For information regarding legal proceedings, see Note 14 to our Consolidated Financial Statements.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES
MARKET FOR COMMON EQUITY

Our common stock is currently traded on the NASDAQ Global Select Market ("NASDAQ") under the symbol "CAR." At January 31, 2019, the number of stockholders of record was 2,517.

DIVIDEND POLICY

We neither declared nor paid any cash dividend on our common stock in 2018 and 2017, and we do not currently anticipate paying cash dividends on our common stock. However, we evaluate our dividend policy on a regular basis and may pay dividends in the future, subject to compliance with the covenants in our senior credit facility, the indentures governing our senior notes and our vehicle financing programs. The declaration and payment of future dividends to holders of our common stock will be at the discretion of our Board of Directors and will also depend upon many factors, including our financial condition, earnings, capital requirements of our businesses, covenants associated with certain debt obligations, legal requirements, regulatory constraints, industry practice and other factors that the Board of Directors deems relevant.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table provides information about shares of our common stock that may be issued upon the exercise of options and restricted stock units under all of our existing equity compensation plans as of December 31, 2018.

Plan Category	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants, Rights and Restricted Stock Units ^(a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (Excludes Restricted Stock Units) (\$)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in First Column) ^(b)
Equity compensation plans approved by security holders	2,457,610	\$ 0.79	5,889,509
Equity compensation plans not approved by security holders	—	—	—
Total	2,457,610	\$ 0.79	5,889,509

^(a) Includes options and other awards granted under the Amended and Restated Equity and Incentive Plan, which plan was approved by stockholders.

^(b) Represents 3,469,070 shares available for issuance under the Amended and Restated Equity and Incentive Plan and 2,420,439 shares available for issuance pursuant to the 2009 Employee Stock Purchase Plan.

ISSUER PURCHASES OF EQUITY SECURITIES

The following is a summary of the Company's common stock repurchases by month for the quarter ended December 31, 2018:

Period	Total Number of Shares Purchased^(a)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Dollar Value of Shares That May Yet Be Purchased under the Plans or Programs
October 2018	672,141	\$ 31.83	672,141	\$ 200,501,901
November 2018	804,549	29.89	804,549	176,451,029
December 2018	989,200	26.23	989,200	150,501,899
Total	2,465,890	\$ 28.95	2,465,890	\$ 150,501,899

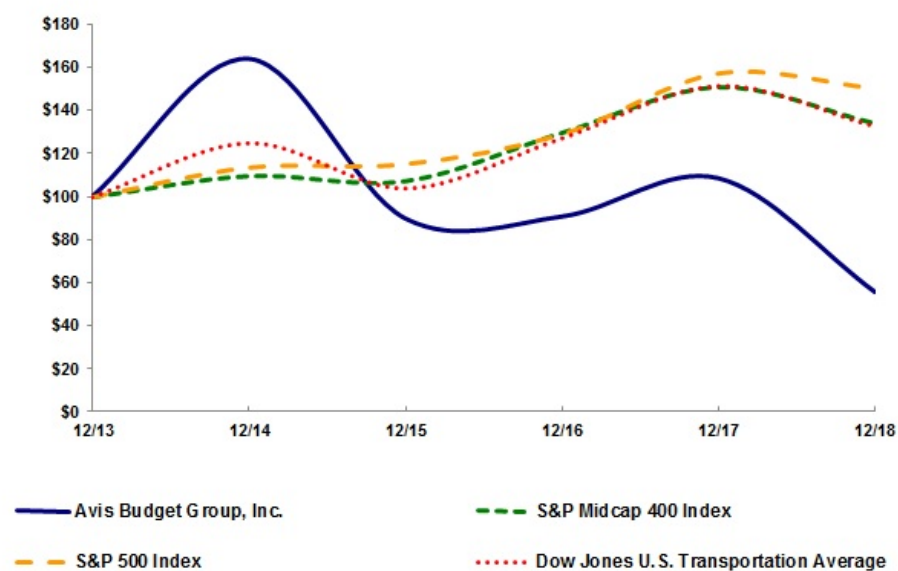
^(a) Excludes, for the three months ended December 31, 2018, 106 shares which were withheld by the Company to satisfy employees' income tax liabilities attributable to the vesting of restricted stock unit awards.

The Company's Board of Directors has authorized the repurchase of up to approximately \$1.7 billion of its common stock under a plan originally approved in 2013 and subsequently expanded, most recently in August 2018. The Company's stock repurchases may occur through open market purchases or trading plans pursuant to Rule 10b5-1 of the Securities Exchange Act of 1934. The amount and timing of specific repurchases are subject to market conditions, applicable legal requirements and other factors. The repurchase program may be suspended, modified or discontinued at any time without prior notice. The repurchase program has no set expiration or termination date.

PERFORMANCE GRAPH

Set forth below are a line graph and table comparing the cumulative total stockholder return of our common stock against the cumulative total returns of peer group indices, the S&P Midcap 400 Index, the S&P 500 Index and the Dow Jones U.S. Transportation Average Index for the period of five fiscal years commencing December 31, 2013 and ending December 31, 2018. The broad equity market indices used by the Company are the S&P Midcap 400 Index, which measures the performance of mid-sized companies and the Dow Jones U.S. Transportation Average Index, which measures the performance of transportation companies. The Company has elected to begin using the S&P Midcap 400 Index in place of the S&P 500 Index for future period comparisons because the S&P Midcap 400 Index is a more appropriate benchmark in light of the Company's equity market capitalization. The graph and table depict the result of an investment on December 31, 2013 of \$100 in the Company's common stock, the S&P Midcap 400 Index, the S&P 500 Index and the Dow Jones U.S. Transportation Average Index, including investment of dividends.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN



	As of December 31,					
	2013	2014	2015	2016	2017	2018
Avis Budget Group, Inc.	\$ 100.00	\$ 164.10	\$ 89.78	\$ 90.75	\$ 108.56	\$ 55.62
S&P Midcap 400 Index	\$ 100.00	\$ 109.77	\$ 107.38	\$ 129.65	\$ 150.71	\$ 134.01
S&P 500 Index	\$ 100.00	\$ 113.69	\$ 115.26	\$ 129.05	\$ 157.22	\$ 150.33
Dow Jones U.S. Transportation Average Index	\$ 100.00	\$ 125.07	\$ 104.11	\$ 127.36	\$ 151.58	\$ 132.90

ITEM 6. SELECTED FINANCIAL DATA

	As of or For the Year Ended December 31,				
	2018	2017	2016	2015	2014
	(In millions, except per share data)				
Results of Operations					
Revenues	\$ 9,124	\$ 8,848	\$ 8,659	\$ 8,502	\$ 8,485
Net income	\$ 165	\$ 361	\$ 163	\$ 313	\$ 245
Adjusted EBITDA ^(a)	\$ 781	\$ 735	\$ 838	\$ 903	\$ 876
Earnings per share					
Basic	\$ 2.08	\$ 4.32	\$ 1.78	\$ 3.02	\$ 2.32
Diluted	2.06	4.25	1.75	2.98	2.22
Financial Position					
Total assets	\$ 19,149	\$ 17,699	\$ 17,643	\$ 17,634	\$ 16,842
Assets under vehicle programs	12,779	11,879	11,578	11,716	11,058
Corporate debt	3,551	3,599	3,523	3,461	3,353
Debt under vehicle programs ^(b)	10,232	9,221	8,878	8,860	8,056
Stockholders' equity	414	573	221	439	665
Ratio of debt under vehicle programs to assets under vehicle programs	80%	78%	77%	76%	73%

^(a) The following table reconciles Net Income to Adjusted EBITDA within our Selected Financial Data, which we define as income from continuing operations before non-vehicle related depreciation and amortization, any impairment charges, restructuring and other related charges, early extinguishment of debt costs, non-vehicle related interest, transaction-related costs, net charges for an unprecedented personal-injury legal matters, non-operational charges related to shareholder activist activity and income taxes. Net charges for unprecedented personal-injury legal matters are recorded within operating expenses in our Consolidated Statements of Operations. We have revised our definition of Adjusted EBITDA to exclude non-operational charges related to shareholder activist activity. Non-operational charges related to shareholder activist activity include third-party advisory, legal and other professional service fees and are recorded within selling, general and administrative expenses in our Consolidated Statements of Operations. We did not revise prior years' Adjusted EBITDA amounts because there were no costs similar in nature to these items. Our presentation of Adjusted EBITDA may not be comparable to similarly-titled measures used by other companies. See Management's Discussion and Analysis of Financial Condition and Results of Operations, Item 7, for an explanation of why we believe Adjusted EBITDA is a useful measure.

	For the Year Ended December 31,				
	2018	2017	2016	2015	2014
Net income	\$ 165	\$ 361	\$ 163	\$ 313	\$ 245
Provision for (benefit from) income taxes	102	(150)	116	69	147
Income before income taxes	267	211	279	382	392
Add:					
Non-vehicle related depreciation and amortization	256	259	253	218	180
Interest expense related to corporate debt, net	188	188	203	194	209
Restructuring and other related charges	22	63	29	18	26
Transaction-related costs, net	20	23	21	68	13
Early extinguishment of corporate debt	19	3	27	23	56
Non-operational charges related to shareholder activist activity	9	—	—	—	—
Impairment	—	2	—	—	—
Charges for legal matter, net	—	(14)	26	—	—
Adjusted EBITDA	\$ 781	\$ 735	\$ 838	\$ 903	\$ 876

^(b) Includes related-party debt due to Avis Budget Rental Car Funding (AESOP) LLC ("Avis Budget Rental Car Funding"). See Note 13 to our Consolidated Financial Statements.

In presenting the financial data above in conformity with GAAP, we are required to make estimates and assumptions that affect the amounts reported. See "Critical Accounting Policies" under Item 7 of this Annual Report for a detailed discussion of the accounting policies that we believe require subjective and complex judgments that could potentially affect reported results.

RESTRUCTURING AND OTHER RELATED CHARGES, TRANSACTION-RELATED COSTS, AND OTHER ITEMS

In 2018, 2017, 2016, 2015 and 2014, we recorded restructuring and other related charges of \$22 million, \$63 million, \$29 million, \$18 million, and \$26 million, respectively. See Note 4 to our Consolidated Financial Statements.

In 2018, 2017, 2016, 2015 and 2014, we recorded \$20 million, \$23 million, \$21 million, \$68 million and \$13 million, respectively, of transaction-related costs, primarily related to the acquisition and integration of acquired businesses with our operations. In 2018 and 2017, these costs primarily related to integration-related costs of acquired businesses and acquisition-related costs of businesses pursued. In 2016, these costs primarily related to integration-related costs of acquired businesses. In 2015, these costs were primarily related to acquisition- and integration-related costs of acquired businesses, including \$25 million of non-cash charges recognized in connection with the acquisition of the Avis and Budget license rights for Norway, Sweden and Denmark and Avis license rights for Poland, costs associated with the acquisition of the remaining 50% equity interest in our Brazilian licensee, which is now a wholly-owned subsidiary, and expenses related to certain pre-acquisition contingencies. In 2014, these costs were primarily related to acquisition- and integration-related costs of acquired businesses, including a non-cash gain recognized in connection with the acquisition of our Budget license rights in southern California and Las Vegas, and contingent consideration related to our Apex Car Rentals acquisition. See Notes 2 and 5 to our Consolidated Financial Statements.

In 2018, 2017, 2016, 2015 and 2014, we recorded \$19 million, \$3 million, \$27 million, \$23 million and \$56 million, respectively, of expense related to the early extinguishment of corporate debt. See Note 12 to our Consolidated Financial Statements.

In 2017, we recorded a \$2 million impairment charge related to our Zipcar trademark.

In 2017, we recognized recoverable insurance proceeds of \$27 million and a charge of \$13 million related to an adverse legal judgment against us in a personal injury case. In 2016, we recorded a charge of \$26 million related to the same legal matter. This adverse legal judgment is recorded within operating expenses in our consolidated statement of operations.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion should be read in conjunction with our Consolidated Financial Statements and accompanying Notes included in this Annual Report on Form 10-K commencing on page F-1. Our actual results of operations may differ materially from those discussed in forward-looking statements as a result of various factors, including but not limited to those included in Item 1A, "Risk Factors" and other portions of this Annual Report on Form 10-K. Unless otherwise noted, all dollar amounts in tables are in millions.

OVERVIEW

OUR COMPANY

We operate three of the most globally recognized brands in mobility solutions, Avis, Budget and Zipcar together with several other brands, well recognized in their respective markets. We are a leading vehicle rental operator in North America, Europe, Australasia and certain other regions we serve, with an average rental fleet of nearly 650,000 vehicles. We also license the use of our trademarks to licensees in the areas in which we do not operate directly. We and our licensees operate our brands in approximately 180 countries throughout the world.

OUR SEGMENTS

We categorize our operations into two reportable business segments: *Americas* and *International*, as discussed in Part I of this Form 10-K.

BUSINESS AND TRENDS

Our revenues are derived principally from vehicle rentals in our Company-owned operations and include:

- time & mileage fees charged to our customers for vehicle rentals;
- sales of loss damage waivers and insurance and other supplemental items in conjunction with vehicle rentals; and
- payments from our customers with respect to certain operating expenses we incur, including gasoline and vehicle licensing fees, as well as concession fees, which we pay in exchange for the right to operate at airports and other locations.

In addition, we receive royalty revenue and associated fees from our licensees in conjunction with their vehicle rental transactions.

Our operating results are subject to variability due to seasonality, macroeconomic conditions and other factors. Car rental volumes tend to be associated with the travel industry, particularly airline passenger volumes, or enplanements, which in turn tend to reflect general economic conditions. Our operations are also seasonal, with the third quarter of the year historically having been our strongest due to the increased level of leisure travel during such quarter. We have a partially variable cost structure and routinely adjust the size, and therefore the cost, of our rental fleet in response to fluctuations in demand.

Throughout 2018, worldwide demand for mobility solutions increased and used-vehicle values in the United States strengthened counterbalanced by the incremental impact of rising interest rates, higher salaries, wages and related benefits. In 2019, we anticipate that worldwide demand for mobility solutions will increase, most likely against a backdrop of modest and possibly uneven global economic growth.

We will aggressively pursue opportunities to enhance our profitability and return on invested capital. Our objective is to drive sustainable profitable growth by delivering on strategic initiatives aimed at winning customers through differentiated brands and products, increasing our margins via revenue growth and operational efficiency and enhancing our leadership in the evolving mobility solutions industry. Our strategies are intended to support and strengthen our brands and to grow our margins and earnings over time, and to achieve growth and efficiency opportunities as mobility solutions continue to evolve.

We operate in a highly competitive industry and we expect to continue to face challenges and risks in managing our business. We seek to mitigate our exposure to risks in numerous ways, including delivering upon our core

strategic initiatives and through continued optimization of fleet levels to match changes in demand for vehicle rentals, maintenance of liquidity to fund our fleet investment and operations, appropriate investments in technology and adjustments in the size and the nature and terms of our relationships with vehicle manufacturers.

During 2018:

- Our revenues totaled \$9.1 billion, increasing 3% compared to 2017, due to higher rental volumes.
- Our net income was \$165 million and our Adjusted EBITDA was \$781 million driven by higher revenues and Americas' lower per-unit fleet costs.
- We repurchased \$200 million of our common stock, reducing our shares outstanding by approximately 5.9 million shares, or 7%.
- We amended the terms of our Floating Rate Term Loan due 2022 and our Senior revolving credit facility maturing 2021 and extended the maturity to 2025 and 2023, respectively.
- We issued €350 million of 4¾% euro-denominated Senior Notes due January 2026, the proceeds of which were used to redeem all \$400 million of our outstanding 5½% Senior Notes due June 2022.
- We acquired Morini S.p.A in Northern Italy, Turiscar Group in Portugal, various licensees in Europe and North America, and a 40% ownership stake in our licensee in Greece.

RESULTS OF OPERATIONS

We measure performance principally using the following key metrics: (i) rental days, which represent the total number of days (or portion thereof) a vehicle was rented, (ii) revenue per day, which represents revenues divided by rental days, (iii) vehicle utilization, which represents rental days divided by available rental days, available rental days is defined as average rental fleet times the number of days in the period, and (iv) per-unit fleet costs, which represent vehicle depreciation, lease charges and gain or loss on vehicle sales, divided by average rental fleet. Our rental days, revenue per day and vehicle utilization metrics are all calculated based on the actual rental of the vehicle during a 24-hour period. We believe that this methodology provides us with the most relevant metrics in order to manage the business. Our calculation may not be comparable to the calculation of similarly-titled metrics by other companies. We present currency exchange rate effects to provide a method of assessing how our business performed excluding the effects of foreign currency rate fluctuations. Currency exchange rate effects are calculated by translating the current-year results at the prior-period average exchange rate plus any related gains and losses on currency hedges.

We assess performance and allocate resources based upon the separate financial information of our operating segments. In identifying our reportable segments, we also consider the nature of services provided by our operating segments, the geographical areas in which our segments operate and other relevant factors. Management evaluates the operating results of each of our reportable segments based upon revenue and "Adjusted EBITDA," which we define as income from continuing operations before non-vehicle related depreciation and amortization, any impairment charges, restructuring and other related charges, early extinguishment of debt costs, non-vehicle related interest, transaction-related costs, net charges for unprecedented personal-injury legal matters, non-operational charges related to shareholder activist activity and income taxes. Net charges for unprecedented personal-injury legal matters are recorded within operating expenses in our consolidated results of operations. We have revised our definition of Adjusted EBITDA to exclude non-operational charges related to shareholder activist activity. Non-operational charges related to shareholder activist activity include third-party advisory, legal and other professional service fees and are recorded within selling, general and administrative expenses in our consolidated results of operations. We did not revise prior years' Adjusted EBITDA amounts because there were no costs similar in nature to these costs. We believe Adjusted EBITDA is useful as a supplemental measure in evaluating the performance of our operating businesses and in comparing our results from period to period. We also believe that Adjusted EBITDA is useful to investors because it allows them to assess our results of operations and financial condition on the same basis that management uses internally. Adjusted EBITDA is a non-GAAP measure and should not be considered in isolation or as a substitute for net income or other income statement data prepared in accordance with U.S. GAAP. Our presentation of Adjusted EBITDA may not be comparable to similarly-titled measures used by other companies.

Year Ended December 31, 2018 vs. Year Ended December 31, 2017

Our consolidated results of operations comprised the following:

	Year Ended December 31,		\$ Change	% Change
	2018	2017		
Revenues	\$ 9,124	\$ 8,848	\$ 276	3%
Expenses				
Operating	4,639	4,472	(167)	(4%)
Vehicle depreciation and lease charges, net	2,179	2,221	42	2%
Selling, general and administrative	1,220	1,120	(100)	(9%)
Vehicle interest, net	314	286	(28)	(10%)
Non-vehicle related depreciation and amortization	256	259	3	1%
Interest expense related to corporate debt, net:				
Interest expense	188	188	—	0%
Early extinguishment of debt	19	3	(16)	n/m
Restructuring and other related charges	22	63	41	65%
Transaction-related costs, net	20	23	3	13%
Impairment	—	2	2	n/m
Total expenses	8,857	8,637	(220)	(3%)
Income before income taxes	267	211	56	27%
Provision for (benefit from) income taxes	102	(150)	(252)	n/m
Net income	\$ 165	\$ 361	\$ (196)	(54%)

n/m Not meaningful.

Revenues increased during 2018, compared to 2017, as a result of 4% higher rental volumes and a \$41 million benefit from currency exchange rate movements, partially offset by a 1% reduction in revenue per day excluding exchange rate movements.

Total expenses increased as a result of additional rental volumes, higher salaries, wages and related benefits and higher vehicle interest rates, partially offset by lower per-unit fleet costs in the Americas. These increases to expenses include a \$27 million negative effect from currency exchange rate movements.

Operating expenses increased to 50.8% of revenue during 2018 compared to 50.5% in 2017. Vehicle depreciation and lease charges decreased to 23.9% of revenue during 2018 compared to 25.1% in 2017, primarily due to Americas' lower per-unit fleet costs. Selling, general and administrative costs increased to 13.4% of revenue during 2018 compared to 12.7% in 2017, primarily due to higher salary related benefits. Vehicle interest costs were 3.4% of revenue during 2018 compared to 3.2% in 2017.

Our effective tax rates were a provision of 38% and a benefit of 71% in 2018 and 2017, respectively, which in 2018 included additional tax expense of \$30 million related to the completion of the accounting for the one-time transition tax on the deemed repatriation of cumulative foreign subsidiary earnings initially recorded during 2017 related to the Tax Cuts and Jobs Act (the "Tax Act") and in 2017 included a \$213 million provisional income tax benefit related to the Tax Act. This net benefit primarily consisted of a benefit of \$317 million from the revaluation of net deferred tax liabilities as a result of the corporate income tax rate reduction and a provisional expense of \$104 million for the one-time transition tax on the deemed repatriation of cumulative foreign subsidiary earnings.

For 2018, the Company reported earnings of \$2.06 per diluted share, which includes a net tax provision related to the adjustment of the one-time transition tax on the deemed repatriation of cumulative foreign subsidiary earnings of (\$0.37) per share and a benefit from the impact of our 2018 share repurchases of \$0.05 per share. For 2017, the Company reported earnings of \$4.25 per diluted share, which includes a net tax benefit from the impact of the Tax Act of \$2.51 per share.

Following is a more detailed discussion of the results of each of our reportable segments:

	2018		2017	
	Revenues	Adjusted EBITDA	Revenues	Adjusted EBITDA
Americas	\$ 6,186	\$ 558	\$ 6,100	\$ 486
International	2,938	287	2,748	305
Corporate and Other ^(a)	—	(64)	—	(56)
Total Company	\$ 9,124	\$ 781	\$ 8,848	\$ 735

	Reconciliation of net income to Adjusted EBITDA	
	2018	2017
Net income	\$ 165	\$ 361
Provision for (benefit from) income taxes	102	(150)
Income before income taxes	267	211
Add:		
Non-vehicle related depreciation and amortization	256	259
Interest expense related to corporate debt, net:		
Interest expense	188	188
Early extinguishment of debt	19	3
Restructuring and other related charges ^(b)	22	63
Transaction-related costs, net ^(c)	20	23
Non-operational charges related to shareholder activist activity ^(d)	9	—
Impairment ^(e)	—	2
Charges for legal matter, net ^(f)	—	(14)
Adjusted EBITDA	\$ 781	\$ 735

^(a) Includes unallocated corporate overhead which is not attributable to a particular segment.

^(b) Other related charges include costs associated with the separation of certain officers of the Company and our limited voluntary opportunity plans.

^(c) Primarily comprised of acquisition- and integration-related expenses.

^(d) Reported within selling, general and administrative expenses in our consolidated results of operations.

^(e) Impairment charge is related to our Zipcar trademark.

^(f) Reported within operating expenses in our consolidated results of operations.

Americas

	2018	2017	% Change
Revenues	\$ 6,186	\$ 6,100	1%
Adjusted EBITDA	558	486	15%

Revenues increased 1% during 2018, compared to 2017, primarily due to a 1% increase in rental volumes, partially offset by a \$10 million negative effect from currency exchange rate movements.

Operating expenses increased to 49.7% of revenue during 2018 compared to 49.4% in 2017. Vehicle depreciation and lease charges decreased to 25.4% of revenue during 2018 compared to 27.4% in 2017, primarily due to 7% lower per-unit fleet costs. Selling, general and administrative costs increased to 11.9% of revenue during 2018 compared to 11.3% in 2017, primarily due to higher salary related benefits, partially offset by lower marketing costs. Vehicle interest costs increased to 4.1% of revenue during 2018 compared to 3.7% in 2017, primarily due to higher interest rates.

Adjusted EBITDA increased 15% during 2018, compared to 2017, due to higher revenues and lower per-unit fleet costs, partially offset by higher salaries, wages and related benefits, and higher interest rates. Currency movements increased Adjusted EBITDA by \$3 million.

International

	<u>2018</u>	<u>2017</u>	<u>% Change</u>
Revenues	\$ 2,938	\$ 2,748	7%
Adjusted EBITDA	287	305	(6%)

Revenues increased 7% during 2018, compared to 2017, primarily due to an 8% increase in rental volumes and a \$51 million benefit from currency exchange rate movements, partially offset by a 3% reduction in revenue per day excluding exchange rate movements.

Operating expenses were 52.8% of revenue during 2018 compared to 52.7% in 2017. Vehicle depreciation and lease charges increased to 20.8% of revenue during 2018 compared to 20.0% in 2017, primarily due to lower revenue per day excluding exchange rate movements. Selling, general and administrative costs increased to 14.5% of revenue during 2018 compared to 14.1% in 2017, primarily due to higher marketing costs. Vehicle interest costs were 2.1% of revenue during 2018 compared to 2.2% in 2017.

Adjusted EBITDA decreased 6% during 2018, compared to 2017, due to lower revenue per day excluding exchange rate movements, increased maintenance and damage costs and increased marketing costs, partially offset by increased rental volumes and a \$15 million benefit from currency exchange rate movements.

Corporate and Other

	<u>2018</u>	<u>2017</u>	<u>% Change</u>
Revenues	\$ —	\$ —	n/m
Adjusted EBITDA	(64)	(56)	n/m

n/m Not meaningful.

Adjusted EBITDA decreased \$8 million during 2018, compared to 2017, primarily due to higher selling, general and administrative expenses which are not attributable to a particular segment.

Year Ended December 31, 2017 vs. Year Ended December 31, 2016

For the years ended December 31, 2017 and 2016, we measured performance principally using the following key metrics: (i) rental days, which represent the total number of days (or portion thereof) a vehicle was rented, (ii) time & mileage revenue per rental day, which represents the average daily revenue we earned from rental time & mileage fees charged to our customers, both of which exclude our U.S. truck rental and Zipcar car sharing operations and (iii) per-unit fleet costs, which represent vehicle depreciation, lease charges and gain or loss on vehicle sales, divided by average rental fleet and exclude our U.S. truck rental operations. We also measure our ancillary revenues (rental-transaction revenue other than time & mileage revenue), such as from the sale of collision and loss damage waivers, insurance products, fuel service options and rental of other supplemental products. Our rental days and time & mileage revenue per rental day vehicle rental metrics are all calculated based on the actual rental of the vehicle during a 24-hour period. We believe that this methodology provides us with the most relevant metrics in order to manage the business. Our calculation may not be comparable to the calculation of similarly-titled metrics by other companies. We present currency exchange rate effects to provide a method of assessing how our business performed excluding the effects of foreign currency rate fluctuations. Currency exchange rate effects are calculated by translating the current-year results at the prior-period average exchange rate plus any related gains and losses on currency hedges.

Our consolidated results of operations comprised the following:

	Year Ended December 31,		\$ Change	% Change
	2017	2016		
Revenues				
Vehicle rental	\$ 6,219	\$ 6,081	\$ 138	2%
Other	2,629	2,578	51	2%
Net revenues	<u>8,848</u>	<u>8,659</u>	<u>189</u>	<u>2%</u>
Expenses				
Operating	4,472	4,382	(90)	(2%)
Vehicle depreciation and lease charges, net	2,221	2,047	(174)	(9%)
Selling, general and administrative	1,120	1,134	14	1%
Vehicle interest, net	286	284	(2)	(1%)
Non-vehicle related depreciation and amortization	259	253	(6)	(2%)
Interest expense related to corporate debt, net:				
Interest expense	188	203	15	7%
Early extinguishment of debt	3	27	24	89%
Restructuring and other related charges	63	29	(34)	n/m
Transaction-related costs, net	23	21	(2)	(10%)
Impairment	2	—	(2)	n/m
Total expenses	<u>8,637</u>	<u>8,380</u>	<u>(257)</u>	<u>(3%)</u>
Income before income taxes	211	279	(68)	(24%)
Provision for (benefit from) income taxes	<u>(150)</u>	<u>116</u>	<u>266</u>	<u>n/m</u>
Net income	<u>\$ 361</u>	<u>\$ 163</u>	<u>\$ 198</u>	<u>n/m</u>

n/m Not meaningful.

During 2017, our revenues increased as a result of a 5% increase in rental volumes, partially offset by a 1% decrease in time & mileage revenue per day. Currency exchange rate movements increased revenues by \$58 million.

Total expenses increased as a result of higher rental volumes, a 4% increase in per-unit fleet costs (including a 1% negative impact from currency exchange rate movements) and increased restructuring and other related charges, partially offset by cost mitigating actions. Currency movements increased expenses by \$25 million year-over-year.

Operating expenses were 50.5% of revenue during 2017 compared to 50.6% in 2016. Vehicle depreciation and lease charges increased to 25.1% of revenue during 2017 compared to 23.6% in 2016, primarily due to higher per-unit fleet costs and lower time & mileage revenue per day, partially offset by higher utilization. Selling, general and administrative costs decreased to 12.7% of revenue during 2017 compared to 13.1% in 2016, primarily due to cost mitigating actions, partially offset by higher marketing commissions. Vehicle interest costs were 3.2% of revenue during 2017 compared to 3.3% in 2016.

Our effective tax rates were a benefit of 71% and a provision of 42% in 2017 and 2016, respectively, which in 2017 included a \$213 million provisional income tax benefit related to the impact of the Tax Act. This net benefit primarily consists of a benefit of \$317 million from the revaluation of net deferred tax liabilities as a result of the corporate income tax rate reduction and a provisional expense of \$104 million for the one-time transition tax on cumulative foreign earnings. As a result of these items, our net income increased by \$198 million.

For 2017, the Company reported earnings of \$4.25 per diluted share, which includes after-tax restructuring and other related charges of (\$0.48) per share, after-tax transaction-related costs of (\$0.23) per share, after-tax debt extinguishment costs of (\$0.02) per share, after-tax impairment charge of (\$0.01) per share, after-tax reversal of charges for legal matter of \$0.10 per share and a net tax benefit from the impact of the Tax Act of \$2.51 per share. For 2016, the Company reported earnings of \$1.75 per diluted share, which includes after-tax restructuring and

other related charges of (\$0.23) per share, after-tax debt extinguishment costs of (\$0.18) per share, after-tax charges for legal matter of (\$0.17) per share and after-tax transaction-related costs, net, of (\$0.17) per share.

Following is a more detailed discussion of the results of each of our reportable segments:

	2017		2016	
	Revenues	Adjusted EBITDA	Revenues	Adjusted EBITDA
Americas	\$ 6,100	\$ 486	\$ 6,121	\$ 633
International	2,748	305	2,538	273
Corporate and Other ^(a)	—	(56)	—	(68)
Total Company	\$ 8,848	\$ 735	\$ 8,659	\$ 838

	Reconciliation of net income to Adjusted EBITDA	
	2017	2016
Net income	\$ 361	\$ 163
Provision for (benefit from) income taxes	(150)	116
Income before income taxes	211	279
Add: Non-vehicle related depreciation and amortization	259	253
Interest expense related to corporate debt, net:		
Interest expense	188	203
Early extinguishment of debt	3	27
Restructuring and other related charges ^(b)	63	29
Transaction-related costs, net ^(c)	23	21
Impairment ^(d)	2	—
Charges for legal matter, net ^(e)	(14)	26
Adjusted EBITDA	\$ 735	\$ 838

^(a) Includes unallocated corporate overhead which is not attributable to a particular segment.

^(b) Other related charges include costs associated with the separation of certain officers of the Company and our limited voluntary opportunity plans.

^(c) Primarily comprised of acquisition- and integration-related expenses.

^(d) Impairment charge is related to our Zipcar trademark.

^(e) Reported within operating expenses in our consolidated results of operations.

Americas

	2017	2016	% Change
Revenues	\$ 6,100	\$ 6,121	—%
Adjusted EBITDA	486	633	(23%)

Revenues decreased in 2017 compared with 2016, primarily due to a 1% reduction in time & mileage revenue per day, partially offset by 2% growth in rental volumes. Currency movements increased revenues by \$9 million year-over-year.

Operating expenses decreased to 49.4% of revenue during 2017 compared to 49.6% in 2016. Vehicle depreciation and lease charges increased to 27.4% of revenue during 2017 compared to 25.5% in 2016, primarily due to a 6% increase in per-unit fleet costs, partially offset by higher utilization. Selling, general and administrative costs, at 11.3% of revenue during 2017, remained level compared to 2016. Vehicle interest costs, at 3.7% of revenue during 2017, remained level compared to 2016.

Adjusted EBITDA decreased 23% in 2017 compared with 2016, due to higher per-unit fleet costs, lower revenues and higher marketing commissions, partially offset by cost mitigating actions and higher utilization.

International

	<u>2017</u>	<u>2016</u>	<u>% Change</u>
Revenues	\$ 2,748	\$ 2,538	8%
Adjusted EBITDA	305	273	12%

Revenues increased 8% during 2017 compared with 2016, primarily due to a 12% increase in rental volumes, including a 7% benefit from FranceCars which was acquired in December 2016, partially offset by a 2% reduction in time & mileage revenue per day (including a 1% favorable effect from currency movements). Currency movements increased revenues by \$49 million.

Operating expenses were 52.7% of revenue during 2017 compared to 52.6% in 2016. Vehicle depreciation and lease charges increased to 20.0% of revenue during 2017 compared to 19.2% in 2016, primarily due to lower time & mileage revenue per day. Selling, general and administrative costs were reduced to 14.1% of revenue during 2017 compared to 15.1% in 2016, primarily due to increased revenues and cost mitigating actions, partially offset by higher marketing commissions. Vehicle interest costs were 2.2% of revenue during 2017 compared to 2.3% in 2016.

Adjusted EBITDA increased 12% in 2017 compared with 2016, due to increased revenues and cost mitigating actions, partially offset by higher marketing commissions. Currency movements increased Adjusted EBITDA by \$24 million.

Corporate and Other

	<u>2017</u>	<u>2016</u>	<u>% Change</u>
Revenues	\$ —	\$ —	n/m
Adjusted EBITDA	(56)	(68)	n/m

n/m Not meaningful

Adjusted EBITDA increased \$12 million in 2017 compared with 2016, primarily due to lower selling, general and administrative expenses which are not attributable to a particular segment.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

We present separately the financial data of our vehicle programs. These programs are distinct from our other activities as the assets under vehicle programs are generally funded through the issuance of debt that is collateralized by such assets. The income generated by these assets is used, in part, to repay the principal and interest associated with the debt. Cash inflows and outflows relating to the generation or acquisition of such assets and the principal debt repayment or financing of such assets are classified as activities of our vehicle programs. We believe it is appropriate to segregate the financial data of our vehicle programs because, ultimately, the source of repayment of such debt is the realization of such assets.

FINANCIAL CONDITION

	<u>As of December 31,</u>		<u>Change</u>
	<u>2018</u>	<u>2017</u>	
Total assets exclusive of assets under vehicle programs	\$ 6,370	\$ 5,820	\$ 550
Total liabilities exclusive of liabilities under vehicle programs	6,011	5,935	76
Assets under vehicle programs	12,779	11,879	900
Liabilities under vehicle programs	12,724	11,191	1,533
Stockholders' equity	414	573	(159)

Total assets exclusive of assets under vehicle programs increased compared to 2017 primarily due to an increase in deferred income taxes from the Tax Act and an increase in other current assets (See Note 9 to our

Consolidated Financial Statements). Total liabilities exclusive of liabilities under vehicle programs was substantially unchanged compared to 2017.

Assets and liabilities under vehicle programs increased compared to 2017 primarily due to an increase in the size of our vehicle rental fleet. The decrease in stockholders' equity is primarily due to our repurchases of common stock and the adoption of ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)," (See Note 2 to our Consolidated Financial Statements), partially offset by our net income.

LIQUIDITY AND CAPITAL RESOURCES

Overview

Our principal sources of liquidity are cash on hand and our ability to generate cash through operations and financing activities, as well as available funding arrangements and committed credit facilities, each of which is discussed below.

During 2018, we amended the terms of our Floating Rate Term Loan due 2022 and our Senior revolving credit facility maturing 2021 and extended the maturity to 2025 and 2023, respectively. In addition, our Avis Budget Rental Car Funding subsidiary issued approximately \$400 million and \$550 million in asset-backed notes with an expected final payment date of September 2023 and March 2024, respectively, and a weighted average interest rate of 4%. The proceeds from these borrowings were used to fund the repayment of maturing vehicle-backed debt and the acquisition of rental cars in the United States. We also increased our capacity under our European rental fleet securitization program by €150 million (approximately \$175 million), the proceeds of which were used to finance fleet purchases for certain of our European operations, and extended its maturity to 2021. We issued €350 million of 4¾% euro-denominated Senior Notes due January 2026 at par. The proceeds from this borrowing were used to redeem all of our outstanding 5½% euro-denominated Senior Notes due June 2022. We repurchased approximately 5.9 million shares of our outstanding common stock for approximately \$200 million during 2018.

Cash Flows

Year Ended December 31, 2018 vs. Year Ended December 31, 2017

The following table summarizes our cash flows:

	Year Ended December 31,		Change
	2018	2017	
Cash provided by (used in):			
Operating activities	\$ 2,609	\$ 2,648	\$ (39)
Investing activities	(3,426)	(2,204)	(1,222)
Financing activities	667	(308)	975
Effects of exchange rate changes	(16)	45	(61)
Net change in cash and cash equivalents, program and restricted cash	(166)	181	(347)
Cash and cash equivalents, program and restricted cash, beginning of period	901	720	181
Cash and cash equivalents, program and restricted cash, end of period	\$ 735	\$ 901	\$ (166)

Cash provided by operating activities during 2018 was substantially unchanged compared with 2017.

The increase in cash used in investing activities during 2018 compared with 2017 is primarily due to increases in investment in vehicles and business acquisition activity.

The decrease in cash used in financing activities during 2018 compared with 2017 primarily reflects a decrease in net payments under vehicle programs.

We anticipate that our non-vehicle property and equipment additions will be approximately \$235 million in 2019.

Year Ended December 31, 2017 vs. Year Ended December 31, 2016

The following table summarizes our cash flows:

	Year Ended December 31,		Change
	2017	2016	
Cash provided by (used in):			
Operating activities	\$ 2,648	\$ 2,640	\$ 8
Investing activities	(2,204)	(2,182)	(22)
Financing activities	(308)	(449)	141
Effects of exchange rate changes	45	(6)	51
Net change in cash and cash equivalents, program and restricted cash	181	3	178
Cash and cash equivalents, program and restricted cash, beginning of period	720	717	3
Cash and cash equivalents, program and restricted cash, end of period	\$ 901	\$ 720	\$ 181

Cash provided by operating activities during 2017 was substantially unchanged compared with 2016.

Cash used in investing activities during 2017 was substantially unchanged compared with 2016.

The decrease in cash used in financing activities during 2017 compared with 2016 primarily reflects a decrease in our repurchases of common stock.

Debt and Financing Arrangements

At December 31, 2018, we had approximately \$13.8 billion of indebtedness (including corporate indebtedness of approximately \$3.6 billion and debt under vehicle programs of approximately \$10.2 billion). For detailed information regarding our debt and borrowing arrangements, see Notes 12 and 13 to our Consolidated Financial Statements.

LIQUIDITY RISK

Our primary liquidity needs include the procurement of rental vehicles to be used in our operations, servicing of corporate and vehicle-related debt and the payment of operating expenses. The present intention of management is to reinvest the undistributed earnings of our foreign subsidiaries indefinitely into our foreign operations. Our primary sources of funding are operating revenue, cash received upon the sale of vehicles, borrowings under our vehicle-backed borrowing arrangements and our senior revolving credit facility, and other financing activities.

As of December 31, 2018, we have cash and cash equivalents of \$0.6 billion, available borrowing capacity under our committed credit facilities of \$0.6 billion, and available capacity under our vehicle programs of approximately \$2.8 billion.

Our liquidity position could be negatively affected by financial market disruptions or a downturn in the U.S. and worldwide economies, which may result in unfavorable conditions in the mobility industry, in the asset-backed financing market and in the credit markets, generally. We believe these factors have in the past affected and could in the future affect the debt ratings assigned to us by credit rating agencies and the cost of our borrowings. Additionally, a downturn in the worldwide economy or a disruption in the credit markets could impact our liquidity due to (i) decreased demand and pricing for vehicles in the used vehicle market, (ii) increased costs associated with, and/or reduced capacity or increased collateral needs under, our financings, (iii) the adverse impact of vehicle manufacturers being unable or unwilling to honor their obligations to repurchase or guarantee the depreciation on the related program vehicles and (iv) disruption in our ability to obtain financing due to negative credit events specific to us or affecting the overall debt market (see Item 1A. Risk Factors for further discussion).

Our liquidity position could also be negatively impacted if we are unable to remain in compliance with the financial and other covenants associated with our senior revolving credit facility and other borrowings, including a

maximum leverage ratio. As of December 31, 2018, we were in compliance with the financial covenants governing our indebtedness.

CONTRACTUAL OBLIGATIONS

The following table summarizes our principal future contractual obligations as of December 31, 2018:

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>Thereafter</u>	<u>Total</u>
Corporate debt	\$ 23	\$ 17	\$ 16	\$ 16	\$ 690	\$ 2,834	\$ 3,596
Debt under vehicle programs	1,502	3,810	2,486	947	1,086	450	10,281
Debt interest	460	404	287	255	187	162	1,755
Operating leases ^(a)	835	476	345	253	162	590	2,661
Commitments to purchase vehicles ^(b)	8,664	3	1	—	—	—	8,668
Defined benefit pension plan contributions ^(c)	14	—	—	—	—	—	14
Other purchase commitments ^(d)	76	43	38	21	—	—	178
Total ^(e)	\$ 11,574	\$ 4,753	\$ 3,173	\$ 1,492	\$ 2,125	\$ 4,036	\$ 27,153

^(a) Operating lease obligations are presented net of sublease rentals to be received (see Note 14 to our Consolidated Financial Statements) and include commitments to enter into operating leases.

^(b) Represents commitments to purchase vehicles, the majority of which are from Ford, Fiat Chrysler and General Motors. These commitments are generally subject to the vehicle manufacturers satisfying their obligations under the repurchase and guaranteed depreciation agreements. The purchase of such vehicles is generally financed through borrowings under vehicle programs in addition to cash received upon the sale of vehicles, some of which were purchased under repurchase and guaranteed depreciation programs (see Note 14 to our Consolidated Financial Statements).

^(c) Represents the expected contributions to our defined benefit pension plans in 2019. The amount of future contributions to our defined benefit pension plans will depend on the rates of return generated from plan assets and other factors (see Note 17 to our Consolidated Financial Statements) and are not included above.

^(d) Primarily represents commitments under service contracts for information technology, telecommunications and marketing agreements with travel service companies.

^(e) Excludes income tax uncertainties of \$41 million, \$13 million of which is subject to indemnification by Realogy and Wyndham. We are unable to estimate the period in which these income tax uncertainties are expected to be settled.

For more information regarding guarantees and indemnifications, see Note 14 to our Consolidated Financial Statements.

ACCOUNTING POLICIES

Critical Accounting Policies

In presenting our financial statements in conformity with GAAP, we are required to make estimates and assumptions that affect the amounts reported therein. Several of the estimates and assumptions we are required to make relate to matters that are inherently uncertain as they pertain to future events and/or events that are outside of our control. If there is a significant unfavorable change to current conditions, it could result in a material adverse impact to our consolidated results of operations, financial position and liquidity. We believe that the estimates and assumptions we used when preparing our financial statements were the most appropriate at that time. Presented below are those accounting policies that we believe require subjective and complex judgments that could potentially affect reported results. However, our businesses operate in environments where we are paid a fee for a service performed, and therefore the results of the majority of our recurring operations are recorded in our financial statements using accounting policies that are not particularly subjective, nor complex.

Goodwill and Other Indefinite-lived Intangible Assets. We have reviewed the carrying value of our goodwill and other indefinite-lived intangible assets for impairment. In performing this review, we are required to make an assessment of fair value for our goodwill and other indefinite-lived intangible assets. When determining fair value, we utilize various assumptions, including the fair market trading price of our common stock and management's projections of future cash flows. A change in these underlying assumptions will cause a change in the results of the tests and, as such, could cause the fair value to be less than the respective carrying amount. In such event, we would then be required to record a charge, which would impact earnings. We review the carrying value of

goodwill and other indefinite-lived intangible assets for impairment annually, or more frequently if circumstances indicate that an impairment may have occurred.

Our goodwill and other indefinite-lived intangible assets are allocated among our reporting units. During 2018, 2017 and 2016, there was no impairment of goodwill and no material impairment of other intangible assets, see Note 6 to our Consolidated Financial Statements. In the future, failure to achieve our business plans, a significant deterioration of the macroeconomic conditions of the countries in which we operate, or significant changes in the assumptions and estimates that are used in our impairment testing for goodwill and indefinite-lived intangible assets (such as the discount rate) could result in significantly different estimates of fair value that could trigger an impairment of the goodwill of our reporting units or intangible assets.

Vehicles. We present vehicles at cost, net of accumulated depreciation, on the Consolidated Balance Sheets. We record the initial cost of the vehicle, net of incentives and allowances from manufacturers. We acquire our rental vehicles either through repurchase and guaranteed depreciation programs with certain automobile manufacturers or outside of such programs. For rental vehicles purchased under such programs, we depreciate the vehicles such that the net book value on the date of sale or return to the manufacturers is intended to equal the contractual guaranteed residual values. For risk vehicles, acquired outside of manufacturer repurchase and guaranteed depreciation programs, we depreciate based on the vehicles' estimated residual market values at their expected dates of disposition. The estimation of residual values requires the Company to make assumptions regarding the age and mileage of the vehicle at the time of disposal, as well as expected used vehicle market conditions. The Company regularly evaluates estimated residual values and adjusts depreciation rates as appropriate. Differences between actual residual values and those estimated result in a gain or loss on disposal and are recorded as part of vehicle depreciation and lease charges, net, at the time of sale. See Note 2 to our Consolidated Financial Statements.

Income Taxes. We account for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been reflected in the financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. The Tax Act enacted in the fourth quarter of 2017 included a change in the U.S. federal corporate income tax rate. For more information regarding the accounting for the effects of the Tax Act, see Note 8 of our Consolidated Financial Statements.

We record net deferred tax assets to the extent we believe these assets will more likely than not be realized. In making such determination, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies and recent results of operations. In the event we were to determine that we would be able to realize deferred income tax assets in the future in excess of their net recorded amount, we would make an adjustment to the valuation allowance which would reduce the provision for income taxes. Currently we do not record valuation allowances on the majority of our tax loss carryforwards as there are adequate deferred tax liabilities that could be realized within the carryforward period.

See Notes 2 and 8 to our Consolidated Financial Statements for more information regarding income taxes.

Public Liability, Property Damage and Other Insurance Liabilities. Insurance liabilities on our Consolidated Balance Sheets include supplemental liability insurance, personal effects protection insurance, public liability, property damage and personal accident insurance claims for which we are self-insured. We estimate the required liability of such claims on an undiscounted basis utilizing an actuarial method that is based upon various assumptions which include, but are not limited to, our historical loss experience and projected loss development factors. The required liability is also subject to adjustment in the future based upon changes in claims experience, including changes in the number of incidents for which we are ultimately liable and changes in the cost per incident.

Adoption of New Accounting Pronouncements

For a description of our adoption of new accounting pronouncements and the impact thereof on our business, see Note 2 to our Consolidated Financial Statements.

Recently Issued Accounting Pronouncements

For a description of recently issued accounting pronouncements and the impact thereof on our business, see Note 2 to our Consolidated Financial Statements.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to a variety of market risks, including changes in currency exchange rates, interest rates and gasoline prices. We manage our exposure to market risks through our regular operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments, particularly currency forward contracts to manage and reduce currency exchange rate risk; swap contracts, futures and options contracts, to manage and reduce the interest rate risk related to our debt; and derivative commodity instruments to manage and reduce the risk of changing unleaded gasoline prices.

We are exclusively an end user of these instruments. We do not engage in trading, market-making or other speculative activities in the derivatives markets. We manage our exposure to counterparty credit risk related to our use of derivatives through specific minimum credit standards, diversification of counterparties, and procedures to monitor concentrations of credit risk. Our counterparties are substantial investment and commercial banks with significant experience providing such derivative instruments.

Our total market risk is influenced by a wide variety of factors including the volatility present within the markets and the liquidity of the markets. There are certain limitations inherent in the sensitivity analyses discussed below. These "shock tests" are constrained by several factors, including the necessity to conduct the analysis based on a single point in time and the inability to include the complex market reactions that normally would arise from the market shifts modeled. For additional information regarding our borrowings and financial instruments, see Notes 12, 13 and 18 to our Consolidated Financial Statements.

Currency Risk Management

We have exposure to currency exchange rate fluctuations worldwide and particularly with respect to the Australian, Canadian and New Zealand dollars, the euro and British pound sterling. We use currency forward contracts and currency swap contracts to manage exchange rate risk that arises from certain intercompany transactions and from non-functional currency denominated assets and liabilities and earnings denominated in non-U.S. dollar currencies. Our currency forward contracts are often not designated as hedges and therefore changes in the fair value of these derivatives are recognized in earnings as they occur. We anticipate that such currency exchange rate risk will remain a market risk exposure for the foreseeable future.

We assess our market risk based on changes in currency exchange rates utilizing a sensitivity analysis. The sensitivity analysis measures the potential impact on earnings, cash flows and fair values based on a hypothetical 10% appreciation or depreciation in the value of the underlying currencies being hedged, against the U.S. dollar at December 31, 2018. With all other variables held constant, a hypothetical 10% change (increase or decrease) in currency exchange rates would not have a material impact on our 2018 earnings. Because unrealized gains or losses related to foreign currency forward and swap contracts are expected to be offset by corresponding gains or losses on the underlying exposures being hedged, when combined, these foreign currency contracts and the offsetting underlying commitments do not create a material impact on our Consolidated Financial Statements.

Interest Rate Risk Management

Our primary interest rate exposure at December 31, 2018 was interest rate fluctuations in the U.S., specifically LIBOR and commercial paper interest rates due to their impact on variable rate borrowings and other interest rate sensitive liabilities. We use interest rate swaps and caps to manage our exposure to interest rate movements. We anticipate that LIBOR and commercial paper rates will remain a primary market risk exposure for the foreseeable future.

We assess our market risk based on changes in interest rates utilizing a sensitivity analysis. Based on our interest rate exposures and derivatives as of December 31, 2018, we estimate that a 10% change in interest rates would not have a material impact on our 2018 earnings. Because gains or losses related to interest rate derivatives are expected to be offset by corresponding gains or losses on the underlying exposures being hedged, when combined, these interest rate contracts and the offsetting underlying commitments do not create a material impact on our Consolidated Financial Statements.

Commodity Risk Management

We have commodity price exposure related to fluctuations in the price of gasoline. We anticipate that such commodity risk will remain a market risk exposure for the foreseeable future. We determined that a hypothetical 10% change in the price of gasoline would not have a material impact on our earnings as of December 31, 2018.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

See Consolidated Financial Statements and Consolidated Financial Statement Index commencing on Page F-1 hereof.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

- (a) *Disclosure Controls and Procedures.* Under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, our management conducted an evaluation of the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")). Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of the end of the period covered by this annual report.
- (b) *Management's Annual Report on Internal Control Over Financial Reporting.* Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. Our management assessed the effectiveness of our internal control over financial reporting as of December 31, 2018. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in *Internal Control - Integrated Framework (2013)*. Based on this assessment, our management believes that, as of December 31, 2018, our internal control over financial reporting was effective. The effectiveness of the Company's internal control over financial reporting as of December 31, 2018, has been audited by Deloitte & Touche LLP, an independent registered public accounting firm. Their attestation report is included below.
- (c) *Changes in Internal Control Over Financial Reporting.* During the fiscal quarter to which this report relates, there has been no change in the Company's internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of
Avis Budget Group, Inc.
Parsippany, New Jersey

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Avis Budget Group, Inc. and subsidiaries (the "Company") as of December 31, 2018, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2018, based on criteria established in Internal Control - Integrated Framework (2013) issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements and financial statement schedule as of and for the year ended December 31, 2018 of the Company and our report dated February 21, 2019 expressed an unqualified opinion on those consolidated financial statements and financial statement schedule.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ DELOITTE & TOUCHE LLP
New York, New York
February 21, 2019

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information contained in the Company's Annual Proxy Statement under the sections titled "Election of Directors - Biographical Information for Nominees," "Election of Directors - Director Nomination Process," "Corporate Governance - Functions and Meetings of the Board of Directors," "Corporate Governance - Functions and Meetings of the Board of Directors - Codes of Conduct," "Corporate Governance - Committees of the Board of Directors," "Executive Officers" and "Section 16(a) Beneficial Ownership Reporting Compliance" is incorporated herein by reference in response to this item.

ITEM 11. EXECUTIVE COMPENSATION

The information contained in the Company's Annual Proxy Statement under the section titled "Executive Compensation" is incorporated herein by reference in response to this item.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information contained in the Company's Annual Proxy Statement under the section titled "Security Ownership of Certain Beneficial Owners" is incorporated herein by reference in response to this item.

Information concerning our equity compensation plans is included in Part II of this report under the caption "Securities Authorized for Issuance under Equity Compensation Plans."

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information contained in the Company's Annual Proxy Statement under the section titled "Corporate Governance - Related Person Transactions" and "Corporate Governance - Functions and Meetings of the Board of Directors - Director Independence" is incorporated herein by reference in response to this item.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information contained in the Company's Annual Proxy Statement under the section titled "Proposals To Be Voted On At Meeting-Proposal No. 2: Ratification of Appointment of Auditors" is incorporated herein by reference in response to this item.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

ITEM 15(A)(1). FINANCIAL STATEMENTS

See Consolidated Financial Statements and Consolidated Financial Statements Index commencing on page F-1 hereof.

ITEM 15(A)(2). FINANCIAL STATEMENT SCHEDULES

See Schedule II – Valuation and Qualifying Accounts for the years ended December 31, 2018, 2017 and 2016 commencing on page G-1 hereof.

ITEM 15(A)(3). EXHIBITS

See Exhibit Index commencing on page H-1 hereof.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AVIS BUDGET GROUP, INC.

By: _____ /s/ DAVID T. CALABRIA

David T. Calabria

Senior Vice President and Chief Accounting Officer

Date: February 21, 2019

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ LARRY D. DE SHON</u> (Larry D. De Shon)	President, Chief Executive Officer and Director	February 21, 2019
<u>/s/ MARTYN SMITH</u> (Martyn Smith)	Interim Chief Financial Officer	February 21, 2019
<u>/s/ DAVID T. CALABRIA</u> (David T. Calabria)	Senior Vice President and Chief Accounting Officer	February 21, 2019
<u>/s/ BRIAN CHOI</u> (Brian Choi)	Director	February 21, 2019
<u>/s/ MARY C. CHOKSI</u> (Mary C. Choksi)	Director	February 21, 2019
<u>/s/ LEONARD S. COLEMAN, JR.</u> (Leonard S. Coleman, Jr.)	Chairman of the Board of Directors	February 21, 2019
<u>/s/ JEFFREY H. FOX</u> (Jeffrey H. Fox)	Director	February 21, 2019
<u>/s/ LYNN KROMINGA</u> (Lynn Krominga)	Director	February 21, 2019
<u>/s/ GLENN LURIE</u> (Glenn Lurie)	Director	February 21, 2019
<u>/s/ EDUARDO G. MESTRE</u> (Eduardo G. Mestre)	Director	February 21, 2019
<u>/s/ JAGDEEP PAHWA</u> (Jagdeep Pahwa)	Director	February 21, 2019
<u>/s/ F. ROBERT SALERNO</u> (F. Robert Salerno)	Director	February 21, 2019
<u>/s/ FRANCIS J. SHAMMO</u> (Francis J. Shammo)	Director	February 21, 2019
<u>/s/ CARL SPARKS</u> (Carl Sparks)	Director	February 21, 2019
<u>/s/ SANOKE VISWANATHAN</u> (Sanoke Viswanathan)	Director	February 21, 2019

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of
Avis Budget Group, Inc.
Parsippany, New Jersey

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Avis Budget Group, Inc. and subsidiaries (the "Company") as of December 31, 2018 and 2017, and the related consolidated statements of operations, comprehensive income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2018, and the related notes and the schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2018 and 2017, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2018, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2018, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 21, 2019, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ DELOITTE & TOUCHE LLP
New York, New York
February 21, 2019

We have served as the Company's auditor since 1997.

Avis Budget Group, Inc.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share data)

	Year Ended December 31,		
	2018	2017	2016
Revenues	\$ 9,124	\$ 8,848	\$ 8,659
Expenses			
Operating	4,639	4,472	4,382
Vehicle depreciation and lease charges, net	2,179	2,221	2,047
Selling, general and administrative	1,220	1,120	1,134
Vehicle interest, net	314	286	284
Non-vehicle related depreciation and amortization	256	259	253
Interest expense related to corporate debt, net:			
Interest expense	188	188	203
Early extinguishment of debt	19	3	27
Restructuring and other related charges	22	63	29
Transaction-related costs, net	20	23	21
Impairment	—	2	—
Total expenses	<u>8,857</u>	<u>8,637</u>	<u>8,380</u>
Income before income taxes	267	211	279
Provision for (benefit from) income taxes	<u>102</u>	<u>(150)</u>	<u>116</u>
Net income	<u>\$ 165</u>	<u>\$ 361</u>	<u>\$ 163</u>
Earnings per share			
Basic	\$ 2.08	\$ 4.32	\$ 1.78
Diluted	\$ 2.06	\$ 4.25	\$ 1.75

See Notes to Consolidated Financial Statements.

Avis Budget Group, Inc.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions)

	Year Ended December 31,		
	2018	2017	2016
Net income	\$ 165	\$ 361	\$ 163
Other comprehensive income (loss), net of tax			
Currency translation adjustments, net of tax of \$(8), \$33 and \$(9), respectively	\$ (81)	\$ 110	\$ 41
Available-for-sale securities:			
Net unrealized gains (losses) on available-for-sale securities, net of tax of \$0, \$(1), and \$(1), respectively	—	1	1
Cash flow hedges:			
Net unrealized holding gains (losses), net of tax of \$0, \$0, and \$(1), respectively	(2)	1	—
Reclassification of cash flow hedges to earnings, net of tax of \$1, \$(2), and \$(2), respectively	(2)	2	4
Minimum pension liability adjustment:			
Pension and post-retirement benefits, net of tax of \$6, \$(4), and \$21, respectively	(23)	11	(57)
Reclassification of pension and post-retirement benefits to earnings, net of tax of \$(2), \$(3), and \$(2), respectively	5	5	4
	<u>(103)</u>	<u>130</u>	<u>(7)</u>
Total comprehensive income	<u>\$ 62</u>	<u>\$ 491</u>	<u>\$ 156</u>

See Notes to Consolidated Financial Statements.

Avis Budget Group, Inc.
CONSOLIDATED BALANCE SHEETS
(In millions, except par value)

	December 31,	
	2018	2017
Assets		
Current assets:		
Cash and cash equivalents	\$ 615	\$ 611
Receivables (net of allowance for doubtful accounts of \$39 and \$36, respectively)	955	922
Other current assets	604	533
Total current assets	2,174	2,066
Property and equipment, net	736	704
Deferred income taxes	1,301	931
Goodwill	1,092	1,073
Other intangibles, net	825	850
Other non-current assets	242	196
Total assets exclusive of assets under vehicle programs	6,370	5,820
Assets under vehicle programs:		
Program cash	115	283
Vehicles, net	11,474	10,626
Receivables from vehicle manufacturers and other	631	547
Investment in Avis Budget Rental Car Funding (AESOP) LLC—related party	559	423
	12,779	11,879
Total assets	\$ 19,149	\$ 17,699
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and other current liabilities	\$ 1,693	\$ 1,619
Short-term debt and current portion of long-term debt	23	26
Total current liabilities	1,716	1,645
Long-term debt	3,528	3,573
Other non-current liabilities	767	717
Total liabilities exclusive of liabilities under vehicle programs	6,011	5,935
Liabilities under vehicle programs:		
Debt	2,874	2,741
Debt due to Avis Budget Rental Car Funding (AESOP) LLC—related party	7,358	6,480
Deferred income taxes	1,961	1,594
Other	531	376
	12,724	11,191
Commitments and contingencies (Note 14)		
Stockholders' equity:		
Preferred stock, \$.01 par value—authorized 10 shares; none issued and outstanding	—	—
Common stock, \$.01 par value—authorized 250 shares; issued 137 shares, respectively	1	1
Additional paid-in capital	6,771	6,820
Accumulated deficit	(1,091)	(1,222)
Accumulated other comprehensive loss	(133)	(24)
Treasury stock, at cost—61 and 56 shares, respectively	(5,134)	(5,002)
Total stockholders' equity	414	573
Total liabilities and stockholders' equity	\$ 19,149	\$ 17,699

See Notes to Consolidated Financial Statements.

Avis Budget Group, Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

	Year Ended December 31,		
	2018	2017	2016
Operating activities			
Net income	\$ 165	\$ 361	\$ 163
Adjustments to reconcile net income to net cash provided by operating activities:			
Vehicle depreciation	1,974	1,947	1,877
(Gain) loss on sale of vehicles, net	(48)	52	(10)
Non-vehicle related depreciation and amortization	256	259	253
Deferred income taxes	14	(192)	51
Stock-based compensation	24	13	27
Amortization of debt financing fees	28	34	37
Early extinguishment of debt costs	19	3	27
Net change in assets and liabilities:			
Receivables	(44)	(59)	(65)
Income taxes	35	(16)	5
Accounts payable and other current liabilities	48	49	2
Other, net	138	197	273
Net cash provided by operating activities	2,609	2,648	2,640
Investing activities			
Property and equipment additions	(231)	(197)	(190)
Proceeds received on asset sales	17	8	19
Net assets acquired (net of cash acquired)	(91)	(21)	(55)
Other, net	(44)	5	1
Net cash used in investing activities exclusive of vehicle programs	(349)	(205)	(225)
<i>Vehicle programs:</i>			
Investment in vehicles	(12,589)	(11,538)	(12,461)
Proceeds received on disposition of vehicles	9,648	9,600	10,504
Investment in debt securities of Avis Budget Rental Car Funding (AESOP)—related party	(188)	(61)	—
Proceeds from debt securities of Avis Budget Rental Car Funding (AESOP)—related party	52	—	—
	(3,077)	(1,999)	(1,957)
Net cash used in investing activities	(3,426)	(2,204)	(2,182)
Financing activities			
Proceeds from long-term borrowings	485	589	894
Payments on long-term borrowings	(515)	(602)	(847)
Net change in short-term borrowings	(4)	(4)	4
Debt financing fees	(15)	(9)	(20)
Repurchases of common stock	(216)	(210)	(398)
Other, net	3	1	—
Net cash used in financing activities exclusive of vehicle programs	(262)	(235)	(367)

Avis Budget Group, Inc.
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(In millions)

	Year Ended December 31,		
	2018	2017	2016
<i>Vehicle programs:</i>			
Proceeds from borrowings	17,339	17,212	15,769
Payments on borrowings	(16,385)	(17,269)	(15,826)
Debt financing fees	(25)	(16)	(25)
	<u>929</u>	<u>(73)</u>	<u>(82)</u>
Net cash provided by (used in) financing activities	<u>667</u>	<u>(308)</u>	<u>(449)</u>
Effect of changes in exchange rates on cash and cash equivalents, program and restricted cash	(16)	45	(6)
Net (decrease) increase in cash and cash equivalents, program and restricted cash	(166)	181	3
Cash and cash equivalents, program and restricted cash, beginning of period	901	720	717
Cash and cash equivalents, program and restricted cash, end of period	<u>\$ 735</u>	<u>\$ 901</u>	<u>\$ 720</u>
Supplemental disclosure			
Interest payments	\$ 497	\$ 460	\$ 461
Income tax payments, net	\$ 53	\$ 58	\$ 60

See Notes to Consolidated Financial Statements.

Avis Budget Group, Inc.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In millions)

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Treasury Stock		Total Stockholders' Equity
	Shares	Amount				Shares	Amount	
Balance at January 1, 2016	137.1	\$ 1	\$ 7,010	\$ (1,802)	\$ (147)	(39.3)	\$ (4,623)	\$ 439
Comprehensive income:								
Net income	—	—	—	163	—	—	—	
Other comprehensive loss	—	—	—	—	(7)	—	—	
Total comprehensive income								156
Non-controlling interest	—	—	5	—	—	—	—	5
Net activity related to restricted stock units	—	—	(89)	—	—	0.5	104	15
Exercise of stock options	—	—	(2)	—	—	—	2	—
Change in excess tax benefit on equity awards	—	—	(5)	—	—	—	—	(5)
Activity related to employee stock purchase plan	—	—	(1)	—	—	—	2	1
Repurchase of common stock	—	—	—	—	—	(12.3)	(390)	(390)
Balance at December 31, 2016	137.1	\$ 1	\$ 6,918	\$ (1,639)	\$ (154)	(51.1)	\$ (4,905)	\$ 221
Cumulative effect of accounting change	—	—	—	56	—	—	—	56
Comprehensive income:								
Net income	—	—	—	361	—	—	—	
Other comprehensive income	—	—	—	—	130	—	—	
Total comprehensive income								491
Non-controlling interest	—	—	1	—	—	—	—	1
Net activity related to restricted stock units	—	—	(50)	—	—	0.4	54	4
Exercise of stock options	—	—	(48)	—	—	0.5	48	—
Activity related to employee stock purchase plan	—	—	(1)	—	—	—	1	—
Repurchase of common stock	—	—	—	—	—	(6.1)	(200)	(200)
Balance at December 31, 2017	137.1	\$ 1	\$ 6,820	\$ (1,222)	\$ (24)	(56.3)	\$ (5,002)	\$ 573
Cumulative effect of accounting change	—	—	—	(34)	(6)	—	—	(40)
Comprehensive income:								
Net income	—	—	—	165	—	—	—	
Other comprehensive loss	—	—	—	—	(103)	—	—	
Total comprehensive income								62
Net activity related to restricted stock units	—	—	(31)	—	—	0.5	48	17
Exercise of stock options	—	—	(17)	—	—	0.2	19	2
Activity related to employee stock purchase plan	—	—	(1)	—	—	—	1	—
Repurchase of common stock	—	—	—	—	—	(5.9)	(200)	(200)
Balance at December 31, 2018	137.1	\$ 1	\$ 6,771	\$ (1,091)	\$ (133)	(61.5)	\$ (5,134)	\$ 414

See Notes to Consolidated Financial Statements.

Avis Budget Group, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unless otherwise noted, all dollar amounts are in millions, except per share amounts)

1. Basis of Presentation

Avis Budget Group, Inc. provides mobility solutions to businesses and consumers worldwide. The accompanying Consolidated Financial Statements include the accounts and transactions of Avis Budget Group, Inc. and its subsidiaries, as well as entities in which Avis Budget Group, Inc. directly or indirectly has a controlling financial interest (collectively, the "Company").

The Company operates the following reportable business segments:

- **Americas**—consisting primarily of (i) vehicle rental operations in North America, South America, Central America and the Caribbean, (ii) car sharing operations in certain of these markets, and (iii) licensees in the areas in which the Company does not operate directly.
- **International**—consisting primarily of (i) vehicle rental operations in Europe, the Middle East, Africa, Asia and Australasia, (ii) car sharing operations in certain of these markets, and (iii) licensees in the areas in which the Company does not operate directly.

The Company has completed the business acquisitions discussed in Note 5 to these Consolidated Financial Statements. The operating results of the acquired businesses are included in the accompanying Consolidated Financial Statements from the dates of acquisition.

The Company presents separately the financial data of its vehicle programs. These programs are distinct from the Company's other activities since the assets under vehicle programs are generally funded through the issuance of debt that is collateralized by such assets. The income generated by these assets is used, in part, to repay the principal and interest associated with the debt. Cash inflows and outflows relating to the acquisition of such assets and the principal debt repayment or financing of such assets are classified as activities of the Company's vehicle programs. The Company believes it is appropriate to segregate the financial data of its vehicle programs because, ultimately, the source of repayment of such debt is the realization of such assets.

2. Summary of Significant Accounting Policies

Accounting Principles

The Company's Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Principles of Consolidation

The Consolidated Financial Statements include the accounts of the Company and all entities in which it has a direct or indirect controlling financial interest and variable interest entities for which the Company has determined it is the primary beneficiary. Intercompany transactions have been eliminated in consolidation.

Use of Estimates and Assumptions

The use of estimates and assumptions as determined by management is required in the preparation of the Consolidated Financial Statements in conformity with GAAP. These estimates are based on management's evaluation of historical trends and other information available when the Consolidated Financial Statements are prepared and may affect the amounts reported and related disclosures. Actual results could differ from those estimates.

Revenue Recognition

The Company derives revenues primarily by providing vehicle rentals and other related products and mobility services to commercial and leisure customers, as well as through licensing of its rental systems. Other related products and mobility services include sales of collision and loss damage waivers under which a customer is relieved from financial responsibility arising from vehicle damage incurred during the

rental; products and services for driving convenience such as fuel service options, chauffeur drive services, roadside safety net, electronic toll collection, tablet rentals, access to satellite radio, portable navigation units and child safety seat rentals; and rentals of other supplemental items including automobile towing equipment and other moving accessories and supplies. The Company also receives payment from customers for certain operating expenses that it incurs, including airport concession fees that are paid by the Company in exchange for the right to operate at airports and other locations, as well as vehicle licensing fees. In addition, the Company collects membership fees in connection with its car sharing business.

Prior to January 1, 2018, the Company recognized revenue when persuasive evidence of an arrangement existed, the services had been rendered to the customer, the pricing was fixed and determinable and collection was reasonably assured. Vehicle and rental-related revenue was recognized over the period the vehicle was rented.

For periods beginning after January 1, 2018, revenue is recognized when obligations under the terms of a contract with the customer are satisfied; generally this occurs evenly over the contract (over time); when control of the promised products or services is transferred to the customer. Revenue is measured as the amount of consideration the Company expects to be entitled to receive in exchange for transferring products or services. Certain customers may receive cash-based rebates, which are accounted for as variable consideration. The Company estimates these rebates based on the expected amount to be provided to customers and reduces revenue recognized. Vehicle rental and rental-related revenues are recognized evenly over the period of rental. Licensing revenues principally consist of royalties paid by the Company's licensees and are recorded as the licensees' revenues are earned (over the rental period). The Company renews license agreements in the normal course of business and occasionally terminates, purchases or sells license agreements. In connection with ongoing fees that the Company receives from its licensees pursuant to license agreements, the Company is required to provide certain services, such as training, marketing and the operation of reservation systems.

The Company excludes from the measurement of its transaction price any tax assessed by a governmental authority that is both imposed on and concurrent with a specific revenue-producing transaction and collected from a customer. As a result, revenue is recorded net of such taxes collected. Revenues and expenses associated with gasoline, airport concessions and vehicle licensing are recorded on a gross basis within revenues and operating expenses. Membership fees related to the Company's car sharing business are generally nonrefundable, are deferred and recognized ratably over the period of membership.

The following table presents the Company's revenues disaggregated by geography.

	Year Ended December 31, 2018	
Americas	\$	6,186
Europe, Middle East and Africa		2,314
Asia and Australasia		624
Total revenues	\$	<u>9,124</u>

The following table presents the Company's revenues disaggregated by brand.

	December 31, 2018	
Avis	\$	5,266
Budget		3,057
Other		801
Total revenues	\$	<u>9,124</u>

Other includes Zipcar and other operating brands.

Contract Liabilities

The Company records deferred revenues when cash payments are received in advance of satisfying its performance obligations, including amounts that are refundable. In addition, certain customers earn loyalty points on rentals, for which the Company defers a portion of its rental revenues generally equivalent to the estimated retail value of points expected to be redeemed. The Company estimates points that will never be redeemed based upon actual redemption and expiration patterns. Currently loyalty points expire at the earlier of 12 months of member inactivity or five years from when they were earned. Future changes to expiration assumptions or expiration policy, or to program rules, may result in changes to deferred revenue as well as recognized revenues from the program.

The following table presents changes in the Company's contract liabilities during the year ended December 31, 2018.

	Balance at January 1, 2018	Revenue deferred	Revenue recognized	Balance at December 31, 2018
Prepaid rentals ^(a)	\$ 101	\$ 1,764	\$ 1,761	\$ 104
Other deferred revenue ^(b)	93	218	228	83
Total deferred revenue	<u>\$ 194</u>	<u>\$ 1,982</u>	<u>\$ 1,989</u>	<u>\$ 187</u>

^(a) At December 31, 2018, included in accounts payable and other current liabilities.

^(b) At December 31, 2018, \$36 million included in accounts payable and other current liabilities and \$47 million in other non-current liabilities. Non-current amounts are expected to be recognized as revenue within two to three years.

Currency Translation

Assets and liabilities of foreign operations are translated at the rate of exchange in effect on the balance sheet date; income and expenses are translated at the prevailing monthly average rate of exchange. The related translation adjustments are reflected in accumulated other comprehensive income (loss) in the stockholders' equity section of the Consolidated Balance Sheets and in the Consolidated Statements of Comprehensive Income. The accumulated currency translation adjustment as of December 31, 2018 and 2017 was a loss of \$3 million and a gain of \$71 million, respectively. The Company has designated its euro-denominated Notes as a hedge of its investment in euro-denominated foreign operations and, accordingly, records the effective portion of gains or losses on this net investment hedge in accumulated other comprehensive income (loss) as part of currency translation adjustments.

Cash and Cash Equivalents, Program Cash and Restricted Cash

The Company considers highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. Program cash primarily represents amounts specifically designated to purchase assets under vehicle programs and/or to repay the related debt, as such the Company considers it a restricted cash equivalent. The following table provides a detail of cash and cash equivalents, program and restricted cash reported within the Consolidated Balance Sheets to the amounts shown in the Consolidated Statements of Cash Flows:

	As of December 31,	
	2018	2017
Cash and cash equivalents	\$ 615	\$ 611
Program cash	115	283
Restricted cash ^(a)	5	7
Total cash and cash equivalents, program and restricted cash	<u>\$ 735</u>	<u>\$ 901</u>

^(a) Included within other current assets.

Property and Equipment

Property and equipment (including leasehold improvements) are stated at cost, net of accumulated depreciation and amortization. Depreciation (non-vehicle related) is computed utilizing the straight-line

method over the estimated useful lives of the related assets. Amortization of leasehold improvements is computed utilizing the straight-line method over the estimated benefit period of the related assets, which may not exceed 20 years, or the lease term, if shorter. Useful lives are as follows:

Buildings	30 years
Furniture, fixtures & equipment	3 to 10 years
Capitalized software	3 to 7 years
Buses and support vehicles	4 to 15 years

The Company capitalizes the costs of software developed for internal use when the preliminary project stage is completed and management (i) commits to funding the project and (ii) believes it is probable that the project will be completed and the software will be used to perform the function intended. The software developed or obtained for internal use is amortized on a straight-line basis commencing when such software is ready for its intended use. The net carrying value of software developed or obtained for internal use was \$188 million and \$196 million as of December 31, 2018 and 2017, respectively.

Goodwill and Other Intangible Assets

Goodwill represents the excess, if any, of the fair value of the consideration transferred by the acquirer and the fair value of any non-controlling interest remaining in the acquiree, if any, over the fair values of the identifiable net assets acquired. The Company does not amortize goodwill, but assesses it for impairment at least annually and whenever events or changes in circumstances indicate that the carrying amounts of their respective reporting units exceed their fair values. The Company performs its annual impairment assessment in the fourth quarter of each year at the reporting unit level. The Company assesses goodwill for such impairment by comparing the carrying value of each reporting unit to its fair value using the present value of expected future cash flows. When appropriate, comparative market multiples and other factors are used to corroborate the discounted cash flow results.

Other intangible assets, primarily trademarks, with indefinite lives are not amortized but are evaluated annually for impairment and whenever events or changes in circumstances indicate that the carrying amount of this asset may exceed its fair value. If the carrying value of an other intangible asset exceeds its fair value, an impairment loss is recognized in an amount equal to that excess. Other intangible assets with finite lives are amortized over their estimated useful lives and are evaluated each reporting period to determine if circumstances warrant a revision to these lives.

Impairment of Long-Lived Assets

The Company is required to assess long-lived assets for impairment whenever circumstances indicate impairment may have occurred. This analysis is performed by comparing the respective carrying values of the assets to the undiscounted expected future cash flows to be generated from such assets. Property and equipment is evaluated separately at the lowest level of identifiable cash flows. If such analysis indicates that the carrying value of these assets is not recoverable, the carrying value of such assets is reduced to fair value.

Vehicles

Vehicles are stated at cost, net of accumulated depreciation. The initial cost of the vehicles is recorded net of incentives and allowances from manufacturers. The Company acquires a portion of its rental vehicles pursuant to repurchase and guaranteed depreciation programs established by automobile manufacturers. Under these programs, the manufacturers agree to repurchase vehicles at a specified price and date, or guarantee the depreciation rate for a specified period of time, subject to certain eligibility criteria (such as car condition and mileage requirements). The Company depreciates vehicles such that the net book value on the date of return to the manufacturers is intended to equal the contractual guaranteed residual values, thereby minimizing any gain or loss.

Rental vehicles acquired outside of manufacturer repurchase and guaranteed depreciation programs are depreciated based upon their estimated residual values at their expected dates of disposition, after giving effect to anticipated conditions in the used car market. Any adjustments to depreciation are made prospectively.

The estimation of residual values requires the Company to make assumptions regarding the age and mileage of the car at the time of disposal, as well as expected used vehicle auction market conditions. The Company regularly evaluates estimated residual values and adjusts depreciation rates as appropriate. Differences between actual residual values and those estimated result in a gain or loss on disposal and are recorded as part of vehicle depreciation at the time of sale. Vehicle-related interest expense amounts are net of vehicle-related interest income of \$15 million, \$8 million and \$18 million for 2018, 2017 and 2016, respectively.

Advertising Expenses

Advertising costs are generally expensed in the period incurred and are recorded within selling, general and administrative expense in the Company's Consolidated Statements of Operations. During 2018, 2017 and 2016, advertising costs were approximately \$116 million, \$111 million and \$127 million, respectively.

Taxes

The Company accounts for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. For information regarding the accounting for the effects of the Tax Cuts and Jobs Act (the "Tax Act"), see Note 8- Income Taxes.

The Company records net deferred tax assets to the extent it believes that it is more likely than not that these assets will be realized. In making such determination, the Company considers all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax planning strategies and recent results of operations. In the event the Company were to determine that it would be able to realize the deferred income tax assets in the future in excess of their net recorded amount, the Company would adjust the valuation allowance, which would reduce the provision for income taxes.

Fair Value Measurements

The Company measures fair value of assets and liabilities and discloses the source for such fair value measurements. Financial assets and liabilities are classified as follows: Level 1, which refers to assets and liabilities valued using quoted prices from active markets for identical assets or liabilities; Level 2, which refers to assets and liabilities for which significant other observable market inputs are readily available; and Level 3, which are valued based on significant unobservable inputs.

The fair value of the Company's financial instruments is generally determined by reference to market values resulting from trading on a national securities exchange or in an over-the-counter market (Level 1 inputs). In some cases where quoted market prices are not available, prices are derived by considering the yield of the benchmark security that was issued to initially price the instruments and adjusting this rate by the credit spread that market participants would demand for the instruments as of the measurement date (Level 2 inputs). In situations where long-term borrowings are part of a conduit facility backed by short-term floating rate debt, the Company has determined that its carrying value approximates the fair value of this debt (Level 2 inputs). The carrying amounts of cash and cash equivalents, available-for-sale securities, accounts receivable, program cash and accounts payable and accrued liabilities approximate fair value due to the short-term maturities of these assets and liabilities.

The Company's derivative assets and liabilities consist principally of currency exchange contracts, interest rate swaps, interest rate caps and commodity contracts, and are carried at fair value based on significant observable inputs (Level 2 inputs). Derivatives entered into by the Company are typically executed over-the-counter and are valued using internal valuation techniques, as no quoted market prices exist for such instruments. The valuation technique and inputs depend on the type of derivative and the nature of the underlying exposure. The Company principally uses discounted cash flows to value these instruments. These models take into account a variety of factors including, where applicable, maturity, currency exchange rates, interest rate yield curves of the Company and counterparties, credit curves, counterparty

creditworthiness and commodity prices. These factors are applied on a consistent basis and are based upon observable inputs where available.

Derivative Instruments

Derivative instruments are used as part of the Company's overall strategy to manage exposure to market risks associated with fluctuations in currency exchange rates, interest rates and gasoline costs. As a matter of policy, derivatives are not used for trading or speculative purposes.

All derivatives are recorded at fair value either as assets or liabilities. Changes in fair value of derivatives not designated as hedging instruments are recognized currently in earnings within the same line item as the hedged item. The effective portion of changes in fair value of a derivative that is designated as either a cash flow or net investment hedge is recorded as a component of accumulated other comprehensive income (loss). The ineffective portion is recognized in earnings within the same line item as the hedged item, including vehicle interest, net or interest related to corporate debt, net. Amounts included in accumulated other comprehensive income (loss) are reclassified into earnings in the same period during which the hedged item affects earnings. Amounts related to our derivative instruments are recognized in the Consolidated Statements of Cash Flows consistent with the nature of the hedged item (principally operating activities).

Currency Transactions

Currency gains and losses resulting from foreign currency transactions are generally included in operating expenses within the Consolidated Statement of Operations; however, the net gain or loss of currency transactions on intercompany loans and the unrealized gain or loss on intercompany loan hedges are included within interest expense related to corporate debt, net. During the years ended December 31, 2018 and 2017, the Company recorded a gain of \$3 million, in each period, and during the year ended December 31, 2016, the Company recorded a loss of \$6 million on such items.

Self-Insurance Reserves

The Consolidated Balance Sheets include \$421 million and \$422 million of liabilities associated with retained risks of liability to third parties as of December 31, 2018 and 2017, respectively. Such liabilities relate primarily to public liability and third-party property damage claims, as well as claims arising from the sale of ancillary insurance products including but not limited to supplemental liability, personal effects protection and personal accident insurance. These obligations represent an estimate for both reported claims not yet paid and claims incurred but not yet reported. The estimated reserve requirements for such claims are recorded on an undiscounted basis utilizing actuarial methodologies and various assumptions which include, but are not limited to, the Company's historical loss experience and projected loss development factors. The required liability is also subject to adjustment in the future based upon changes in claims experience, including changes in the number of incidents for which the Company is ultimately liable and changes in the cost per incident. These amounts are included within accounts payable and other current liabilities and other non-current liabilities.

The Consolidated Balance Sheets also include liabilities of approximately \$60 million and \$66 million as of December 31, 2018 and 2017, respectively, related to workers' compensation, health and welfare and other employee benefit programs. The liabilities represent an estimate for both reported claims not yet paid and claims incurred but not yet reported, utilizing actuarial methodologies similar to those described above. These amounts are included within accounts payable and other current liabilities and other non-current liabilities.

Stock-Based Compensation

Stock-based compensation cost is measured at the grant date, based on the fair value of the award, and is recognized as expense on a straight-line basis over the vesting period. The Company's policy is to record compensation expense for stock options, and restricted stock units that are time- and performance-based, for the portion of the award that vests. Compensation expense related to market-based restricted stock units is recognized provided that the requisite service is rendered, regardless of when, if ever, the market condition is satisfied. We estimate the fair value of restricted stock units using the market price of the Company's common stock on the date of grant. We estimate the fair value of stock-based and cash unit awards containing a market condition using a Monte Carlo simulation model. Key inputs and assumptions

used in the Monte Carlo simulation model include the stock price of the award on the grant date, the expected term, the risk-free interest rate over the expected term, the expected annual dividend yield and the expected stock price volatility. The expected volatility is based on a combination of the historical and implied volatility of the Company's publicly traded, near-the-money stock options, and the valuation period is based on the vesting period of the awards. The risk-free interest rate is derived from the U.S. Treasury yield curve in effect at the time of grant and, since the Company does not currently pay or plan to pay a dividend on its common stock, the expected dividend yield was zero.

Business Combinations

The Company uses the acquisition method of accounting for business combinations, which requires that the assets acquired and liabilities assumed be recorded at their respective fair values at the date of acquisition. Assets acquired and liabilities assumed in a business combination that arise from contingencies are recognized if fair value can be reasonably estimated at the acquisition date. The excess, if any, of (i) the fair value of the consideration transferred by the acquirer and the fair value of any non-controlling interest remaining in the acquiree, over (ii) the fair values of the identifiable net assets acquired is recorded as goodwill. Gains and losses on the re-acquisition of license agreements are recorded in the Consolidated Statements of Operations within transaction-related costs, net, upon completion of the respective acquisition. Costs incurred to effect a business combination are expensed as incurred, except for the cost to issue debt related to the acquisition.

The Company records contingent consideration resulting from a business combination at its fair value on the acquisition date. The fair value of the contingent consideration is generally estimated by utilizing a Monte Carlo simulation technique, based on a range of possible future results (Level 3). Any changes in contingent consideration are recorded in transaction-related costs, net.

Transaction-related Costs, net

Transaction-related costs, net are classified separately in the Consolidated Statements of Operations. These costs are comprised of expenses related to acquisition-related activities such as due-diligence and other advisory costs, expenses related to the integration of the acquiree's operations with those of the Company, including the implementation of best practices and process improvements, non-cash gains and losses related to re-acquired rights, expenses related to pre-acquisition contingencies and contingent consideration related to acquisitions.

Investments

Joint venture investments are typically accounted for under the equity method of accounting. Under this method, the Company records its proportional share of the joint venture's net income or loss within operating expenses in the Consolidated Statements of Operations. The Company assesses equity method investments for impairment whenever events or changes in circumstances indicate that the carrying amounts of such investments may not be recoverable. Any difference between the carrying value of the equity method investment and its estimated fair value is recognized as an impairment charge if the loss in value is deemed other than temporary. As of December 31, 2018 and 2017, the Company had investments in joint ventures with a carrying value of \$48 million and \$32 million, respectively, recorded within other non-current assets on the Consolidated Balance Sheets.

Aggregate realized gains and losses on equity investments and dividend income are recorded within operating expenses on the Consolidated Statements of Operations. During 2018, the amounts realized from the sale of equity investments and dividend income was \$5 million and during 2017 and 2016, the amounts were not material.

Divestitures

The Company classifies long-lived assets and liabilities to be disposed of as held for sale in the period in which they are available for immediate sale in their present condition and the sale is probable and expected to be completed within one year. The Company initially measures assets and liabilities held for sale at the lower of their carrying value or fair value less costs to sell and assesses their fair value each reporting period until disposed. When the divestiture represents a strategic shift that has, or will have, a major effect on the Company's operations and financial results, the disposal is presented as a discontinued operation.

During 2018, the Company, entered into a definitive stock purchase agreement “Purchase Agreement” to sell the Company’s 50% equity method investment in Anji Car Rental & Leasing Company Limited (“Anji”), located in China, to Shanghai Automotive Industry Sales Company, Ltd., a 50% owner of Anji. Anji’s operations are reported within the Company’s International segment. The sale is expected to close in the first half of 2019 upon receiving clearance from applicable regulatory authorities in China. As of December 31, 2018, the carrying value of the Company’s 50% equity method investment in Anji is \$25 million and is recorded as assets held for sale, which is included in other non-current assets on the Consolidated Balance Sheets.

During 2018, as a result of the sale of a non-core business, the Company recognized a gain of \$4 million within operating expenses on the Consolidated Statement of Operations.

Nonmarketable Equity Securities

The Company classifies investments without readily determinable fair values that are not accounted for under the equity method as nonmarketable equity securities. The accounting guidance requires nonmarketable equity securities to be recorded at cost and adjusted to fair value at each reporting period. The Company applies the measurement alternative, which allows these investments to be recorded at cost, less impairment, if any, and subsequently adjust for observable price changes of identical or similar investments of the same issuer. Any changes in value are recorded within operating expenses. As of December 31, 2018, the Company’s carrying amount of nonmarketable equity securities is \$8 million and is recorded within other non-current assets. There were no material adjustments made to the carrying amounts of nonmarketable equity securities during the years ended December 31, 2018 and 2017.

Adoption of New Accounting Pronouncements

Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income

On January 1, 2018, as a result of a new accounting pronouncement, the Company early adopted ASU 2018-02, “Income Statement-Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income,” which allows a reclassification from accumulated other comprehensive income to retained earnings for the adjustment of deferred taxes due to the reduction of the corporate income tax rate as a result of the Tax Act. Accordingly, the Company has reclassified \$4 million of net tax benefits from accumulated other comprehensive loss to beginning accumulated deficit related to the following (see Note 15 - Stockholders’ Equity). Prior period amounts have not been retrospectively adjusted.

Currency Translation Adjustments	Net Unrealized Gains (Losses) on Cash Flow Hedges	Net Unrealized Gains (Losses) on Available-for Sale Securities	Minimum Pension Liability Adjustment	Accumulated Other Comprehensive Income (Loss)
\$ 7	\$ 1	\$ —	\$ (12)	\$ (4)

Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost

On January 1, 2018, as a result of a new accounting pronouncement, the Company adopted ASU 2017-07, “Compensation—Retirement Benefits (Topic 715): Improving the Presentation of Net Periodic Pension Costs and Net Periodic Postretirement Benefit Cost,” which requires an entity to disaggregate the components of net benefit cost recognized in its consolidated statements of operations. The adoption of this accounting pronouncement did not have a material impact on the Company’s Consolidated Financial Statements.

Recognition and Measurement of Financial Assets and Financial Liabilities

On January 1, 2018, as a result of a new accounting pronouncement, the Company adopted ASU 2016-01, “Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities” along with a related clarifying update, which makes limited amendments to the classification and measurement of financial instruments. The amendments supersede the guidance to classify equity securities with readily determinable fair values into different categories (trading or available-for-sale) and require equity securities (including other ownership interests, such as partnerships, unincorporated joint ventures, and limited liability companies) to be measured at fair value with changes in

the fair value recognized through net income. Accordingly, the Company has reclassified \$2 million of net unrealized gains associated with available for sale equity securities from accumulated other comprehensive loss to beginning accumulated deficit (see Note 15 - Stockholders' Equity). The adoption of this accounting pronouncement did not impact the Company's accounting for equity method investments.

Intra-Entity Transfers of Assets Other Than Inventory

On January 1, 2018, as a result of a new accounting pronouncement, the Company adopted ASU 2016-16, "Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory," which removes the prohibition in Topic 740 against the immediate recognition of the current and deferred income tax effects of intra-entity transfers of assets other than inventory. The adoption of this accounting pronouncement did not have an impact on the Company's Consolidated Financial Statements.

Revenue from Contracts with Customers

On January 1, 2018, as a result of a new accounting pronouncement, the Company adopted ASU 2014-09, "Revenue from Contracts with Customers (Topic 606)," which outlines a single model for entities to use in accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance. The new guidance applies to all contracts with customers except for leases, insurance contracts, financial instruments, certain nonmonetary exchanges and certain guarantees. Also, additional disclosures are required about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments. The Company has adopted the requirements of the new standard on a modified retrospective basis applied to all contracts. Prior periods have not been retrospectively adjusted. As discussed in *Leases* below, the Company's rental related revenues will be accounted for under Topic 606 until the adoption of ASU 2016-02, "Leases (Topic 842)" on January 1, 2019. Under Topic 606, each transaction that generates customer loyalty points results in the deferral of revenue generally equivalent to the estimated retail value of points expected to be redeemed. The associated revenue will be recognized at the time the customer redeems the loyalty points. Previously, the Company did not defer revenue and recorded an expense associated with the incremental cost of providing the future rental at the time when the loyalty points were earned. In the Company's Consolidated Balance Sheet at January 1, 2018, customer loyalty program liability increased approximately \$50 million related to the estimated retail value of customer loyalty points earned, with a corresponding increase to accumulated deficit (approximately \$40 million, net of tax) due to the cumulative impact of adopting Topic 606. Certain customers may receive cash-based rebates, which are accounted for as variable consideration under Topic 606. The Company estimates these rebates based on the expected amount to be provided to customers and reduces revenue recognized.

The impact of adoption of Topic 606 on the Company's Consolidated Statement of Comprehensive Income for the year ended December 31, 2018 and Consolidated December 31, 2018 Balance Sheet was as follows:

	Year Ended December 31, 2018		
	As Reported	Balances without Adoption of Topic 606	Effect of Change
Consolidated Statement of Comprehensive Income			
Revenues	\$ 9,124	\$ 9,124	\$ —
Expenses			
Operating	4,639	4,642	(3)
Total expenses	8,857	8,860	(3)
Income before income taxes	267	264	3
Provision for income taxes	102	101	1
Net income	<u>\$ 165</u>	<u>\$ 163</u>	<u>\$ 2</u>
Comprehensive income	<u>\$ 62</u>	<u>\$ 60</u>	<u>\$ 2</u>
December 31, 2018			
	As Reported	Balances without Adoption of Topic 606	Effect of Change
Consolidated Balance Sheet			
Deferred income taxes	\$ 1,301	\$ 1,292	\$ 9
Total assets exclusive of assets under vehicle programs	6,370	6,361	9
Total assets	19,149	19,140	9
Accounts payable and other current liabilities	1,693	1,688	5
Total current liabilities	1,716	1,711	5
Other non-current liabilities	767	725	42
Total liabilities exclusive of liabilities under vehicle programs	6,011	5,964	47
Accumulated deficit	(1,091)	(1,053)	(38)
Total stockholders' equity	<u>\$ 414</u>	<u>\$ 452</u>	<u>\$ (38)</u>

Income Taxes

In January 2018, the FASB issued FASB Staff Question and Answer Topic 740, No. 5: Accounting for Global Intangible Low-Taxed Income ("GILTI"), which provides guidance on accounting for the GILTI provisions of the Tax Act. The GILTI provisions impose a tax on foreign income in excess of a deemed return on tangible assets of foreign corporations. The guidance allows accounting for tax on GILTI to be treated as a deferred tax item or as a component of current period income tax expense in the year incurred, subject to an accounting policy election. The Company has elected to account for tax on GILTI as a component of current period income tax expense in the year incurred.

Recently Issued Accounting Pronouncements

Nonemployee Share-Based Payment Accounting

On January 1, 2019, as the result of a new accounting pronouncement, the Company adopted ASU 2018-07, "Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting," which simplifies the accounting for share-based payments granted to nonemployees for goods and services and aligns most of the guidance on such payments to nonemployees with the requirements for share-based payments granted to employees. The adoption of this accounting pronouncement will not have an impact on the Company's Consolidated Financial Statements.

Accounting for Hedging Activities

On January 1, 2019, as the result of a new accounting pronouncement, the Company adopted ASU 2017-12, "Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities," which amends the existing guidance to allow companies to more accurately present the economic results of an entity's risk management activities in the financial statements. The adoption of this accounting pronouncement will not have a material impact on the Company's Consolidated Financial Statements.

Leases

On January 1, 2019, as the result of a new accounting pronouncement, the Company adopted ASU 2016-02, "Leases (Topic 842)" along with related updates, which require a lessee to recognize all long-term leases on its balance sheet as a liability for its lease obligation, measured at the present value of lease payments not yet paid, and a corresponding asset representing its right to use the underlying asset over the lease term and expands disclosure of key information about leasing arrangements. Topic 842 does not significantly change a lessee's recognition, measurement and presentation of expenses and cash flows. Additionally, Topic 842 aligns key aspects of lessor accounting with the revenue recognition guidance in Topic 606 (see *Revenue from Contracts with Customers* above). The Company elected available practical expedients for existing or expired contracts of lessees and lessors wherein the Company is not required to reassess whether such contracts contain leases, the lease classification or the initial direct costs. The Company is not utilizing the practical expedient which allows the use of hindsight by lessees and lessors in determining the lease term and in assessing impairment of its right of use assets. Additionally, the Company elected as accounting policies to not recognize right of use assets or lease liabilities for short-term leases (i.e. those with a term of 12 months or less) and, by class of underlying asset, to combine lease and non-lease components in the contract. The Company utilized the transition method allowing entities to only apply the new lease standard in the year of adoption.

Adoption of this standard will result in most of the Company's operating lease commitments being recognized as operating lease liabilities and right-of-use assets, which will increase total assets and total liabilities by approximately \$3 billion. The Company has determined portions of its vehicle rental contracts that convey the right to control the use of identified assets are within the scope of the accounting guidance contained in Topic 842. As discussed in *Revenue from Contracts with Customers* above, the Company's rental related revenues have been accounted for under the revenue accounting standards, until the adoption of Topic 842 on January 1, 2019.

Intangibles—Goodwill and Other—Internal-Use Software

In August 2018, the Financial Accounting Standards Board ("FASB") issued ASU 2018-15 "Customer's Accounting for Fees Paid in a Cloud Computing Arrangement That Is a Service Contract", which provides guidance for determining when the arrangement includes a software license. The amendments align the requirements for capitalizing implementation costs incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software (and hosting arrangements that include an internal use software license). The amendments in this Update also require the entity to expense the capitalized implementation costs of a hosting arrangement that is a service contract over the term of the hosting arrangement, to present the expense in the same line in its statement of income as the fees associated with the hosting element (service) of the arrangement and classify payments for capitalized implementation costs in its statement of cash flows in the same manner as payments made for fees associated with the hosting element. The entity is also required to present the capitalized implementation costs in its balance sheet in the same line that a prepayment for the fees of the associated hosting arrangement would be presented. ASU 2018-15 becomes effective for the Company on January 1, 2020. Early adoption is permitted. The Company is currently evaluating the impact of adopting this accounting pronouncement on its Consolidated Financial Statements.

Compensation—Retirement Benefits—Defined Benefit Plans

In August 2018, the FASB issued ASU 2018-14, "Disclosure Framework—Changes to the Disclosure Requirements for Defined Benefit Plans," which adds, removes, and clarifies disclosure requirements related to defined benefit pension and other postretirement plans. These changes are part of the FASB's disclosure framework project, which the Board launched in 2014 to improve the effectiveness of disclosures in notes to financial statements. ASU 2018-14 becomes effective for the Company on January 1, 2021. Early adoption is permitted. The adoption of this accounting pronouncement is not expected to have a material impact on the Company's Consolidated Financial Statements.

Fair Value Measurement

In August 2018, the FASB issued ASU 2018-13, "Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement," which adds, removes, and modifies disclosure requirements related to fair value measurements. ASU 2018-13 becomes effective for the Company on January 1, 2020. Early adoption is permitted. The adoption of this accounting pronouncement is not expected to have a material impact on the Company's Consolidated Financial Statements.

Measurement of Credit Losses on Financial Instruments

In June 2016, the FASB issued ASU 2016-13, "Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments," which sets forth a current expected credit loss impairment model for financial assets that replaces the current incurred loss model. This model requires a financial asset (or group of financial assets), including trade receivables, measured at amortized cost to be presented at the net amount expected to be collected with an allowance for credit losses deducted from the amortized cost basis. The allowance for credit losses should reflect management's current estimate of credit losses that are expected to occur over the remaining life of a financial asset. ASU 2016-13 becomes effective for the Company on January 1, 2020. Early adoption is permitted as of January 1, 2019. The adoption of this accounting pronouncement is not expected to have a material impact on the Company's Consolidated Financial Statements.

3. Earnings Per Share

The following table sets forth the computation of basic and diluted earnings per share ("EPS") (shares in millions):

	Year Ended December 31,		
	2018	2017	2016
Net income for basic and diluted EPS	\$ 165	\$ 361	\$ 163
Basic weighted average shares outstanding	79.3	83.4	92.0
Options and non-vested stock	0.8	1.4	1.3
Diluted weighted average shares outstanding	80.1	84.8	93.3
<i>Earnings per share:</i>			
Basic	\$ 2.08	\$ 4.32	\$ 1.78
Diluted	\$ 2.06	\$ 4.25	\$ 1.75

The following table summarizes the Company's outstanding common stock equivalents that were anti-dilutive and therefore excluded from the computation of diluted EPS (shares in millions):

	As of December 31,		
	2018	2017	2016
Non-vested stock ^(a)	0.2	0.5	0.2

^(a) The weighted average grant date fair value for anti-dilutive non-vested stock for 2018, 2017 and 2016 was \$48.66, \$38.40 and \$52.07, respectively.

4. Restructuring and Other Related Charges

Restructuring

During first quarter 2018, the Company initiated a strategic restructuring plan to improve processes and reduce headcount in response to its new workforce planning technology that allows more effective management of staff levels ("Workforce planning"). During the year ended December 31, 2018, as part of this process, the Company formally communicated the termination of employment to approximately 190 employees, and as of December 31, 2018, the Company had terminated the employment of approximately 180 of these employees. The costs associated with this initiative primarily represent severance, outplacement services and other costs associated with employee terminations, the majority of which have been or are expected to be settled in cash. The Company expects no further restructuring expense related to this initiative. This initiative is substantially complete.

During fourth quarter 2017, the Company initiated a strategic restructuring initiative to better position its truck rental operations in the U.S., in which it closed certain rental locations and reduced the size of the older rental fleet, with the intent to increase fleet utilization and reduce vehicle and overhead costs ("Truck initiative"). During the year ended December 31, 2017, as part of this initiative, the Company formally communicated the termination of employment to approximately 25 employees and as of December 31, 2018 this initiative is substantially complete.

During first quarter 2017, the Company initiated a strategic restructuring initiative to drive operational efficiency throughout the organization by reducing headcount, improving processes and consolidating functions, closing certain rental locations and decreasing the size of its fleet ("T17"). During the year ended December 31, 2017, as part of this initiative, the Company formally communicated the termination of employment to approximately 680 employees, and as of December 31, 2018, the Company had terminated the employment of approximately 675 of these employees. The costs associated with this initiative primarily represent severance, outplacement services and other costs associated with employee terminations, the majority of which have been or are expected to be settled in cash. This initiative is substantially complete.

In 2014, the Company committed to various strategic initiatives to identify best practices and drive efficiency throughout its organization, by reducing headcount, improving processes and consolidating functions ("T15"). In first quarter 2016, the Company expanded the T15 restructuring to take advantage of additional efficiency opportunities. The expanded T15 restructuring fits within the initiative's focus areas to identify best practices and drive efficiency throughout the organization, including the consolidation of rental locations. During the year ended December 31, 2016, as part of this process, the Company formally communicated the termination of employment to approximately 615 employees. At December 31 2018, the Company had terminated approximately 990 employees as part of this initiative. The costs associated with this initiative primarily represent severance, outplacement services and other costs associated with employee terminations, the majority of which have been settled in cash. This initiative is complete.

The following tables summarize the change to our restructuring-related liabilities and identify the amounts recorded within the Company's reporting segments for restructuring charges and corresponding payments and utilizations:

	Personnel Related	Facility Related	Other ^(a)	Total
Balance as of January 1, 2016	\$ 10	\$ 1	\$ —	\$ 11
Restructuring expense:				
T15	15	1	5	21
Acquisition integration	9	—	—	9
Avis Europe	(1)	—	—	(1)
Restructuring payment/utilization:				
T15	(12)	(1)	(5)	(18)
Acquisition integration	(15)	—	—	(15)
Avis Europe	(1)	—	—	(1)
Balance as of December 31, 2016	<u>5</u>	<u>1</u>	<u>—</u>	<u>6</u>
Restructuring expense:				
Truck initiative	1	—	4	5
T17	20	—	15	35
Restructuring payment/utilization:				
Truck initiative	(1)	—	(4)	(5)
T17	(17)	(1)	(15)	(33)
T15	(3)	—	—	(3)
Acquisition integration	(1)	—	—	(1)
Balance as of December 31, 2017	<u>4</u>	<u>—</u>	<u>—</u>	<u>4</u>
Restructuring expense:				
Workforce planning	11	—	2	13
Truck initiative	1	—	4	5
T17	—	—	2	2
T15	1	—	—	1
Restructuring payment/utilization:				
Workforce planning	(11)	—	(1)	(12)
Truck initiative	(1)	—	(4)	(5)
T17	(3)	—	(2)	(5)
T15	(1)	—	—	(1)
Balance as of December 31, 2018	<u>\$ 1</u>	<u>\$ —</u>	<u>\$ 1</u>	<u>\$ 2</u>

^(a) Includes expenses primarily related to the disposition of vehicles.

	Americas	International	Total
Balance as of January 1, 2016	\$ 1	\$ 10	\$ 11
Restructuring expense:			
T15	11	10	21
Acquisition integration	—	9	9
Avis Europe	—	(1)	(1)
Restructuring payment/utilization:			
T15	(11)	(7)	(18)
Acquisition integration	—	(15)	(15)
Avis Europe	—	(1)	(1)
Balance as of December 31, 2016	1	5	6
Restructuring expense:			
Truck initiative	5	—	5
T17	25	10	35
Restructuring payment/utilization:			
Truck initiative	(5)	—	(5)
T17	(24)	(9)	(33)
T15	(1)	(2)	(3)
Acquisition integration	—	(1)	(1)
Balance as of December 31, 2017	1	3	4
Restructuring expense:			
Workforce planning	4	9	13
Truck initiative	5	—	5
T17	2	—	2
T15	—	1	1
Restructuring payment/utilization:			
Workforce planning	(4)	(8)	(12)
Truck initiative	(5)	—	(5)
T17	(3)	(2)	(5)
T15	—	(1)	(1)
Balance as of December 31, 2018	\$ —	\$ 2	\$ 2

Other Related Charges

Officer Separation Costs

On May 12, 2017, the Company announced the resignation of David B. Wyshner as the Company's President and Chief Financial Officer. In connection with Mr. Wyshner's departure, the Company recorded other related charges of \$7 million during the year ended December 31, 2017, inclusive of accelerated stock-based compensation expense of \$2 million.

Limited Voluntary Opportunity Plans ("LVOP")

During 2017, the Company offered voluntary termination programs to certain employees in the Americas' field operations, shared services, and general and administrative functions for a limited time. These employees, if qualified, elected resignation from employment in return for enhanced severance benefits to be settled in cash. During the year ended December 31, 2017, the Company recorded other related charges of \$16 million in connection with LVOP. As of December 31, 2018, 358 qualified employees elected to participate in the plan and the employment of all participants had been terminated.

5. Acquisitions and Other Investments

Acquisitions

2018

Turiscar Group

In October 2018, the Company completed the acquisition of Turiscar Group, a provider of vehicle rental services in Portugal, for €22 million (approximately \$25 million), net of acquired cash, of which €23 million (approximately \$26 million) was paid. The remaining €4 million of the purchase price will be paid during the three months ended December 31, 2020. The investment enabled the Company to strengthen and expand its commitment in the Portuguese market. The excess of the purchase price over preliminary fair value of net assets acquired was allocated to goodwill, which was assigned to the Company's International reportable segment. In connection with this acquisition, approximately \$12 million was recorded in goodwill, and other intangibles of \$10 million related to customer relationships and \$2 million related to trademarks were recorded. The customer relationships and trademarks are being amortized over a weighted average useful life of approximately 11 years. The goodwill is not deductible for tax purposes. The fair value of assets acquired and liabilities assumed has not been finalized and is therefore subject to change.

Morini S.p.A.

In July 2018, the Company completed the acquisition of Morini S.p.A. ("Morini") for €35 million (approximately \$40 million), net of acquired cash, plus potential earn-out payments of €5 million (approximately \$6 million) based on Morini's performance over the next two years. During the year ended December 31, 2018, the Company paid €28 million (approximately \$32 million). The remaining €7 million of the purchase price will be paid during the three months ended March 31, 2020. The investment enabled the Company to expand its footprint of vehicle rental services in Northern Italy. The excess of the purchase price over preliminary fair value of net assets acquired was allocated to goodwill, which was assigned to the Company's International reportable segment. In connection with this acquisition, approximately \$42 million was recorded in goodwill, and other intangibles of \$6 million related to customer relationships, \$3 million related to trademarks and \$2 million related to license agreements were recorded. The customer relationships, trademarks and license agreements are being amortized over a weighted average useful life of approximately six years. The goodwill is not deductible for tax purposes. The fair value of assets acquired and liabilities assumed has not been finalized and is therefore subject to change.

Avis and Budget Licensees

In 2018, the Company completed the acquisitions of various licensees in Europe and North America, for approximately \$38 million, net of acquired cash. These investments were in line with the Company's strategy to re-acquire licensees when advantageous to expand its footprint of Company-operated locations. The acquired fleet was financed under the Company's existing financing arrangements. In connection with these acquisitions, other intangibles of approximately \$42 million related to license agreements was recorded. The license agreements are being amortized over a weighted average useful life of approximately two years. The fair value of the assets acquired and liabilities assumed has not yet been finalized and is therefore subject to change.

2017

ACL Hire Limited

In November 2017, the Company completed the acquisition of ACL Hire Limited, a vehicle rental company in the UK specializing in commercial and mid-size transit vans, for approximately \$5 million, net of acquired cash, and agreed to an additional \$2 million of contingent consideration which is contingent on ACL Hire Limited's future financial performance. The excess of the purchase price over preliminary fair value of net assets acquired was allocated to goodwill, which was assigned to the Company's International reportable segment. In connection with this acquisition, approximately \$6 million was recorded in goodwill. The

goodwill is not deductible for tax purposes. Differences between the preliminary allocation of purchase price and the final allocation were not material.

Avis and Budget Licensees

During 2017, the Company completed the acquisitions of various licensees in Europe and North America, for approximately \$9 million, plus \$4 million for acquired fleet. These investments were in line with the Company's strategy to re-acquire licensees when advantageous to expand its footprint of Company-operated locations. The acquired fleet was financed under the Company's existing financing arrangements. In connection with these acquisitions, other intangibles of approximately \$12 million related to license agreements was recorded. The license agreements will be amortized over a weighted average useful life of approximately three years. In addition, at the time of the acquisitions, the Company recorded \$2 million in non-cash charges within transaction-related costs, net in connection with the license rights reacquired by the Company. Differences between the preliminary allocation of purchase price and the final allocation were not material for Avis and Budget Licensees.

2016

FranceCars

In December 2016, the Company completed the acquisition of FranceCars for approximately \$45 million, net of acquired cash. The investment enabled the Company to expand its footprint with a leading provider of vehicle rental services in France. The excess of the purchase price over preliminary fair value of net assets acquired was allocated to goodwill, which was assigned to the Company's International reportable segment. In connection with this acquisition, approximately \$22 million was recorded in goodwill, and other intangibles of \$6 million related to customer relationships and \$9 million related to trademarks were recorded. The customer relationships and trademarks are being amortized over a weighted average useful life of approximately eight years. The goodwill is not deductible for tax purposes. Differences between the preliminary allocation of purchase price and the final allocation were not material for FranceCars.

Other Investments

2018

In March 2018, the Company made an initial equity investment of €16 million (\$20 million) in its licensee in Greece ("Greece"), for a 20% ownership stake. In June 2018, the Company purchased an additional 20% equity investment for €17 million (\$19 million), including an acceleration premium, and as of June 30, 2018, had a 40% ownership stake in Greece. The Company's equity investment is recorded within other non-current assets. The Company's share of Greece's results are reported within operating expenses and is \$8 million for the year ended December 31, 2018.

6. Intangible Assets

Intangible assets consisted of:

	As of December 31, 2018			As of December 31, 2017		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
<i>Amortized Intangible Assets</i>						
License agreements ^(a)	\$ 305	\$ 168	\$ 137	\$ 281	\$ 140	\$ 141
Customer relationships ^(b)	251	141	110	242	119	123
Other ^(c)	52	21	31	51	18	33
	<u>\$ 608</u>	<u>\$ 330</u>	<u>\$ 278</u>	<u>\$ 574</u>	<u>\$ 277</u>	<u>\$ 297</u>
<i>Unamortized Intangible Assets</i>						
Goodwill	<u>\$ 1,092</u>			<u>\$ 1,073</u>		
Trademarks	<u>\$ 547</u>			<u>\$ 553</u>		

^(a) Primarily amortized over a period ranging from 0 to 40 years with a weighted average life of 16 years.

^(b) Primarily amortized over a period ranging from 3 to 20 years with a weighted average life of 12 years.

^(c) Primarily amortized over a period ranging from 3 to 10 years with a weighted average life of 9 years.

During 2017, the Company recorded an impairment related to the unamortized Zipcar trademark of \$2 million based on a combination of observable and unobservable fair value inputs (Level 3), specifically the Income approach-relief from royalty method, which considers market inputs.

Amortization expense relating to all intangible assets was as follows:

	Year Ended December 31,		
	2018	2017	2016
License agreements	\$ 36	\$ 33	\$ 35
Customer relationships	24	24	23
Other	5	5	7
Total	<u>\$ 65</u>	<u>\$ 62</u>	<u>\$ 65</u>

Based on the Company's amortizable intangible assets at December 31, 2018, the Company expects related amortization expense of approximately \$56 million for 2019, \$48 million for 2020, \$34 million for 2021, \$26 million for 2022 and \$23 million for 2023 excluding effects of currency exchange rates.

The carrying amounts of goodwill and related changes are as follows:

	Americas	International	Total Company
Gross goodwill as of January 1, 2017	\$ 2,139	\$ 986	\$ 3,125
Accumulated impairment losses as of January 1, 2017	(1,587)	(531)	(2,118)
Goodwill as of January 1, 2017	<u>552</u>	<u>455</u>	<u>1,007</u>
Acquisitions	—	5	5
Currency translation adjustments and other	—	61	61
Goodwill as of December 31, 2017	<u>552</u>	<u>521</u>	<u>1,073</u>
Acquisitions	—	54	54
Currency translation adjustments and other	(13)	(22)	(35)
Goodwill as of December 31, 2018	<u>\$ 539</u>	<u>\$ 553</u>	<u>\$ 1,092</u>

7. Vehicle Rental Activities

The components of vehicles, net within assets under vehicle programs are as follows:

	As of December 31,	
	2018	2017
Rental vehicles	\$ 12,548	\$ 11,652
Less: Accumulated depreciation	(1,670)	(1,652)
	<u>10,878</u>	<u>10,000</u>
Vehicles held for sale	596	626
Vehicles, net	<u>\$ 11,474</u>	<u>\$ 10,626</u>

The components of vehicle depreciation and lease charges, net are summarized below:

	Year Ended December 31,		
	2018	2017	2016
Depreciation expense	\$ 1,974	\$ 1,947	\$ 1,877
Lease charges	253	222	180
(Gain) loss on sale of vehicles, net	(48)	52	(10)
Vehicle depreciation and lease charges, net	<u>\$ 2,179</u>	<u>\$ 2,221</u>	<u>\$ 2,047</u>

At December 31, 2018, 2017 and 2016, the Company had payables related to vehicle purchases included in liabilities under vehicle programs - other of \$472 million, \$346 million and \$321 million, respectively, and receivables related to vehicle sales included in assets under vehicle programs - receivables from vehicle manufacturers and other of \$622 million, \$545 million and \$520 million, respectively.

8. Income Taxes

On December 22, 2017 the Tax Act made substantial changes to corporate income tax laws. Among the key provisions were a U.S. corporate tax rate reduction from 35% to 21% effective for tax years beginning January 1, 2018 and a one-time transition tax on the deemed repatriation of cumulative earnings from foreign subsidiaries and changes to U.S. taxation of foreign earnings from a worldwide to a territorial tax system effective for tax years beginning January 1, 2018. The Company recognized the effects of the Tax Act in its Consolidated Financial Statements in accordance with Staff Accounting Bulletin No. 118, which provides SEC staff guidance for the application of FASB Accounting Standards Codification Topic 740, Income Taxes, in the reporting period that the Tax Act was signed into law.

In 2017 the Company recorded a provisional income tax benefit of \$317 million related to the remeasurement of its net deferred income tax liabilities as a result of the reduced corporate tax rate, and a provisional tax expense of \$104 million for the one-time transition tax on the deemed repatriation of cumulative foreign subsidiary earnings.

The Company completed the accounting for the effects of the Tax Act during 2018 and recorded an additional income tax expense of \$30 million for the one-time transition tax on the deemed repatriation of foreign earnings.

The provision for (benefit from) income taxes consists of the following:

	Year Ended December 31,		
	2018	2017	2016
Current			
Federal	\$ (7)	\$ —	\$ (1)
State	36	5	3
Foreign	59	37	63
Current income tax provision	88	42	65
Deferred			
Federal	63	(205)	51
State	(39)	(5)	5
Foreign	(10)	18	(5)
Deferred income tax provision	14	(192)	51
Provision for (benefit from) income taxes	\$ 102	\$ (150)	\$ 116

Pretax income for domestic and foreign operations consists of the following:

	Year Ended December 31,		
	2018	2017	2016
United States	\$ 114	\$ 17	\$ 127
Foreign	153	194	152
Pretax income	\$ 267	\$ 211	\$ 279

Deferred income tax assets and liabilities are comprised of the following:

	As of December 31,	
	2018	2017
<i>Deferred income tax assets:</i>		
Net tax loss carryforwards	\$ 1,390	\$ 1,104
Accrued liabilities and deferred revenue	230	216
Tax credits	17	24
Depreciation and amortization	16	4
Provision for doubtful accounts	6	8
Other	38	50
Valuation allowance ^(a)	(311)	(331)
Deferred income tax assets	1,386	1,075
<i>Deferred income tax liabilities:</i>		
Depreciation and amortization	60	121
Prepaid expenses	20	20
Other	5	3
Deferred income tax liabilities	85	144
Deferred income tax assets, net	\$ 1,301	\$ 931

^(a) The valuation allowance of \$311 million at December 31, 2018 relates to tax loss carryforwards and certain deferred tax assets of \$283 million and \$28 million, respectively. The valuation allowance will be reduced when and if the Company determines it is more likely than not that the related deferred income tax assets will be realized. The valuation allowance of \$331 million at December 31, 2017 relates to tax loss carryforwards and certain deferred tax assets of \$302 million and \$29 million, respectively. The valuation allowance will be reduced when and if the Company determines it is more likely than not that the related deferred income tax assets will be realized.

Deferred income tax assets and liabilities related to vehicle programs are comprised of the following:

	As of December 31,	
	2018	2017
<i>Deferred income tax assets:</i>		
Depreciation and amortization	\$ 44	\$ 58
<i>Deferred income tax liabilities:</i>		
Depreciation and amortization	2,005	1,652
Deferred income tax liabilities under vehicle programs, net	\$ 1,961	\$ 1,594

At December 31, 2018, the Company had U.S. federal net operating loss carryforwards of approximately \$4.9 billion. The majority of the net operating loss carryforwards expire by 2031 and a significant remaining portion has an indefinite utilization period pursuant to the Tax Act. Such net operating loss carryforwards are primarily related to accelerated depreciation of the Company's U.S. vehicles. Currently, the Company does not record valuation allowances on the majority of its U.S. federal tax loss carryforwards as there are adequate deferred tax liabilities that could be realized within the carryforward period. At December 31, 2018, the Company had foreign net operating loss carryforwards of approximately \$903 million with an indefinite utilization period.

At December 31, 2018, we have undistributed earnings of certain foreign subsidiaries of approximately \$699 million that we have indefinitely reinvested, and on which we have not recognized deferred taxes. Estimating the amount of potential tax is not practicable because of the complexity and variety of assumptions necessary to compute the tax.

The reconciliation between the U.S. federal income tax statutory rate and the Company's effective income tax rate is as follows:

	Year Ended December 31,		
	2018	2017	2016
U.S. federal statutory rate	21.0 %	35.0 %	35.0 %
<i>Adjustments to reconcile to the effective rate:</i>			
State and local income taxes, net of federal tax benefits	5.5	3.8	2.0
Changes in valuation allowances	6.3	(4.7)	(0.2)
Taxes on foreign operations at rates different than statutory U.S. federal rates	(5.2)	(3.6)	3.1
Stock-based compensation	(0.8)	(3.4)	—
Tax Act (benefit) expense	11.2	(100.8)	—
Other non-deductible expenses	1.1	2.2	1.7
Other	(0.9)	0.4	—
	38.2 %	(71.1)%	41.6 %

The following is a tabular reconciliation of the gross amount of unrecognized tax benefits for the year:

	2018	2017	2016
Balance at January 1	\$ 63	\$ 59	\$ 56
Additions for tax positions related to current year	8	6	3
Additions for tax positions for prior years	—	9	3
Reductions for tax positions for prior years	(6)	(10)	(3)
Settlements	(3)	—	—
Statute of limitations	(1)	(1)	—
Balance at December 31	\$ 61	\$ 63	\$ 59

The Company does not anticipate that total unrecognized tax benefits will change significantly in 2019.

The Company is subject to taxation in the United States and various foreign jurisdictions. As of December 31, 2018, the 2015 through 2017 tax years generally remain subject to examination by the federal tax authorities. The 2012 through 2017 tax years generally remain subject to examination by various state tax

authorities. In significant foreign jurisdictions, the 2011 through 2017 tax years generally remain subject to examination by their respective tax authorities.

Substantially all of the gross amount of the unrecognized tax benefits at December 31, 2018, 2017 and 2016, if recognized, would affect the Company's provision for, or benefit from, income taxes. As of December 31, 2018, the Company's unrecognized tax benefits were offset by tax loss carryforwards in the amount of \$23 million.

The following table presents unrecognized tax benefits:

	As of December 31,	
	2018	2017
Unrecognized tax benefit in non-current income taxes payable ^(a)	\$ 41	\$ 46
Accrued interest payable on potential tax liabilities ^(b)	29	26

^(a) Pursuant to the agreements governing the disposition of certain subsidiaries in 2006, the Company is entitled to indemnification for certain pre-disposition tax contingencies. As of December 31, 2018 and 2017, \$13 million of unrecognized tax benefits are related to tax contingencies for which the Company believes it is entitled to indemnification.

^(b) The Company recognizes potential interest related to unrecognized tax benefits within interest expense related to corporate debt, net on the accompanying Consolidated Statements of Operations. Penalties incurred during the years ended December 31, 2018, 2017 and 2016, were not significant and were recognized as a component of the provision for income taxes.

9. Other Current Assets

Other current assets consisted of:

	As of December 31,	
	2018	2017
Prepaid expenses	\$ 241	\$ 196
Sales and use taxes	180	174
Other	183	163
Other current assets	\$ 604	\$ 533

10. Property and Equipment, net

Property and equipment, net consisted of:

	As of December 31,	
	2018	2017
Land	\$ 49	\$ 49
Buildings and leasehold improvements	625	626
Capitalized software	613	583
Furniture, fixtures and equipment	411	387
Projects in process	169	118
Buses and support vehicles	95	93
	1,962	1,856
Less: Accumulated depreciation and amortization	(1,226)	(1,152)
Property and equipment, net	\$ 736	\$ 704

Depreciation and amortization expense relating to property and equipment during 2018, 2017 and 2016 was \$191 million, \$197 million and \$188 million, respectively (including \$92 million, \$95 million and \$87 million, respectively, of amortization expense relating to capitalized software).

11. Accounts Payable and Other Current Liabilities

Accounts payable and other current liabilities consisted of:

	As of December 31,	
	2018	2017
Accounts payable	\$ 371	\$ 359
Accrued sales and use taxes	208	218
Accrued payroll and related	200	176
Accrued advertising and marketing	192	190
Public liability and property damage insurance liabilities – current	149	145
Deferred revenue – current	140	135
Accrued insurance	91	103
Other	342	293
Accounts payable and other current liabilities	<u>\$ 1,693</u>	<u>\$ 1,619</u>

12. Long-term Corporate Debt and Borrowing Arrangements

Long-term debt and other borrowing arrangements consisted of:

	Maturity Date	As of December 31,	
		2018	2017
Floating Rate Term Loan ^(a)	March 2022	—	1,136
5½% Senior Notes	June 2022	—	400
5½% Senior Notes	April 2023	675	675
6¾% Senior Notes	April 2024	350	350
4½% euro-denominated Senior Notes	November 2024	344	360
Floating Rate Term Loan ^(a)	February 2025	1,123	—
5¼% Senior Notes	March 2025	375	375
4½% euro-denominated Senior Notes	May 2025	287	300
4¾% euro-denominated Senior Notes	January 2026	401	—
Other ^(b)		41	49
Deferred financing fees		(45)	(46)
Total		<u>3,551</u>	<u>3,599</u>
Less: Short-term debt and current portion of long-term debt		<u>23</u>	<u>26</u>
Long-term debt		<u>\$ 3,528</u>	<u>\$ 3,573</u>

^(a) The floating rate term loan is part of the Company's senior revolving credit facility, which is secured by pledges of capital stock of certain subsidiaries of the Company, and liens on substantially all of the Company's intellectual property and certain other real and personal property.

^(b) Primarily includes capital leases which are secured by liens on the related assets.

Term Loan

Floating Rate Term Loan due 2022. In March 2017, the Company increased its Floating Rate Term Loan due 2022 to \$1.1 billion and reduced the loan interest rate to three-month LIBOR plus 2.00%, for an aggregate rate of 3.70%; however, the Company entered into an interest rate swap to hedge \$700 million of its interest rate exposure related to the floating rate term loan at an aggregate rate of 3.79%. The Company used the incremental term loan proceeds to repay all of its outstanding Floating Rate Term Loan due 2019. In June 2017, the Company used the remaining proceeds to redeem the remainder of its outstanding Floating Rate Senior Notes due 2017.

Floating Rate Term Loan due 2025. In February 2018, the Company amended its Floating Rate Term Loan due 2022 and extended its maturity term to 2025. The loan bears interest at one-month LIBOR plus 2.00%, for an aggregate rate of 4.53%; however, the Company entered into an interest rate swap to hedge \$700 million of its interest rate exposure related to the floating rate term loan at an aggregate rate of 3.67%.

Senior Notes

5½% Senior Notes due 2022. In May 2014, the Company issued \$400 million of 5½% Senior Notes due 2022. In June 2014, the Company used the proceeds to repurchase the remaining \$395 million principal

amount of its 8¼% Senior Notes. The notes were issued at par, with interest payable semi-annually. The Company has the right to redeem these notes in whole or in part at any time on or after June 1, 2017 at specified redemption prices plus accrued interest. In October 2018, the Company redeemed its outstanding \$400 million principal amount for \$410 million plus accrued interest.

5½% Senior Notes due 2023. In April 2013, the Company completed an offering of \$500 million of 5½% Senior Notes due April 2023. The notes were issued at par, with interest payable semi-annually. The Company has the right to redeem these notes in whole or in part on or after April 1, 2018 at specified redemption prices plus accrued interest.

In November 2014, the Company issued \$175 million of additional 5½% Senior Notes due 2023 at 99.625% of their face value, with interest payable semi-annually. The Company has the right to redeem these notes in whole or in part on or after April 1, 2018 at specified redemption prices plus accrued interest. The Company used the proceeds from the issuance to partially fund the acquisition of its Budget licensee for Southern California and Las Vegas.

6¾% Senior Notes due 2024. In March 2016, the Company issued \$350 million of 6¾% Senior Notes due 2024 at par, with interest payable semi-annually. The Company has the right to redeem these notes in whole or in part at any time on or after April 1, 2019 at specified redemption prices plus accrued interest. In May 2016, the Company used the net proceeds from the offering to redeem \$300 million principal amount of its previous 4¾% Senior Notes and for general corporate purposes.

4¼% euro-denominated Senior Notes due 2024. In September 2016, the Company issued €300 million of 4¼% euro-denominated Senior Notes due 2024 at par, with interest payable semi-annually. The Company has the right to redeem these notes in whole or in part at any time on or after November 15, 2019 at specified redemption prices plus accrued interest. In October 2016, the Company used the net proceeds from the offering primarily to redeem €275 million of its outstanding 6% euro-denominated Senior Notes due 2021.

5¼% Senior Notes due 2025. In March 2015, the Company issued \$375 million of 5¼% Senior Notes due 2025 at par, with interest payable semi-annually. The Company has the right to redeem these notes in whole or in part at any time on or after March 15, 2020 at specified redemption prices plus accrued interest. In April 2015, the Company used net proceeds from the offering to redeem the remaining \$223 million principal amount of its 9¾% Senior Notes and to partially fund the acquisition of Maggiore.

4½% euro-denominated Senior Notes due 2025. In March 2017, the Company issued €250 million of 4½% euro-denominated Senior Notes due 2025, at par, with interest payable semi-annually. The Company has the right to redeem these notes in whole or in part on or after May 15, 2020 at specified redemption prices plus accrued interest. In April 2017, the Company used the net proceeds from the offering to redeem its outstanding €175 million principal amount of 6% euro-denominated Senior Notes due 2021 for €180 million plus accrued interest. In June 2017, the Company used the remaining proceeds to redeem a portion of its Floating Rate Senior Notes due 2017.

4¾% euro-denominated Senior Notes due 2026. In October 2018, the Company issued €350 million of 4¾% euro-denominated Senior Notes due 2026, at par, with interest payable semi-annually. The Company has the right to redeem these notes in whole or in part on or after September 30, 2021 at specified redemption prices plus accrued interest. In October 2018, the Company used the net proceeds from the offering to redeem its 5¾% Senior Notes due June 2022 for \$410 million plus accrued interest.

The 5½% Senior Notes, the 5½% Senior Notes, 6¾% Senior Notes and the 5¼% Senior Notes are senior unsecured obligations of the Company's Avis Budget Car Rental, LLC ("ABCR") subsidiary, are guaranteed by the Company and certain of its domestic subsidiaries and rank equally in right of payment with all of the Company's existing and future senior unsecured indebtedness.

The 4¼% euro-denominated Senior Notes, 4½% euro-denominated Senior Notes and 4¾% euro-denominated Senior Notes are unsecured obligations of the Company's Avis Budget Finance plc subsidiary, are guaranteed on a senior basis by the Company and certain of its domestic subsidiaries and rank equally with all of the Company's existing senior unsecured debt.

In connection with the debt amendments and repayments for the years ended December 31, 2018, 2017 and 2016, the Company recorded \$19 million, \$3 million and \$27 million in early extinguishment of debt costs, respectively.

Debt Maturities

The following table provides contractual maturities of the Company's corporate debt at December 31, 2018:

Year	Amount
2019	\$ 23
2020	17
2021	16
2022	16
2023	690
Thereafter	2,834
	<u>\$ 3,596</u>

Committed Credit Facilities And Available Funding Arrangements

At December 31, 2018, the committed corporate credit facilities available to the Company and/or its subsidiaries were as follows:

	Total Capacity	Outstanding Borrowings	Letters of Credit Issued	Available Capacity
Senior revolving credit facility maturing 2023 ^(a)	\$ 1,800	\$ —	\$ 1,167	\$ 633
Other facilities ^(b)	1	1	—	—

^(a) The senior revolving credit facility bears interest at one-month LIBOR plus 200 basis points and is part of the Company's senior credit facility, which is secured by pledges of capital stock of certain subsidiaries of the Company, and liens on substantially all of the Company's intellectual property and certain other real and personal property.

^(b) These facilities encompass bank overdraft lines of credit, bearing interest of 3.22% as of December 31, 2018.

In February 2018, the Company amended the terms of its Senior revolving credit facility maturing 2021 and extended its maturity to 2023.

At December 31, 2018 and 2017, the Company had various uncommitted credit facilities available, which bear interest at rates of 0.74% to 6.60%, under which it had drawn approximately \$1 million and \$2 million, respectively.

Debt Covenants

The agreements governing the Company's indebtedness contain restrictive covenants, including restrictions on dividends paid to the Company by certain of its subsidiaries, the incurrence of additional indebtedness by the Company and certain of its subsidiaries, acquisitions, mergers, liquidations, and sale and leaseback transactions. The Company's senior credit facility also contains a maximum leverage ratio requirement. As of December 31, 2018, the Company was in compliance with the financial covenants governing its indebtedness.

13. Debt under Vehicle Programs and Borrowing Arrangements

Debt under vehicle programs, including related party debt due to Avis Budget Rental Car Funding (AESOP) LLC (“Avis Budget Rental Car Funding”), consisted of:

	As of December 31,	
	2018	2017
Americas – Debt due to Avis Budget Rental Car Funding	\$ 7,393	\$ 6,516
Americas – Debt borrowings	635	660
International – Debt borrowings ^(a)	2,060	1,942
International – Capital leases	191	146
Other	2	1
Deferred financing fees ^(b)	(49)	(44)
Total	\$ 10,232	\$ 9,221

^(a) The increase reflects additional borrowings principally to fund increases in the Company's car rental fleet.

^(b) Deferred financing fees related to Debt due to Avis Budget Rental Car Funding as of December 31, 2018 and 2017 were \$35 million and \$36 million, respectively.

Americas

Debt due to Avis Budget Rental Car Funding. Avis Budget Rental Car Funding, an unconsolidated bankruptcy remote qualifying special purpose limited liability company, issues privately placed notes to investors as well as to banks and bank-sponsored conduit entities. Avis Budget Rental Car Funding uses the proceeds from its note issuances to make loans to a wholly-owned subsidiary of the Company, AESOP Leasing LP (“AESOP Leasing”), on a continuing basis. AESOP Leasing is required to use the proceeds of such loans to acquire or finance the acquisition of vehicles used in the Company's rental car operations. By issuing debt through the Avis Budget Rental Car Funding program, the Company pays a lower rate of interest than if it had issued debt directly to third parties. Avis Budget Rental Car Funding is not consolidated, as the Company is not the “primary beneficiary” of Avis Budget Rental Car Funding. The Company determined that it is not the primary beneficiary because the Company does not have the obligation to absorb the potential losses or receive the benefits of Avis Budget Rental Car Funding's activities since the Company's only significant source of variability in the earnings, losses or cash flows of Avis Budget Rental Car Funding is exposure to its own creditworthiness, due to its loan from Avis Budget Rental Car Funding. Because Avis Budget Rental Car Funding is not consolidated, AESOP Leasing's loan obligations to Avis Budget Rental Car Funding are reflected as related party debt on the Company's Consolidated Balance Sheets. The Company also has an asset within Assets under vehicle programs on its Consolidated Balance Sheets which represents securities issued to the Company by Avis Budget Rental Car Funding. AESOP Leasing is consolidated, as the Company is the “primary beneficiary” of AESOP Leasing; as a result, the vehicles purchased by AESOP Leasing remain on the Company's Consolidated Balance Sheets. The Company determined it is the primary beneficiary of AESOP Leasing, as it has the ability to direct its activities, an obligation to absorb a majority of its expected losses and the right to receive the benefits of AESOP Leasing's activities. AESOP Leasing's vehicles and related assets, which as of December 31, 2018, approximate \$9.0 billion and some of which are subject to manufacturer repurchase and guaranteed depreciation agreements, collateralize the debt issued by Avis Budget Rental Car Funding. The assets and liabilities of AESOP Leasing are presented on the Company's Consolidated Balance Sheets within Assets under vehicle programs and Liabilities under vehicle programs, respectively. The assets of AESOP Leasing, included within assets under vehicle programs (excluding the investment in Avis Budget Rental Car Funding (AESOP) LLC—related party) are restricted. Such assets may be used only to repay the respective AESOP Leasing liabilities, included within Liabilities under vehicle programs, and to purchase new vehicles, although if certain collateral coverage requirements are met, AESOP Leasing may pay dividends from excess cash. The creditors of AESOP Leasing and Avis Budget Rental Car Funding have no recourse to the general credit of the Company. The Company periodically provides Avis Budget Rental Car Funding with non-contractually required support, in the form of equity and loans, to serve as additional collateral for the debt issued by Avis Budget Rental Car Funding.

The business activities of Avis Budget Rental Car Funding are limited primarily to issuing indebtedness and using the proceeds thereof to make loans to AESOP Leasing for the purpose of acquiring or financing the acquisition of vehicles to be leased to the Company's rental car subsidiaries and pledging its assets to secure the indebtedness. Because Avis Budget Rental Car Funding is not consolidated by the Company, its

results of operations and cash flows are not reflected within the Company's financial statements.

During March 2017 and December 2017, Avis Budget Rental Car Funding issued approximately \$600 million in asset-backed notes with an expected final payment date of September 2022 and \$500 million in asset-backed notes with an expected final payment date of March 2023, respectively. During April 2018 and October 2018, Avis Budget Rental Car Funding issued approximately \$400 million in asset-backed notes with an expected final payment date of September 2023 and approximately \$550 million in asset-backed notes with an expected final payment date of March 2024, respectively. The Company used the proceeds from these borrowings to fund the repayment of maturing vehicle-backed debt and the acquisition of rental cars in the United States. Borrowings under the Avis Budget Rental Car Funding program primarily represent fixed rate notes and had a weighted average interest rate of 3% as of December 31, 2018 and 2017, in each period.

Debt borrowings. The Company finances the acquisition of vehicles used in its Canadian rental operations through a consolidated, bankruptcy remote special-purpose entity, which issues privately placed notes to investors and bank-sponsored conduits. The Company finances the acquisition of fleet for its truck rental operations in the United States through a combination of debt facilities and leases. These debt borrowings represent a mix of fixed and floating rate debt and had a weighted average interest rate of 3% as of December 31, 2018 and 2017, in each period.

International

Debt borrowings. In 2013, the Company entered into a three-year, €500 million (approximately \$687 million) European rental fleet securitization program, which is used to finance fleet purchases for certain of the Company's European operations. During 2018, 2017, 2016, 2015 and 2014, the Company increased its capacity under this program by €150 million (approximately \$175 million), €250 million (approximately \$281 million), €400 million (approximately \$458 million), €210 million (approximately \$235 million) and €290 million (approximately \$370 million), respectively, and recently extended the securitization's maturity to 2021. The Company finances the acquisition of vehicles used in its International rental car operations through this and other consolidated, bankruptcy remote special-purpose entities, which issue privately placed notes to banks and bank-sponsored conduits. The International borrowings primarily represent floating rate notes and had a weighted average interest rate of 2% as of December 31, 2018 and 2017.

Capital leases. The Company obtained a portion of its International vehicles under capital lease arrangements. For the years ended December 31, 2018 and 2017, the weighted average interest rate on these borrowings was 1%, in each period. All capital leases are on a fixed repayment basis and interest rates are fixed at the contract date.

Debt Maturities

The following table provides the contractual maturities of the Company's debt under vehicle programs, including related party debt due to Avis Budget Rental Car Funding, at December 31, 2018:

	Debt under Vehicle Programs
	<small>(a)</small>
2019	\$ 1,502
2020 ^(b)	3,810
2021 ^(c)	2,486
2022	947
2023	1,086
Thereafter	450
	<u>\$ 10,281</u>

^(a) Vehicle-backed debt primarily represents asset-backed securities.

^(b) Includes \$2.2 billion of bank and bank-sponsored facilities.

^(c) Includes \$1.5 billion of bank and bank-sponsored facilities.

Committed Credit Facilities And Available Funding Arrangements

The following table presents available funding under the Company's debt arrangements related to its vehicle programs, including related party debt due to Avis Budget Rental Car Funding, at December 31, 2018:

	Total Capacity ^(a)	Outstanding Borrowings ^(b)	Available Capacity
Americas – Debt due to Avis Budget Rental Car Funding	\$ 8,883	\$ 7,393	\$ 1,490
Americas – Debt borrowings	947	635	312
International – Debt borrowings	3,071	2,060	1,011
International – Capital leases	209	191	18
Other	2	2	—
Total	\$ 13,112	\$ 10,281	\$ 2,831

^(a) Capacity is subject to maintaining sufficient assets to collateralize debt.

^(b) The outstanding debt is collateralized by vehicles and related assets of \$8.8 billion for Americas - Debt due to Avis Budget Rental Car Funding; \$0.7 billion for Americas - Debt borrowings; \$2.3 billion for International - Debt borrowings; and \$0.2 billion for International - Capital leases.

Debt Covenants

The agreements under the Company's vehicle-backed funding programs contain restrictive covenants, including restrictions on dividends paid to the Company by certain of its subsidiaries and restrictions on indebtedness, mergers, liens, liquidations and sale and leaseback transactions, and in some cases also require compliance with certain financial requirements. As of December 31, 2018, the Company is not aware of any instances of non-compliance with any of the financial or restrictive covenants contained in the debt agreements under its vehicle-backed funding programs.

14. Commitments and Contingencies

Lease Commitments

The Company is committed to making rental payments under noncancelable operating leases covering various facilities and equipment. Many of the Company's operating leases for facilities contain renewal options. These renewal options vary, but the majority include clauses for various term lengths and prevailing market rate rents.

Future minimum lease payments required under noncancelable operating leases, including minimum concession fees charged by airport authorities, which in many locations are recoverable from vehicle rental customers, as of December 31, 2018, are as follows:

	Amount
2019	\$ 835
2020	476
2021	345
2022	253
2023	162
Thereafter	590
	\$ 2,661

The future minimum lease payments in the above table have been reduced by minimum future sublease rental inflows in the aggregate of \$4 million for all periods shown in the table.

The Company maintains concession agreements with various airport authorities that allow the Company to conduct its car rental operations on site. In general, concession fees for airport locations are based on a percentage of total commissionable revenue (as defined by each airport authority), subject to minimum annual guaranteed amounts. These concession fees, which are included in the Company's total rent expense, were as follows for the years ended December 31:

	<u>2018</u>	<u>2017</u>	<u>2016</u>
Rent expense (including minimum concession fees)	\$ 709	\$ 715	\$ 699
Contingent concession expense	273	221	214
	<u>982</u>	<u>936</u>	<u>913</u>
Less: sublease rental income	(5)	(4)	(5)
Total	<u>\$ 977</u>	<u>\$ 932</u>	<u>\$ 908</u>

Commitments under capital leases, other than those within the Company's vehicle rental programs, for which the future minimum lease payments have been reflected in Note 13-Debt Under Vehicle Programs and Borrowing Arrangements, are not significant.

The Company leases a portion of its vehicles under operating leases, some of which extend through 2025. As of December 31, 2018, the Company has guaranteed up to \$305 million of residual values for these vehicles at the end of their respective lease terms. The Company believes that, based on current market conditions, the net proceeds from the sale of these vehicles at the end of their lease terms will equal or exceed their net book values and therefore has not recorded a liability related to guaranteed residual values.

Contingencies

In 2006, the Company completed the spin-offs of its Realogy and Wyndham subsidiaries. The Company does not believe that the impact of any resolution of pre-existing contingent liabilities in connection with the spin-offs should result in a material liability to the Company in relation to its consolidated financial position or liquidity, as Realogy and Wyndham each have agreed to assume responsibility for these liabilities. The Company is also named in litigation that is primarily related to the businesses of its former subsidiaries, including Realogy and Wyndham. The Company is entitled to indemnification from such entities for any liability resulting from such litigation.

In February 2017, following a state court trial in Georgia, a jury found the Company liable for damages in a case brought by a plaintiff who was injured in a vehicle accident allegedly caused by an employee of an independent contractor of the Company who was acting outside of the scope of employment. In March 2017, the Company was also found liable for damages in a companion case arising from the same incident. The Company is appealing both verdicts and considers the attribution of liability to the Company, and the amount of damages awarded, to be unsupported by the facts of these cases. The Company has recognized a liability for the expected loss related to these cases, net of recoverable insurance proceeds, of approximately \$12 million.

The Company is involved in claims, legal proceedings and governmental inquiries that are incidental to its vehicle rental and car sharing operations, including, among others, contract and licensee disputes, competition matters, employment and wage-and-hour claims, insurance and liability claims, intellectual property claims, business practice disputes and other regulatory, environmental, commercial and tax matters. Litigation is inherently unpredictable and, although the Company believes that its accruals are adequate and/or that it has valid defenses in these matters, unfavorable resolutions could occur. The Company estimates that the potential exposure resulting from adverse outcomes of legal proceedings in which it is reasonably possible that a loss may be incurred could, in the aggregate, be up to approximately \$45 million in excess of amounts accrued as of December 31, 2018; however, the Company does not believe that the impact should result in a material liability to the Company in relation to its consolidated financial condition or results of operations.

Commitments to Purchase Vehicles

The Company maintains agreements with vehicle manufacturers under which the Company has agreed to purchase approximately \$8.7 billion of vehicles from manufacturers over the next 12 months financed primarily through the issuance of vehicle-backed debt and cash received upon the disposition of vehicles.

Certain of these commitments are subject to the vehicle manufacturers satisfying their obligations under their respective repurchase and guaranteed depreciation agreements.

Other Purchase Commitments

In the normal course of business, the Company makes various commitments to purchase other goods or services from specific suppliers, including those related to marketing, advertising, computer services and capital expenditures. As of December 31, 2018, the Company had approximately \$178 million of purchase obligations, which extend through 2023.

Concentrations

Concentrations of credit risk at December 31, 2018, include (i) risks related to the Company's repurchase and guaranteed depreciation agreements with domestic and foreign car manufacturers, including Ford, Fiat Chrysler and General Motors, and primarily with respect to receivables for program cars that have been disposed but for which the Company has not yet received payment from the manufacturers and (ii) risks related to Realogy and Wyndham, including receivables of \$27 million and \$16 million, respectively, related to certain contingent, income tax and other corporate liabilities assumed by Realogy and Wyndham in connection with their disposition.

Asset Retirement Obligations

The Company maintains a liability for asset retirement obligations. An asset retirement obligation is a legal obligation to perform certain activities in connection with the retirement, disposal or abandonment of assets. The Company's asset retirement obligations, which are measured at discounted fair values, are primarily related to the removal of underground gasoline storage tanks at its rental facilities. The liability accrued for asset retirement obligations was \$22 million and \$23 million at December 31, 2018 and 2017, respectively.

Standard Guarantees/Indemnifications

In the ordinary course of business, the Company enters into numerous agreements that contain standard guarantees and indemnities whereby the Company agrees to indemnify another party, among other things, for performance under contracts and any breaches of representations and warranties thereunder. In addition, many of these parties are also indemnified against any third-party claim resulting from the transaction that is contemplated in the underlying agreement. Such guarantees or indemnifications are granted under various agreements, including those governing (i) purchases, sales or outsourcing of assets, businesses or activities, (ii) leases of real estate, (iii) licensing of trademarks, (iv) access to credit facilities and use of derivatives and (v) issuances of debt or equity securities. The guarantees or indemnifications issued are for the benefit of the (i) buyers in sale agreements and sellers in purchase agreements, (ii) landlords in lease contracts, (iii) licensees under licensing agreements, (iv) financial institutions in credit facility arrangements and derivative contracts and (v) underwriters and placement agents in debt or equity security issuances. While some of these guarantees extend only for the duration of the underlying agreement, many may survive the expiration of the term of the agreement or extend into perpetuity (unless subject to a legal statute of limitations). There are no specific limitations on the maximum potential amount of future payments that the Company could be required to make under these guarantees, nor is the Company able to develop an estimate of the maximum potential amount of future payments to be made under these guarantees as the triggering events are not subject to predictability. With respect to certain of the aforementioned guarantees, such as indemnifications provided to landlords against third-party claims for the use of real estate property leased by the Company, the Company maintains insurance coverage that mitigates its potential exposure.

15. Stockholders' Equity

Cash Dividend Payments

During 2018, 2017 and 2016, the Company did not declare or pay any cash dividends. The Company's ability to pay dividends to holders of its common stock is limited by the Company's senior credit facility, the indentures governing its senior notes and its vehicle financing programs.

Share Repurchases

The Company's Board of Directors has authorized the repurchase of up to approximately \$1.7 billion of its common stock under a plan originally approved in 2013 and subsequently expanded, most recently in 2018. During 2018, 2017 and 2016, the Company repurchased approximately 24 million shares of common stock at a cost of approximately \$800 million under the program. As of December 31, 2018, approximately \$150 million of authorization remained available to repurchase common stock under this plan.

Accumulated Other Comprehensive Income (Loss)

The components of accumulated other comprehensive income (loss) are as follows:

	Currency Translation Adjustments	Net Unrealized Gains (Losses) on Cash Flow Hedges ^(a)	Net Unrealized Gains (Losses) on Available-For-Sale Securities	Minimum Pension Liability Adjustment ^(b)	Accumulated Other Comprehensive Income (Loss)
Balance, January 1, 2016	\$ (80)	\$ (2)	\$ —	\$ (65)	\$ (147)
Other comprehensive income (loss) before reclassifications	41	—	1	(57)	(15)
Amounts reclassified from accumulated other comprehensive income (loss)	—	4	—	4	8
Net current-period other comprehensive income (loss)	41	4	1	(53)	(7)
Balance, December 31, 2016	(39)	2	1	(118)	(154)
Other comprehensive income (loss) before reclassifications	110	1	1	11	123
Amounts reclassified from accumulated other comprehensive income (loss)	—	2	—	5	7
Net current-period other comprehensive income (loss)	110	3	1	16	130
Balance, December 31, 2017	71	5	2	(102)	(24)
Cumulative effect of accounting change ^(c)	7	1	(2)	(12)	(6)
Balance, January 1, 2018	78	6	—	(114)	(30)
Other comprehensive income (loss) before reclassifications	(81)	(2)	—	(23)	(106)
Amounts reclassified from accumulated other comprehensive income (loss)	—	(2)	—	5	3
Net current-period other comprehensive income (loss)	(81)	(4)	—	(18)	(103)
Balance, December 31, 2018	\$ (3)	\$ 2	\$ —	\$ (132)	\$ (133)

All components of accumulated other comprehensive income (loss) are net of tax, except currency translation adjustments, which exclude income taxes related to indefinite investments in foreign subsidiaries (see Note 8-Income Taxes for impacts of the Tax Act) and include a \$64 million gain, net of tax, related to the Company's hedge of its investment in euro-denominated foreign operations (See Note 18-Financial Instruments).

^(a) For the years ended December 31, 2018, 2017 and 2016, the amounts reclassified from accumulated other comprehensive income (loss) into corporate interest expense were \$3 million (\$2 million, net of tax), \$4 million (\$2 million, net of tax) and \$6 million (\$4 million, net of tax), respectively. For the year ended December 31, 2016, amount reclassified from accumulated other comprehensive income (loss) into vehicle interest expense was \$1 million (\$0 million, net of tax).

^(b) For the years ended December 31, 2018, 2017 and 2016, amounts reclassified from accumulated other comprehensive income (loss) into selling, general and administrative expenses were \$7 million (\$5 million, net of tax), \$8 million (\$5 million, net of tax) and \$6 million (\$4 million, net of tax), respectively.

^(c) See Note 2-Summary of Significant Accounting Policies for the impact of adoption of ASU 2016-01 and ASU 2018-02.

16. Stock-Based Compensation

The Company's Amended and Restated Equity and Incentive Plan provides for the grant of options, stock appreciation rights, restricted stock, restricted stock units ("RSUs") and other stock- or cash-based awards to employees, directors and other individuals who perform services for the Company and its subsidiaries. The maximum number of shares reserved for grant of awards under the plan is 20.1 million, with approximately 3.5 million shares available as of December 31, 2018. The Company typically settles stock-based awards with treasury shares.

Time-based awards generally vest ratably over a three-year period following the date of grant, and performance- or market-based awards generally vest three years following the date of grant based on the attainment of performance- or market-based goals, all of which are subject to a service condition.

Cash Unit Awards

The fair value of time-based restricted cash units is based on the Company's stock price on the grant date. Market-vesting restricted cash units generally vest depending on the level of relative total shareholder return achieved by the Company during the period prior to scheduled vesting. Settlement of restricted cash units is based on the Company's average closing stock price over a specified number of trading days and the value of these awards varies based on changes in the Company's stock price.

Stock Unit Awards

Stock unit awards entitle the holder to receive shares of common stock upon vesting on a one-to-one basis. Certain performance-based RSUs vest based upon the level of performance attained, but vesting can increase (typically by up to 20%) if certain relative total shareholder return goals are achieved. Market-based RSUs generally vest based on the level of total shareholder return or absolute stock price attainment.

The grant date fair value of the performance-based RSUs incorporates the total shareholder return metric, which is estimated using a Monte Carlo simulation model to estimate the Company's ranking relative to an applicable stock index. During the years ended December 31, 2018 and 2017, the Company did not issue any stock unit awards containing a market condition. The weighted average assumptions used in the Monte Carlo simulation model to calculate the fair value of the Company's stock unit awards are outlined in the table below.

	<u>2016</u>
Expected volatility of stock price	46%
Risk-free interest rate	0.98%
Valuation period	3 years
Dividend yield	0%

Annual activity related to stock units consisted of (in thousands of shares):

	<u>Number of Shares</u>		<u>Weighted Average Grant Date Fair Value</u>		<u>Weighted Average Remaining Contractual Term (years)</u>		<u>Aggregate Intrinsic Value (in millions)</u>
Time-based RSUs							
Outstanding at January 1, 2018	1,160	\$	34.54				
Granted ^(a)	322		48.41				
Vested ^(b)	(560)		36.02				
Forfeited	(84)		36.53				
	<u>838</u>	\$	38.67		0.8	\$	19
Performance-based and market-based RSUs							
Outstanding at January 1, 2018	994	\$	33.06				
Granted ^(a)	353		48.52				
Vested ^(b)	—		—				
Forfeited	(178)		50.05				
	<u>1,169</u>	\$	35.14		1.0	\$	26
Outstanding at December 31, 2018	<u>255</u>	\$	44.57		1.9	\$	6

^(a) Reflects the maximum number of stock units assuming achievement of all performance-, market- and time-vesting criteria and does not include those for non-employee directors, which are discussed separately below. The weighted-average fair value of time-based RSUs and performance-based RSUs granted in 2017 was \$35.32 and \$35.21, respectively, and the weighted-average fair value of time-based RSUs and performance-based and market-based RSUs granted in 2016 was \$25.92 and \$23.33, respectively.

^(b) The total fair value of RSUs vested during 2018, 2017 and 2016 was \$20 million, \$23 million and \$31 million, respectively. The total grant date fair value of cash units vested during the year 2016 was \$2 million.

^(c) Aggregate unrecognized compensation expense related to time-based RSUs and performance-based and market-based RSUs amounted to \$28 million and will be recognized over a weighted average vesting period of 1.0 year.

Stock Options

The annual stock option activity consisted of (in thousands of shares):

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (in millions)
Outstanding at January 1, 2018	273	\$ 7.08	1.7	\$ 10
Granted ^(a)	—	—		—
Exercised ^(b)	(216)	8.72		8
Forfeited/expired	—	—		—
Outstanding and exercisable at December 31, 2018	<u>57</u>	<u>\$ 0.79</u>	0.1	<u>\$ 1</u>

^(a) No stock options were granted during 2017 and 2016.

^(b) Stock options exercised during 2017 and 2016 had intrinsic values of \$21 million and \$1 million, respectively. The cash received from the exercise of options was \$2 million in 2018 and insignificant in 2017 and 2016.

Non-employee Directors Deferred Compensation Plan

The Company grants stock awards on a quarterly basis to non-employee directors representing between 50% and 100% of a director's annual compensation and such awards can be deferred under the Non-employee Directors Deferred Compensation Plan. During 2018, 2017 and 2016, the Company granted 34,000, 36,000 and 40,000 awards, respectively, to non-employee directors.

Employee Stock Purchase Plan

The Company is authorized to sell shares of its common stock to eligible employees at 95% of fair market value. This plan has been deemed to be non-compensatory and therefore no compensation expense has been recognized.

Stock-Compensation Expense

During 2018, 2017 and 2016, the Company recorded stock-based compensation expense of \$24 million (\$18 million, net of tax), \$10 million (\$7 million, net of tax) and \$28 million (\$18 million, net of tax), respectively.

17. Employee Benefit Plans

Defined Contribution Savings Plans

The Company sponsors several defined contribution savings plans in the United States and certain foreign subsidiaries that provide certain eligible employees of the Company an opportunity to accumulate funds for retirement. The Company matches portions of the contributions of participating employees on the basis specified by the plans. The Company's contributions to these plans were \$33 million, \$36 million and \$33 million during 2018, 2017 and 2016, respectively.

Defined Benefit Pension Plans

The Company sponsors defined benefit pension plans in the United States and in certain foreign subsidiaries with some plans offering participation in the plans at the employees' option. Under these plans, benefits are based on an employee's years of credited service and a percentage of final average compensation. However, the majority of the plans are closed to new employees and participants are no longer accruing benefits.

The funded status of the defined benefit pension plans is recognized on the Consolidated Balance Sheets and the gains or losses and prior service costs or credits that arise during the period, but are not recognized as components of net periodic benefit cost, are recognized as a component of accumulated other comprehensive loss, net of tax.

The components of net periodic (benefit) cost consisted of the following:

	Year Ended December 31,		
	2018	2017	2016
Service cost ^(a)	\$ 6	\$ 5	\$ 4
Interest cost ^(b)	19	19	21
Expected return on plan assets ^(b)	(33)	(30)	(27)
Amortization of unrecognized amounts ^(b)	7	8	5
Net periodic (benefit) cost	\$ (1)	\$ 2	\$ 3

^(a) For the year ended December 31, 2018, \$4 million and \$2 million were included in operating expenses and selling, general and administrative expenses, respectively.

^(b) Included in selling, general and administrative expenses.

The estimated amount that will be amortized from accumulated other comprehensive loss into net periodic benefit cost in 2019 is \$7 million, which consists primarily of net actuarial losses.

The Company uses a measurement date of December 31 for its pension plans. The funded status of the pension plans were as follows:

	As of December 31,	
	2018	2017
Change in Benefit Obligation		
Benefit obligation at end of prior year	\$ 779	\$ 720
Service cost	6	5
Interest cost	19	19
Actuarial (gain) loss	(32)	15
Currency translation adjustment	(24)	44
Net benefits paid	(26)	(24)
Benefit obligation at end of current year	\$ 722	\$ 779

Change in Plan Assets		
Fair value of assets at end of prior year	\$ 614	\$ 523
Actual return on plan assets	(29)	59
Employer contributions	11	24
Currency translation adjustment	(21)	32
Net benefits paid	(26)	(24)
Fair value of assets at end of current year	\$ 549	\$ 614

	As of December 31,	
	2018	2017
Funded Status		
Classification of net balance sheet assets (liabilities):		
Non-current assets	\$ 18	\$ 24
Current liabilities	(4)	(3)
Non-current liabilities	(187)	(186)
Net funded status	\$ (173)	\$ (165)

The following assumptions were used to determine pension obligations and pension costs for the principal plans in which the Company's employees participated:

	For the Year Ended December 31,		
	2018	2017	2016
U.S. Pension Benefit Plans			
Discount rate:			
Net periodic benefit cost	3.50%	3.90%	4.40%
Benefit obligation	4.15%	3.50%	3.90%
Long-term rate of return on plan assets	7.00%	7.00%	7.00%
Non-U.S. Pension Benefit Plans			
Discount rate:			
Net periodic benefit cost	2.55%	2.45%	3.45%
Benefit obligation	2.75%	2.55%	2.45%
Long-term rate of return on plan assets	4.50%	4.70%	4.45%

To select discount rates for its defined benefit pension plans, the Company uses a modeling process that involves matching the expected cash outflows of such plans, to yield curves constructed from portfolios of AA-rated fixed-income debt instruments. The Company uses the average yields of the hypothetical portfolios as a discount rate benchmark.

The Company's expected rate of return on plan assets of 7.00% and 4.50% for the U.S. plans and non-U.S. plans, respectively, used to determine pension obligations and pension costs, are long-term rates based on historic plan asset returns in individual jurisdictions, over varying long-term periods combined with current market expectations and broad asset mix considerations.

As of December 31, 2018, plans with benefit obligations in excess of plan assets had accumulated benefit obligations of \$423 million and plan assets of \$234 million. As of December 31, 2017, plans with benefit obligations in excess of plan assets had accumulated benefit obligations of \$453 million and plan assets of \$264 million. The accumulated benefit obligation for all plans was \$713 million and \$769 million as of December 31, 2018 and 2017, respectively. The Company expects to contribute approximately \$7 million to the U.S. plans and \$7 million to the non-U.S. plans in 2019.

The Company's defined benefit pension plans' assets are invested primarily in mutual funds and may change in value due to various risks, such as interest rate and credit risk and overall market volatility. Due to the level of risk associated with investment securities, it is reasonably possible that changes in the values of the pension plans' investment securities will occur in the near term and that such changes would materially affect the amounts reported in the Company's financial statements.

The defined benefit pension plans' investment goals and objectives are managed by the Company or Company-appointed and member-appointed trustees with consultation from independent investment advisors. While the objectives may vary slightly by country and jurisdiction, collectively the Company seeks to produce returns on pension plan investments, which are based on levels of liquidity and investment risk that the Company believes are prudent and reasonable, given prevailing capital market conditions. The pension plans' assets are managed in the long-term interests of the participants and the beneficiaries of the plans. A suitable strategic asset allocation benchmark is determined for each plan to maintain a diversified portfolio, taking into account government requirements, if any, regarding unnecessary investment risk and protection of pension plans' assets. The Company believes that diversification of the pension plans' assets is an important investment strategy to provide reasonable assurance that no single security or class of securities will have a disproportionate impact on the pension plans. As such, the Company allocates assets among traditional equity, fixed income (government issued securities, corporate bonds and short-term cash investments) and other investment strategies.

The equity component's purpose is to provide a total return that will help preserve the purchasing power of the assets. The pension plans hold various mutual funds that invest in equity securities and are diversified among funds that invest in large cap, small cap, growth, value and international stocks as well as funds that are intended to "track" an index, such as the S&P 500. The equity investments in the portfolios will represent a greater assumption of market volatility and risk as well as provide higher anticipated total return over the long term. The equity component is expected to approximate 40%-60% of the plans' assets.

The purpose of the fixed income component is to provide a deflation hedge, to reduce the overall volatility of the pension plans' assets in relation to the liability and to produce current income. The pension plans hold mutual funds that invest in securities issued by governments, government agencies and corporations. The fixed income component is expected to approximate 40%-60% of the plans' assets.

The following table presents the defined benefit pension plans' assets measured at fair value, as of December 31:

Asset Class	2018		
	Level 1	Level 2	Total
Cash equivalents and short-term investments	\$ 10	\$ 25	\$ 35
U.S. equities	82	42	124
Non-U.S. equities	49	80	129
Real estate	—	17	17
Government bonds	3	8	11
Corporate bonds	89	31	120
Other assets	2	111	113
Total assets	<u>\$ 235</u>	<u>\$ 314</u>	<u>\$ 549</u>

Asset Class	2017		
	Level 1	Level 2	Total
Cash equivalents and short-term investments	\$ 12	\$ 29	\$ 41
U.S. equities	102	43	145
Non-U.S. equities	50	100	150
Real estate	—	18	18
Government bonds	7	11	18
Corporate bonds	90	37	127
Other assets	3	112	115
Total assets	<u>\$ 264</u>	<u>\$ 350</u>	<u>\$ 614</u>

The Company estimates that future benefit payments from plan assets will be \$27 million, \$28 million, \$29 million, \$30 million, \$31 million and \$172 million for 2019, 2020, 2021, 2022, 2023 and 2024 to 2028, respectively.

Multiemployer Plans

The Company contributes to a number of multiemployer plans under the terms of collective-bargaining agreements that cover a portion of its employees. The risks of participating in these multiemployer plans are different from single-employer plans in the following aspects: (i) assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers; (ii) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers; (iii) if the Company elects to stop participating in a multiemployer plan, it may be required to contribute to such plan an amount based on the under-funded status of the plan; and (iv) the Company has no involvement in the management of the multiemployer plans' investments. For the years ended December 31, 2018, 2017 and 2016, the Company contributed a total of \$9 million in each of the periods to multiemployer plans.

18. Financial Instruments

Risk Management

Currency Risk. The Company uses currency exchange contracts to manage its exposure to changes in currency exchange rates associated with its non-U.S.-dollar denominated receivables and forecasted royalties, forecasted earnings of non-U.S. subsidiaries and forecasted non-U.S.-dollar denominated

acquisitions. The Company primarily hedges a portion of its current-year currency exposure to the Australian, Canadian and New Zealand dollars, the euro and the British pound sterling. The majority of forward contracts do not qualify for hedge accounting treatment. The fluctuations in the value of these forward contracts do, however, largely offset the impact of changes in the value of the underlying risk they economically hedge. Forward contracts used to hedge forecasted third-party receipts and disbursements up to 12 months are designated and do qualify as cash flow hedges. The Company has designated its euro-denominated notes as a hedge of its investment in euro-denominated foreign operations.

The amount of gains or losses reclassified from other comprehensive income (loss) to earnings resulting from ineffectiveness or from excluding a component of the hedges' gain or loss from the effectiveness calculation for cash flow and net investment hedges during 2018, 2017 and 2016 was not material, nor is the amount of gains or losses the Company expects to reclassify from accumulated other comprehensive income (loss) to earnings over the next 12 months.

Interest Rate Risk. The Company uses various hedging strategies including interest rate swaps and interest rate caps to create an appropriate mix of fixed and floating rate assets and liabilities. The after-tax amount of gains or losses reclassified from accumulated other comprehensive income (loss) to earnings resulting from ineffectiveness related to the Company's cash flow hedges was not material during 2018, 2017 and 2016 to the Company's results of operations. The Company estimates that \$6 million of gains currently recorded in accumulated other comprehensive income (loss) will be recognized in earnings over the next 12 months.

Commodity Risk. The Company periodically enters into derivative commodity contracts to manage its exposure to changes in the price of gasoline. These instruments were designated as freestanding derivatives and the changes in fair value are recorded in the Company's consolidated results of operations.

Credit Risk and Exposure. The Company is exposed to counterparty credit risks in the event of nonperformance by counterparties to various agreements and sales transactions. The Company manages such risk by evaluating the financial position and creditworthiness of such counterparties and by requiring collateral in certain instances in which financing is provided. The Company mitigates counterparty credit risk associated with its derivative contracts by monitoring the amount for which it is at risk with each counterparty, periodically evaluating counterparty creditworthiness and financial position, and where possible, dispersing its risk among multiple counterparties.

There were no significant concentrations of credit risk with any individual counterparty or groups of counterparties at December 31, 2018 or 2017, other than (i) risks related to the Company's repurchase and guaranteed depreciation agreements with domestic and foreign car manufacturers, and primarily with respect to receivables for program cars that were disposed but for which the Company has not yet received payment from the manufacturers (see Note 2-Summary of Significant Accounting Policies), (ii) receivables from Realogy and Wyndham related to certain contingent, income tax and other corporate liabilities assumed by Realogy and Wyndham in connection with their disposition and (iii) risks related to leases which have been assumed by Realogy but of which the Company is a guarantor. Concentrations of credit risk associated with trade receivables are considered minimal due to the Company's diverse customer base. The Company does not normally require collateral or other security to support credit sales.

Fair Value

Derivative instruments and hedging activities

As described above, derivative assets and liabilities consist principally of currency exchange contracts, interest rate swaps, interest rate caps and commodity contracts.

The Company held derivative instruments with absolute notional values as follows:

	As of December 31,	
	2018	2017
Interest rate caps ^(a)	\$ 8,431	\$ 10,968
Interest rate swaps	1,500	1,000
Foreign exchange contracts	1,235	934

^(a) Represents \$5.7 billion of interest rate caps sold, partially offset by approximately \$2.7 billion of interest rate caps purchased at December 31, 2018 and \$8.0 billion of interest rate caps sold, partially offset by approximately \$3.0 billion of interest rate caps purchased at December 31, 2017. These amounts exclude \$3.0 billion and \$5.0 billion of interest rate caps purchased by the Company's Avis Budget Rental Car Funding subsidiary at December 31, 2018 and 2017, respectively.

Fair values (Level 2) of derivative instruments are as follows:

	As of December 31, 2018		As of December 31, 2017	
	Fair Value, Asset Derivatives	Fair Value, Liability Derivatives	Fair Value, Asset Derivatives	Fair Value, Liability Derivatives
Derivatives designated as hedging instruments				
Interest rate swaps ^(a)	\$ 12	\$ 8	\$ 8	\$ —
Derivatives not designated as hedging instruments				
Interest rate caps ^(b)	—	2	—	1
Foreign exchange contracts ^(c)	5	11	3	7
Commodity contracts ^(c)	—	1	—	—
Total	\$ 17	\$ 22	\$ 11	\$ 8

Amounts in this table exclude derivatives issued by Avis Budget Rental Car Funding, as it is not consolidated by the Company; however, certain amounts related to the derivatives held by Avis Budget Rental Car Funding are included within accumulated other comprehensive income (loss), as discussed in Note 15-Stockholders' Equity.

^(a) Included in other non-current assets or other non-current liabilities.

^(b) Included in assets under vehicle programs or liabilities under vehicle programs.

^(c) Included in other current assets or other current liabilities.

The effects of derivatives recognized in the Company's Consolidated Financial Statements are as follows:

	Year Ended December 31,		
	2018	2017	2016
Financial instruments designated as hedging instruments ^(a)			
Interest rate swaps	\$ (4)	\$ 3	\$ 4
Euro-denominated notes	24	(50)	14
Financial instruments not designated as hedging instruments ^(b)			
Foreign exchange contracts ^(c)	31	(42)	42
Interest rate caps ^(d)	(3)	(1)	(2)
Commodity contracts ^(e)	—	(1)	—
Total	\$ 48	\$ (91)	\$ 58

^(a) Recognized, net of tax, as a component of accumulated other comprehensive income (loss) within stockholders' equity.

^(b) Gains (losses) related to derivative instruments are expected to be largely offset by (losses) gains on the underlying exposures being hedged.

^(c) For the year ended December 31, 2018, included a \$19 million gain included in interest expense and a \$12 million gain included in operating expenses. For the year ended December 31, 2017, included a \$23 million loss included in interest expense and a \$19 million loss included in operating expenses. For the year ended December 31, 2016, included a \$68 million gain in interest expense and a \$26 million loss included in operating expenses.

^(d) Primarily included in vehicle interest, net.

^(e) Included in operating expenses.

Debt Instruments

The carrying amounts and estimated fair values (Level 2) of debt instruments are as follows:

	As of December 31, 2018		As of December 31, 2017	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Corporate debt				
Short-term debt and current portion of long-term debt	\$ 23	\$ 23	\$ 26	\$ 26
Long-term debt	3,528	3,462	3,573	3,677
Debt under vehicle programs				
Vehicle-backed debt due to Avis Budget Rental Car Funding	\$ 7,358	\$ 7,383	\$ 6,480	\$ 6,537
Vehicle-backed debt	2,871	2,881	2,740	2,745
Interest rate swaps and interest rate caps ^(a)	3	3	1	1

^(a) Derivatives in liability position.

19. Segment Information

The Company's chief operating decision maker assesses performance and allocates resources based upon the separate financial information from the Company's operating segments. In identifying its reportable segments, the Company considered the nature of services provided, the geographical areas in which the segments operated and other relevant factors. The Company aggregates certain of its operating segments into its reportable segments.

Management evaluates the operating results of each of its reportable segments based upon revenue and "Adjusted EBITDA," which the Company defines as income from continuing operations before non-vehicle related depreciation and amortization, any impairment charges, restructuring and other related charges, early extinguishment of debt costs, non-vehicle related interest, transaction-related costs, net charges for an unprecedented personal-injury legal matters, non-operational charges related to shareholder activist activity and income taxes. Net charges for unprecedented personal-injury legal matters are recorded within operating expenses in the Company's Consolidated Statements of Operations. The Company has revised its definition of Adjusted EBITDA to exclude non-operational charges related to shareholder activist activity. Non-operational charges related to shareholder activist activity include third-party advisory, legal and other professional service fees and are recorded within selling, general and administrative expenses in the Company's Consolidated Statements of Operations. The Company did not revise prior years' Adjusted EBITDA amounts because there were no costs similar in nature to these items. The Company's presentation of Adjusted EBITDA may not be comparable to similarly-titled measures used by other companies.

Year Ended December 31, 2018

	Americas	International	Corporate and Other ^(a)	Total
Revenues	\$ 6,186	\$ 2,938	\$ —	\$ 9,124
Vehicle depreciation and lease charges, net	1,568	611	—	2,179
Vehicle interest, net	252	62	—	314
Adjusted EBITDA	558	287	(64)	781
Non-vehicle depreciation and amortization	152	104	—	256
Assets exclusive of assets under vehicle programs	3,782	2,495	93	6,370
Assets under vehicle programs	9,670	3,109	—	12,779
Capital expenditures (excluding vehicles)	134	76	21	231

^(a) Primarily represents unallocated corporate expenses and receivables from our former subsidiaries.

Year Ended December 31, 2017

	Americas	International	Corporate and Other ^(a)	Total
Revenues	\$ 6,100	\$ 2,748	\$ —	\$ 8,848
Vehicle depreciation and lease charges, net	1,671	550	—	2,221
Vehicle interest, net	226	60	—	286
Adjusted EBITDA	486	305	(56)	735
Non-vehicle depreciation and amortization	168	91	—	259
Assets exclusive of assets under vehicle programs	3,388	2,353	79	5,820
Assets under vehicle programs	9,017	2,862	—	11,879
Capital expenditures (excluding vehicles)	122	62	13	197

^(a) Primarily represents unallocated corporate expenses and receivables from our former subsidiaries.

Year Ended December 31, 2016

	Americas	International	Corporate and Other ^(a)	Total
Revenues	\$ 6,121	\$ 2,538	\$ —	\$ 8,659
Vehicle depreciation and lease charges, net	1,559	488	—	2,047
Vehicle interest, net	226	58	—	284
Adjusted EBITDA	633	273	(68)	838
Non-vehicle depreciation and amortization	165	88	—	253
Assets exclusive of assets under vehicle programs	4,017	1,990	58	6,065
Assets under vehicle programs	9,210	2,368	—	11,578
Capital expenditures (excluding vehicles)	121	62	7	190

^(a) Primarily represents unallocated corporate expenses and receivables from our former subsidiaries.

Provided below is a reconciliation of Adjusted EBITDA to income before income taxes.

	For the Year Ended December 31,		
	2018	2017	2016
Adjusted EBITDA	\$ 781	\$ 735	\$ 838
Less: Non-vehicle related depreciation and amortization ^(a)	256	259	253
Interest expense related to corporate debt, net	188	188	203
Early extinguishment of corporate debt	19	3	27
Restructuring and other related charges	22	63	29
Transaction-related costs, net	20	23	21
Non-operational charges related to shareholder activist activity ^(b)	9	—	—
Impairment	—	2	—
Charges for legal matter, net ^(c)	—	(14)	26
Income before income taxes	\$ 267	\$ 211	\$ 279

^(a) Includes amortization of intangible assets recognized in purchase accounting of \$61 million in 2018, \$58 million in 2017 and \$59 million in 2016.

^(b) Reported within selling, general and administrative expenses in our Consolidated Statements of Operations.

^(c) Reported within operating expenses in our Consolidated Statements of Operations.

The geographic segment information provided below is classified based on the geographic location of the Company's subsidiaries.

	<u>United States</u>	<u>All Other Countries</u>	<u>Total</u>
2018			
Revenues	\$ 5,708	\$ 3,416	\$ 9,124
Assets exclusive of assets under vehicle programs	3,494	2,876	6,370
Assets under vehicle programs	9,021	3,758	12,779
Net long-lived assets	1,476	1,177	2,653
2017			
Revenues	\$ 5,629	\$ 3,219	\$ 8,848
Assets exclusive of assets under vehicle programs	3,069	2,751	5,820
Assets under vehicle programs	8,192	3,687	11,879
Net long-lived assets	1,451	1,176	2,627
2016			
Revenues	\$ 5,674	\$ 2,985	\$ 8,659
Assets exclusive of assets under vehicle programs	3,699	2,366	6,065
Assets under vehicle programs	8,552	3,026	11,578
Net long-lived assets	1,489	1,073	2,562

20. Guarantor and Non-Guarantor Consolidating Financial Statements

The following consolidating financial information presents Consolidating Condensed Statements of Operations for the years ended December 31, 2018, 2017 and 2016, Consolidating Condensed Balance Sheets as of December 31, 2018 and December 31, 2017 and Consolidating Condensed Statements of Cash Flows for the years ended December 31, 2018, 2017 and 2016 for: (i) Avis Budget Group, Inc. (the "Parent"); (ii) ABCR and Avis Budget Finance, Inc. (the "Subsidiary Issuers"); (iii) the guarantor subsidiaries; (iv) the non-guarantor subsidiaries; (v) elimination entries necessary to consolidate the Parent with the Subsidiary Issuers, the guarantor and non-guarantor subsidiaries; and (vi) the Company on a consolidated basis. The Subsidiary Issuers and the guarantor and non-guarantor subsidiaries are 100% owned by the Parent, either directly or indirectly. All guarantees are full and unconditional and joint and several. This financial information is being presented in relation to the Company's guarantee of the payment of principal, premium (if any) and interest on the notes issued by the Subsidiary Issuers. See Note 12-Long-term Corporate Debt and Borrowing Arrangements for additional description of these guaranteed notes. The Senior Notes have separate investors than the equity investors of the Company and are guaranteed by the Parent and certain subsidiaries.

Investments in subsidiaries are accounted for using the equity method of accounting for purposes of the consolidating presentation. The principal elimination entries relate to investments in subsidiaries and intercompany balances and transactions. For purposes of the accompanying Consolidating Condensed Statements of Operations, certain expenses incurred by the Subsidiary Issuers are allocated to the guarantor and non-guarantor subsidiaries.

The following table provides a reconciliation of the cash and cash equivalents, program and restricted cash reported within the Consolidating Condensed Balance Sheets to the amounts shown in the Consolidating Condensed Statements of Cash Flows.

	As of December 31,			
	2018		2017	
	Non-Guarantor	Total	Non-Guarantor	Total
Cash and cash equivalents	\$ 601	\$ 615	\$ 593	\$ 611
Program cash	115	115	283	283
Restricted cash ^(a)	5	5	7	7
Total cash and cash equivalents, program and restricted cash	\$ 721	\$ 735	\$ 883	\$ 901

^(a) Included within other current assets.

Consolidating Condensed Statements of Operations

For the Year Ended December 31, 2018

	Parent	Subsidiary Issuers	Guarantor Subsidiaries	Non- Guarantor Subsidiaries	Eliminations	Total
Revenues	\$ —	\$ —	\$ 5,431	\$ 6,006	\$ (2,313)	\$ 9,124
Expenses						
Operating	4	7	2,668	1,960	—	4,639
Vehicle depreciation and lease charges, net	—	—	2,162	2,102	(2,085)	2,179
Selling, general and administrative	48	11	662	499	—	1,220
Vehicle interest, net	—	—	229	313	(228)	314
Non-vehicle related depreciation and amortization	—	1	145	110	—	256
Interest expense related to corporate debt, net:						
Interest expense	—	153	3	32	—	188
Intercompany interest expense (income)	(12)	(11)	26	(3)	—	—
Early extinguishment of debt	—	19	—	—	—	19
Restructuring and other related charges	—	—	11	11	—	22
Transaction-related costs, net	—	1	4	15	—	20
Total expenses	40	181	5,910	5,039	(2,313)	8,857
Income (loss) before income taxes and equity in earnings of subsidiaries	(40)	(181)	(479)	967	—	267
Provision for (benefit from) income taxes	(10)	(48)	93	67	—	102
Equity in earnings of subsidiaries	195	328	900	—	(1,423)	—
Net income	\$ 165	\$ 195	\$ 328	\$ 900	\$ (1,423)	\$ 165
Comprehensive income	\$ 62	\$ 92	\$ 228	\$ 806	\$ (1,126)	\$ 62

For the Year Ended December 31, 2017

	Parent	Subsidiary Issuers	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Revenues	\$ —	\$ —	\$ 5,312	\$ 5,931	\$ (2,395)	\$ 8,848
Expenses						
Operating	3	20	2,598	1,851	—	4,472
Vehicle depreciation and lease charges, net	—	—	2,226	2,183	(2,188)	2,221
Selling, general and administrative	39	8	619	454	—	1,120
Vehicle interest, net	—	—	199	294	(207)	286
Non-vehicle related depreciation and amortization	—	1	160	98	—	259
Interest expense related to corporate debt, net:						
Interest expense	—	157	1	30	—	188
Intercompany interest expense (income)	(12)	95	23	(106)	—	—
Early extinguishment of debt	—	4	—	(1)	—	3
Restructuring and other related charges	—	7	44	12	—	63
Transaction-related costs, net	—	1	3	19	—	23
Impairment	—	—	2	—	—	2
Total expenses	30	293	5,875	4,834	(2,395)	8,637
Income (loss) before income taxes and equity in earnings of subsidiaries	(30)	(293)	(563)	1,097	—	211
Provision for (benefit from) income taxes	(5)	267	(527)	115	—	(150)
Equity in earnings of subsidiaries	386	946	982	—	(2,314)	—
Net income	\$ 361	\$ 386	\$ 946	\$ 982	\$ (2,314)	\$ 361
Comprehensive income	\$ 491	\$ 515	\$ 1,073	\$ 1,103	\$ (2,691)	\$ 491

For the Year Ended December 31, 2016

	Parent	Subsidiary Issuers	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Revenues	\$ —	\$ —	\$ 5,343	\$ 5,510	\$ (2,194)	\$ 8,659
Expenses						
Operating	4	18	2,622	1,738	—	4,382
Vehicle depreciation and lease charges, net	—	—	1,993	2,045	(1,991)	2,047
Selling, general and administrative	38	18	631	447	—	1,134
Vehicle interest, net	—	—	198	289	(203)	284
Non-vehicle related depreciation and amortization	—	2	155	96	—	253
Interest expense related to corporate debt, net:						
Interest expense	—	141	3	59	—	203
Intercompany interest expense (income)	(13)	(7)	23	(3)	—	—
Early extinguishment of debt	—	10	—	17	—	27
Restructuring and other related charges	—	—	9	20	—	29
Transaction-related costs, net	—	2	1	18	—	21
Total expenses	29	184	5,635	4,726	(2,194)	8,380
Income (loss) before income taxes and equity in earnings of subsidiaries	(29)	(184)	(292)	784	—	279
Provision for (benefit from) income taxes	(11)	(70)	123	74	—	116
Equity in earnings of subsidiaries	181	295	710	—	(1,186)	—
Net income	\$ 163	\$ 181	\$ 295	\$ 710	\$ (1,186)	\$ 163
Comprehensive income	\$ 156	\$ 173	\$ 283	\$ 712	\$ (1,168)	\$ 156

Consolidating Condensed Balance Sheets

As of December 31, 2018

	Parent	Subsidiary Issuers	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Assets						
Current assets:						
Cash and cash equivalents	\$ 1	\$ 12	\$ 1	\$ 601	\$ —	\$ 615
Receivables, net	—	—	239	716	—	955
Other current assets	5	112	116	371	—	604
Total current assets	6	124	356	1,688	—	2,174
Property and equipment, net	—	199	319	218	—	736
Deferred income taxes	13	1,015	207	66	—	1,301
Goodwill	—	—	471	621	—	1,092
Other intangibles, net	—	26	475	324	—	825
Other non-current assets	47	39	16	140	—	242
Intercompany receivables	159	404	2,104	1,262	(3,929)	—
Investment in subsidiaries	246	4,786	3,852	—	(8,884)	—
Total assets exclusive of assets under vehicle programs	471	6,593	7,800	4,319	(12,813)	6,370
Assets under vehicle programs:						
Program cash	—	—	—	115	—	115
Vehicles, net	—	55	54	11,365	—	11,474
Receivables from vehicle manufacturers and other	—	2	—	629	—	631
Investment in Avis Budget Rental Car Funding (AESOP) LLC-related party	—	—	—	559	—	559
	—	57	54	12,668	—	12,779
Total assets	\$ 471	\$ 6,650	\$ 7,854	\$ 16,987	\$ (12,813)	\$ 19,149
Liabilities and stockholders' equity						
Current liabilities:						
Accounts payable and other current liabilities	\$ 16	\$ 246	\$ 582	\$ 849	\$ —	\$ 1,693
Short-term debt and current portion of long-term debt	—	18	3	2	—	23
Total current liabilities	16	264	585	851	—	1,716
Long-term debt	—	2,501	3	1,024	—	3,528
Other non-current liabilities	41	87	257	382	—	767
Intercompany payables	—	3,524	404	1	(3,929)	—
Total liabilities exclusive of liabilities under vehicle programs	57	6,376	1,249	2,258	(3,929)	6,011
Liabilities under vehicle programs:						
Debt	—	28	49	2,797	—	2,874
Due to Avis Budget Rental Car Funding (AESOP) LLC-related party	—	—	—	7,358	—	7,358
Deferred income taxes	—	—	1,770	191	—	1,961
Other	—	—	—	531	—	531
	—	28	1,819	10,877	—	12,724
Total stockholders' equity	414	246	4,786	3,852	(8,884)	414
Total liabilities and stockholders' equity	\$ 471	\$ 6,650	\$ 7,854	\$ 16,987	\$ (12,813)	\$ 19,149

As of December 31, 2017

	Parent	Subsidiary Issuers	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Assets						
Current assets:						
Cash and cash equivalents	\$ 4	\$ 14	\$ —	\$ 593	\$ —	\$ 611
Receivables, net	—	—	255	667	—	922
Other current assets	4	89	101	339	—	533
Total current assets	8	103	356	1,599	—	2,066
Property and equipment, net	—	167	321	216	—	704
Deferred income taxes	14	704	154	59	—	931
Goodwill	—	—	471	602	—	1,073
Other intangibles, net	—	27	480	343	—	850
Other non-current assets	46	29	16	105	—	196
Intercompany receivables	187	382	1,506	824	(2,899)	—
Investment in subsidiaries	381	4,681	3,938	—	(9,000)	—
Total assets exclusive of assets under vehicle programs	636	6,093	7,242	3,748	(11,899)	5,820
Assets under vehicle programs:						
Program cash	—	—	—	283	—	283
Vehicles, net	—	34	61	10,531	—	10,626
Receivables from vehicle manufacturers and other	—	1	—	546	—	547
Investment in Avis Budget Rental Car Funding (AESOP) LLC-related party	—	—	—	423	—	423
	—	35	61	11,783	—	11,879
Total assets	\$ 636	\$ 6,128	\$ 7,303	\$ 15,531	\$ (11,899)	\$ 17,699
Liabilities and stockholders' equity						
Current liabilities:						
Accounts payable and other current liabilities	\$ 23	\$ 207	\$ 552	\$ 837	\$ —	\$ 1,619
Short-term debt and current portion of long-term debt	—	17	3	6	—	26
Total current liabilities	23	224	555	843	—	1,645
Long-term debt	—	2,910	3	660	—	3,573
Other non-current liabilities	40	83	216	378	—	717
Intercompany payables	—	2,515	382	2	(2,899)	—
Total liabilities exclusive of liabilities under vehicle programs	63	5,732	1,156	1,883	(2,899)	5,935
Liabilities under vehicle programs:						
Debt	—	15	57	2,669	—	2,741
Due to Avis Budget Rental Car Funding (AESOP) LLC-related party	—	—	—	6,480	—	6,480
Deferred income taxes	—	—	1,407	187	—	1,594
Other	—	—	2	374	—	376
	—	15	1,466	9,710	—	11,191
Total stockholders' equity	573	381	4,681	3,938	(9,000)	573
Total liabilities and stockholders' equity	\$ 636	\$ 6,128	\$ 7,303	\$ 15,531	\$ (11,899)	\$ 17,699

Consolidating Condensed Statements of Cash Flows

For the Year Ended December 31, 2018

	Parent	Subsidiary Issuers	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Net cash provided by (used in) operating activities	\$ 210	\$ 235	\$ 193	\$ 2,380	\$ (409)	\$ 2,609
Investing activities						
Property and equipment additions	—	(64)	(88)	(79)	—	(231)
Proceeds received on asset sales	—	2	4	11	—	17
Net assets acquired (net of cash acquired)	—	(3)	(10)	(78)	—	(91)
Intercompany loan receipts (advances)	—	—	—	(404)	404	—
Other, net	—	(8)	—	(36)	—	(44)
Net cash provided by (used in) investing activities exclusive of vehicle programs	—	(73)	(94)	(586)	404	(349)
<i>Vehicle programs:</i>						
Investment in vehicles	—	(2)	(1)	(12,586)	—	(12,589)
Proceeds received on disposition of vehicles	—	42	—	9,606	—	9,648
Investment in debt securities of Avis Budget Rental Car Funding (AESOP) LLC — related party	—	—	—	(188)	—	(188)
Proceeds from debt securities of Avis Budget Rental Car Funding (AESOP) LLC — related party	—	—	—	52	—	52
	—	40	(1)	(3,116)	—	(3,077)
Net cash provided by (used in) investing activities	—	(33)	(95)	(3,702)	404	(3,426)
Financing activities						
Proceeds from long-term borrowings	—	81	—	404	—	485
Payments on long-term borrowings	—	(510)	(3)	(2)	—	(515)
Net change in short-term borrowings	—	—	—	(4)	—	(4)
Debt financing fees	—	(9)	—	(6)	—	(15)
Repurchases of common stock	(216)	—	—	—	—	(216)
Intercompany loan borrowings (payments)	—	404	—	—	(404)	—
Other, net	3	(167)	(85)	(157)	409	3
Net cash provided by (used in) financing activities exclusive of vehicle programs	(213)	(201)	(88)	235	5	(262)
<i>Vehicle programs:</i>						
Proceeds from borrowings	—	—	—	17,339	—	17,339
Payments on borrowings	—	(3)	(9)	(16,373)	—	(16,385)
Debt financing fees	—	—	—	(25)	—	(25)
	—	(3)	(9)	941	—	929
Net cash provided by (used in) financing activities	(213)	(204)	(97)	1,176	5	667
Effect of changes in exchange rates on cash and cash equivalents, program and restricted cash	—	—	—	(16)	—	(16)
Net increase in cash and cash equivalents, program and restricted cash	(3)	(2)	1	(162)	—	(166)
Cash and cash equivalents, program and restricted cash, beginning of period	4	14	—	883	—	901
Cash and cash equivalents, program and restricted cash, end of period	\$ 1	\$ 12	\$ 1	\$ 721	\$ —	\$ 735

For the Year Ended December 31, 2017

	Parent	Subsidiary Issuers	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Net cash provided by (used in) operating activities	\$ 110	\$ (89)	\$ 97	\$ 2,697	\$ (167)	\$ 2,648
Investing activities						
Property and equipment additions	—	(49)	(81)	(67)	—	(197)
Proceeds received on asset sales	—	1	—	7	—	8
Net assets acquired (net of cash acquired)	—	(1)	(5)	(15)	—	(21)
Intercompany loan receipts (advances)	—	—	—	(264)	264	—
Other, net	100	110	110	5	(320)	5
Net cash provided by (used in) investing activities exclusive of vehicle programs	100	61	24	(334)	(56)	(205)
<i>Vehicle programs:</i>						
Investment in vehicles	—	(1)	—	(11,537)	—	(11,538)
Proceeds received on disposition of vehicles	—	46	—	9,554	—	9,600
Investment in debt securities of Avis Budget Rental Car Funding (AESOP) LLC- related party	—	—	—	(61)	—	(61)
	—	45	—	(2,044)	—	(1,999)
Net cash provided by (used in) investing activities	100	106	24	(2,378)	(56)	(2,204)
Financing activities						
Proceeds from long-term borrowings	—	325	—	264	—	589
Payments on long-term borrowings	—	(406)	(2)	(194)	—	(602)
Net change in short-term borrowings	—	—	—	(4)	—	(4)
Debt financing fees	—	(5)	—	(4)	—	(9)
Repurchases of common stock	(210)	—	—	—	—	(210)
Intercompany loan borrowings (payments)	—	264	—	—	(264)	—
Other, net	1	(192)	(110)	(185)	487	1
Net cash provided by (used in) financing activities exclusive of vehicle programs	(209)	(14)	(112)	(123)	223	(235)
<i>Vehicle programs:</i>						
Proceeds from borrowings	—	—	—	17,212	—	17,212
Payments on borrowings	—	(1)	(9)	(17,259)	—	(17,269)
Debt financing fees	—	—	—	(16)	—	(16)
	—	(1)	(9)	(63)	—	(73)
Net cash provided by (used in) financing activities	(209)	(15)	(121)	(186)	223	(308)
Effect of changes in exchange rates on cash and cash equivalents, program and restricted cash	—	—	—	45	—	45
Net increase (decrease) in cash and cash equivalents, program and restricted cash	1	2	—	178	—	181
Cash and cash equivalents, program and restricted cash, beginning of period	3	12	—	705	—	720
Cash and cash equivalents, program and restricted cash, end of period	\$ 4	\$ 14	\$ —	\$ 883	\$ —	\$ 901

For the Year Ended December 31, 2016

	Parent	Subsidiary Issuers	Guarantor Subsidiaries	Non-Guarantor Subsidiaries	Eliminations	Total
Net cash provided by (used in) operating activities	\$ 279	\$ (10)	\$ 80	\$ 2,633	\$ (342)	\$ 2,640
Investing activities						
Property and equipment additions	—	(32)	(89)	(69)	—	(190)
Proceeds received on asset sales	—	7	4	8	—	19
Net assets acquired (net of cash acquired)	—	—	(4)	(51)	—	(55)
Intercompany loan receipts (advances)	—	—	28	(316)	288	—
Other, net	118	(1)	—	2	(118)	1
Net cash provided by (used in) investing activities exclusive of vehicle programs	118	(26)	(61)	(426)	170	(225)
<i>Vehicle programs:</i>						
Investment in vehicles	—	(9)	(4)	(12,448)	—	(12,461)
Proceeds received on disposition of vehicles	—	31	—	10,473	—	10,504
	—	22	(4)	(1,975)	—	(1,957)
Net cash provided by (used in) investing activities	118	(4)	(65)	(2,401)	170	(2,182)
Financing activities						
Proceeds from long-term borrowings	—	557	—	337	—	894
Payments on long-term borrowings	—	(525)	(5)	(317)	—	(847)
Net change in short-term borrowings	—	—	—	4	—	4
Debt financing fees	—	(15)	—	(5)	—	(20)
Repurchases of common stock	(398)	—	—	—	—	(398)
Intercompany loan borrowings (payments)	—	316	—	(28)	(288)	—
Other, net	—	(385)	—	(75)	460	—
Net cash provided by (used in) financing activities exclusive of vehicle programs	(398)	(52)	(5)	(84)	172	(367)
<i>Vehicle programs:</i>						
Proceeds from borrowings	—	8	—	15,761	—	15,769
Payments on borrowings	—	—	(9)	(15,817)	—	(15,826)
Debt financing fees	—	—	(1)	(24)	—	(25)
	—	8	(10)	(80)	—	(82)
Net cash provided by (used in) financing activities	(398)	(44)	(15)	(164)	172	(449)
Effect of changes in exchange rates on cash and cash equivalents, program and restricted cash	—	—	—	(6)	—	(6)
Net increase (decrease) in cash and cash equivalents, program and restricted cash	(1)	(58)	—	62	—	3
Cash and cash equivalents, program and restricted cash, beginning of period	4	70	—	643	—	717
Cash and cash equivalents, program and restricted cash, end of period	\$ 3	\$ 12	\$ —	\$ 705	\$ —	\$ 720

21. Selected Quarterly Financial Data—(unaudited)

Provided below are selected unaudited quarterly financial data for 2018 and 2017.

The earnings per share information is calculated independently for each quarter based on the weighted average number of common stock and common stock equivalents outstanding, which may fluctuate, based on quarterly income levels and market prices. Therefore and due to the seasonality of the Company's earnings, the sum of the quarters' per share information may not equal the annual amount presented on the Consolidated Statements of Operations.

	2018			
	First	Second	Third ^(a)	Fourth
Revenues	\$ 1,968	\$ 2,328	\$ 2,778	\$ 2,050
Net income (loss)	(87)	26	213	13
<i>Per share information:</i>				
Basic				
Net income (loss)	\$ (1.08)	\$ 0.33	\$ 2.71	\$ 0.16
Weighted average shares	81.0	80.7	78.8	76.9
Diluted				
Net income (loss)	\$ (1.08)	\$ 0.32	\$ 2.68	\$ 0.16
Weighted average shares	81.0	81.5	79.5	77.6
	2017			
	First	Second	Third	Fourth ^(a)
Revenues	\$ 1,839	\$ 2,238	\$ 2,752	\$ 2,019
Net income (loss)	(107)	3	245	220
<i>Per share information:</i>				
Basic				
Net income (loss)	\$ (1.25)	\$ 0.04	\$ 2.96	\$ 2.70
Weighted average shares	85.7	84.0	82.6	81.3
Diluted				
Net income (loss)	\$ (1.25)	\$ 0.04	\$ 2.91	\$ 2.65
Weighted average shares	85.7	85.2	84.0	82.7

^(a) Net income for fourth quarter 2017 included provisional amounts for the Tax Act of (i) a tax benefit of \$317 million resulting from the remeasurement of net deferred income tax liabilities as a result of the reduced corporate tax rate and (ii) a tax provision of \$104 million for the one-time transition tax on the deemed repatriation of cumulative foreign subsidiary earnings. Net income for the third quarter 2018 included additional tax expense of \$30 million resulting from the completion of the accounting for the effects of the Tax Act for the one-time transition tax on the deemed repatriation of cumulative foreign subsidiary earnings.

22. Subsequent Event

In February 2019, the Company's Avis Budget Rental Car Funding subsidiary issued approximately \$600 million in asset-backed notes with an expected final payment date of March 2022 incurring interest at a weighted average rate of approximately 4%.

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**Schedule II – Valuation and Qualifying Accounts
(in millions)**

Description	Balance at Beginning of Period	Expense (Benefit)	Other Adjustments	Deductions	Balance at End of Period
Allowance for Doubtful Accounts:					
Year Ended December 31,					
2018 ^(a)	\$ 36	\$ 34	\$ (2)	\$ (29)	\$ 39
2017 ^(a)	38	29	3	(34)	36
2016 ^(a)	34	27	(2)	(21)	38
Tax Valuation Allowance:					
Year Ended December 31,					
2018 ^(a)	\$ 331	\$ (3)	\$ (17)	\$ —	\$ 311
2017 ^(a)	357	—	13	(39)	331
2016 ^(a)	351	17	3	(14)	357

^(a) Other adjustments relate to currency translation adjustments.

EXHIBIT NO.	DESCRIPTION
2.1	Separation and Distribution Agreement by and among Cendant Corporation*, Realogy Corporation, Wyndham Worldwide Corporation and Travelport Inc., dated as of July 27, 2006 (Incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K dated August 1, 2006).
2.2	Letter Agreement dated August 23, 2006 related to the Separation and Distribution Agreement by and among Realogy Corporation, Cendant Corporation*, Wyndham Worldwide Corporation and Travelport Inc. dated as of July 27, 2006 (Incorporated by reference to Exhibit 2.2 to the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2007, dated August 8, 2007).
3.1	Amended and Restated Certificate of Incorporation of Avis Budget Group, Inc. (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated September 5, 2006).
3.2	Amended and Restated By-Laws of Avis Budget Group, Inc. as of May 23, 2018 (Incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K dated May 24, 2018).
3.3	Certificate of Designations of Series S Preferred Stock of Avis Budget Group, Inc., as filed with the Secretary of State of the State of Delaware on January 16, 2018 (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated January 16, 2018).
3.4	Certificate of Elimination of Series S Preferred Stock of Avis Budget Group Inc., dated April 16, 2018 (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated April 16, 2018).
4.1	Indenture, dated as of April 3, 2013, among Avis Budget Car Rental, LLC and Avis Budget Finance, Inc., as Issuers, the Guarantors from time to time parties thereto and The Bank of Nova Scotia Trust Company of New York as Trustee (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated April 8, 2013).
4.1(a)	Supplemental Indenture, dated as of June 21, 2013, to the Indenture, dated as of April 3, 2013, by and among Avis Budget Finance plc, as Issuer, the Guarantors from time to time parties thereto and The Bank of Nova Scotia Trust Company of New York as Trustee (Incorporated by reference to Exhibit 4.12(b) to Avis Budget Car Rental, LLC and Avis Budget Finance, Inc.'s Registration Statement on Form S-4, Registration No. 333-189524, dated June 21, 2013).
4.2	Form of 5.50% Senior Notes due 2023 (Incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated April 8, 2013).
4.3	Indenture dated as of March 11, 2015 among Avis Budget Car Rental, LLC and Avis Budget Finance, Inc., as Issuers, the Guarantors from time to time parties thereto and The Bank of Nova Scotia Trust Company of New York as Trustee (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated March 17, 2015).
4.4	Form of 5.25% Senior Notes Due 2025 (Incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K dated March 17, 2015).
4.5	Indenture dated as of March 29, 2016 for the 6.375% Senior Notes due 2024, among Avis Budget Car Rental LLC and Avis Budget Finance, Inc. as Issuers the Guarantors from time to time parties thereto and Deutsche Bank Trust Company Americas as Trustee (Incorporated by reference to Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016, dated May 4, 2016).
4.6	Indenture dated as of September 26, 2016 among Avis Budget Finance Plc, as Issuer, the Guarantors from time to time parties hereto and Deutsche Bank Trust Company Americas as Trustee, Deutsche Bank AG, London Branch as Paying Agent and Deutsche Bank Luxembourg, S.A. as Registrar (Incorporated by reference to Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016, dated November 3, 2016).
4.7	Form of 4.125% Senior Notes due 2024 (Incorporated by reference to Exhibit 4.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016, dated November 3, 2016).
4.8	Indenture dated as of March 8, 2017 among Avis Budget Finance, plc, as Issuer, the Guarantors from time to time parties hereto, Deutsche Bank Trust Company Americas, as Trustee, Deutsche Bank AG, London Branch, as Paying Agent and Deutsche Bank Luxembourg S.A., as Registrar (Incorporated by reference to Exhibit 4.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017, dated May 4, 2017).
4.9	Form of 4.50% Senior Notes Due 2025 (Incorporated by reference to Exhibit 4.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017, dated May 4, 2017).
4.10	Indenture dated as of October 4, 2018 among Avis Budget Finance, plc, as Issuer, the Guarantors from time to time parties thereto, Deutsche Bank Trust Company Americas, as Trustee, Deutsche Bank AG, London Branch, as Paying Agent and Deutsche Bank Luxembourg S.A., as Registrar (Incorporated by reference to Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2018 dated November 6, 2018).
4.11	Form of 4.75% Senior Notes Due 2026 (Incorporated by reference to Exhibit 4.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2018, dated November 6, 2018).
4.12	Rights Agreement, dated as of January 14, 2018, between Avis Budget Group, Inc. and Computershare Trust Company, N.A., as Rights Agent (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated January 16, 2018).
4.13	Amendment No. 1, dated April 16, 2018, to the Rights Agreement, dated as of January 14, 2018, between Avis Budget Group, Inc. and Computershare Trust Company, N.A., as Rights Agent (Incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated April 16, 2018).

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10.1	Employment Agreement between Avis Budget Group, Inc. and Larry D. De Shon dated as of September 15, 2015 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated September 18, 2015).†
10.2	Separation and Consulting Agreement, dated May 23, 2018, between Ronald L. Nelson and Avis Budget Group, Inc. (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated May 24, 2018).†
10.3	Agreement between Avis Budget Group, Inc. and Mark J. Servodidio (Incorporated by reference to Exhibit 10.4 to the Company's Annual Report on Form 10-K for the year ended December 31, 2015, dated February 24, 2016).†
10.4	Agreement between Avis Budget Group, Inc. and Joseph Ferraro (Incorporated by reference to Exhibit 10.5 to the Company's Annual Report on Form 10-K for the year ended December 31, 2015, dated February 24, 2016).†
10.5	Employment Letter, between Martyn Smith and Avis Budget Group, Inc. dated as of June 6, 2017, (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated June 8, 2017).†
10.6	Agreement between Avis Budget Group, Inc. and Michael Tucker.†
10.7	Second Amended and Restated Cooperation Agreement, dated April 16, 2018, by and among Avis Budget Group, Inc. and SRS (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated April 16, 2018).
10.8	Avis Budget Group, Inc. Amended and Restated Equity and Incentive Plan (Incorporated by reference to Annex A to the Company's Definitive Proxy Statement on Schedule 14A, dated March 29, 2016).†
10.9	1997 Stock Incentive Plan (Incorporated by reference to Appendix E to the Joint Proxy Statement/ Prospectus included as part of the Company's Registration Statement on Form S-4, Registration No. 333-34517, dated August 28, 1997).†
10.9(a)	Amendment to 1997 Stock Incentive Plan dated March 27, 2000 (Incorporated by reference to Exhibit 10.12(b) to the Company's Annual Report on Form 10-K for the year ended December 31, 2000 dated March 29, 2001).†
10.9(b)	Amendment to 1997 Stock Incentive Plan dated March 28, 2000 (Incorporated by reference to Exhibit 10.12(c) to the Company's Annual Report on Form 10-K for the year ended December 31, 2000 dated March 29, 2001).†
10.9(c)	Amendment to 1997 Stock Incentive Plan dated January 3, 2001 (Incorporated by reference to Exhibit 10.12(d) to the Company's Annual Report on Form 10-K for the year ended December 31, 2000 dated March 29, 2001).†
10.10	Amendment to Various Equity-Based Plans (Incorporated by reference to Exhibit 10.16 to the Company's Annual Report on Form 10-K for the year ended December 31, 2005 dated March 1, 2006).†
10.11	Avis Budget Group, Inc. Employee Stock Purchase Plan (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated June 18, 2009).†
10.11(a)	Amendment No. 1 to the Avis Budget Group, Inc. Employee Stock Purchase Plan (Incorporated by reference to Exhibit 10.17(b) to Avis Budget Car Rental, LLC and Avis Budget Finance, Inc.'s Registration Statement on Form S-4, Registration No. 333-17490, dated October 25, 2011).†
10.12	Form of Award Agreement - Restricted Stock Units.†
10.13	Form of Award Agreement - Performance Based Restricted Stock Units.†
10.14	Form of Non-Employee Director Award Agreement - Restricted Stock Units.†
10.15	Form of Avis Budget Group, Inc. Severance Agreement.†
10.16	Avis Budget Group, Inc. Non-Employee Directors Deferred Compensation Plan, amended and restated as of January 1, 2019.†
10.17	Avis Budget Group, Inc. Deferred Compensation Plan, amended and restated as of November 1, 2008 (Incorporated by reference to Exhibit 10.17 to the Company's Annual Report on Form 10-K for the year ended December 31, 2008, dated February 26, 2009).†
10.18	Avis Budget Group, Inc. Savings Restoration Plan, amended and restated as of November 1, 2008 (Incorporated by reference to Exhibit 10.18 to the Company's Annual Report on Form 10-K for the year ended December 31, 2008, dated February 26, 2009).†
10.19	Amended Retirement Equalization Benefit Plan (Incorporated by reference to Exhibit 10.59 to the Company's Annual Report on Form 10-K for the year ended December 31, 2007, dated February 29, 2008).†
10.20	Avis Rent A Car System, LLC Pension Plan.†
10.21	Asset and Stock Purchase Agreement by and among Budget Group, Inc. and certain of its Subsidiaries, Cendant Corporation* and Cherokee Acquisition Corporation dated as of August 22, 2002 (Incorporated by reference to Exhibit 10.71 to the Company's Annual Report on Form 10-K/A for the year ended December 31, 2001 dated November 4, 2002).
10.22	First Amendment to Asset and Stock Purchase Agreement by and among Budget Group, Inc. and certain of its Subsidiaries, Cendant Corporation* and Cherokee Acquisition Corporation dated as of September 10, 2002 (Incorporated by reference to Exhibit 10.72 to the Company's Annual Report on Form 10-K/A for the year ended December 31, 2001 dated November 4, 2002).

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10.23	Separation Agreement, dated as of January 31, 2005, by and between Cendant Corporation* and PHH Corporation (Incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K dated February 4, 2005).
10.24	Tax Sharing Agreement, dated as of January 31, 2005, by and among Cendant Corporation*, PHH Corporation and certain affiliates of PHH Corporation named therein (Incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K dated February 4, 2005).††
10.25	Cendant Corporation* Officer Personal Financial Services Policy (Incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K dated January 26, 2005).
10.26	Purchase Agreement, dated as of June 30, 2006, by and among the Company, Travelport Inc. and TDS Investor LLC (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated June 30, 2006).
10.27	Transition Services Agreement among Cendant Corporation*, Realogy Corporation, Wyndham Worldwide Corporation and Travelport Inc., dated as of July 27, 2006 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated August 1, 2006).
10.28	Tax Sharing Agreement among Cendant Corporation*, Realogy Corporation, Wyndham Worldwide Corporation and Travelport Inc., dated as of July 28, 2006 (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated August 1, 2006).
10.29(a)	Amendment to the Tax Sharing Agreement, dated July 28, 2006, among Avis Budget Group, Inc., Realogy Corporation, Wyndham Worldwide Corporation and Travelport Inc. (Incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2008 dated August 7, 2008).
10.30	Purchase Agreement by and among Cendant Corporation*, Affinity Acquisition, Inc. and Affinity Acquisition Holdings, Inc. dated as of July 26, 2005 (Incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2005 dated November 2, 2005).
10.30(a)	Amendment No. 1 dated as of October 17, 2005 to the Purchase Agreement dated as of July 26, 2005 by and among Cendant Corporation*, Affinity Acquisition, Inc. (now known as Affinion Group, Inc.) and Affinity Acquisition Holdings, Inc. (now known as Affinion Group Holdings, Inc.) (Incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2005 dated November 2, 2005).
10.31	Agreement dated October 31, 2017 between Avis Budget Car Rental, LLC and General Motors LLC (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated November 3, 2017).††
10.32	Avis Budget Car Rental 2018 Model Year Program Letter dated August 29, 2017 between Avis Budget Car Rental, LLC and Ford Motor Company (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated August 31, 2017).††
10.33	Second Amended and Restated Base Indenture, dated as of June 3, 2004, among Cendant Rental Car Funding (AESOP) LLC***, as Issuer, and The Bank of New York, as Trustee (Incorporated by reference to Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2004, dated August 2, 2004).
10.34(a)	Supplemental Indenture No. 1, dated as of December 23, 2005, among Cendant Rental Car Funding (AESOP) LLC***, as Issuer, and The Bank of New York, as Trustee, to the Second Amended and Restated Base Indenture, dated as of June 3, 2004 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated January 20, 2006).
10.34(b)	Supplemental Indenture No. 2, dated as of May 9, 2007, among Avis Budget Rental Car Funding (AESOP) LLC, as Issuer, and The Bank of New York Trust Company, N.A. (as successor in interest to The Bank of New York), as Trustee, to the Second Amended and Restated Base Indenture, dated as of June 3, 2004 (Incorporated by reference to Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007, dated August 8, 2007).
10.34(c)	Supplemental Indenture No. 3, dated as of August 16, 2013, among Avis Budget Rental Car Funding (AESOP) LLC, as Issuer, and The Bank of New York Trust Company, N.A. (as successor in interest to The Bank of New York), as Trustee, to the Second Amended and Restated Base Indenture, dated as of June 3, 2004 (Incorporated by reference to Exhibit 10.35(c) to the Company's Annual Report on Form 10-K for the year ended December 31, 2013, dated February 20, 2014).
10.35	Second Amended and Restated Loan Agreement, dated as of June 3, 2004, among AESOP Leasing L.P., as Borrower, Quartx Fleet Management, Inc., as a Permitted Nominee, PV Holding Corp., as a Permitted Nominee, and Cendant Rental Car Funding (AESOP) LLC***, as Lender (Incorporated by reference to Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2004, dated August 2, 2004).
10.35(a)	First Amendment, dated as of December 23, 2005, among AESOP Leasing L.P., as Borrower, Quartx Fleet Management, Inc., as a Permitted Nominee, PV Holding Corp., as a Permitted Nominee, and Cendant Rental Car Funding (AESOP) LLC***, as Lender, to the Second Amended and Restated Loan Agreement, dated as of June 3, 2004 (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated January 20, 2006).

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10.35(b)	Second Amendment, dated as of May 9, 2007, among AESOP Leasing L.P., as Borrower, PV Holding Corp., as a Permitted Nominee, Quartx Fleet Management, Inc., as a Permitted Nominee, and Avis Budget Rental Car Funding (AESOP) LLC, as Lender, to the Second Amended and Restated Loan Agreement, dated as of June 3, 2004. (Incorporated by reference to Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007, dated August 8, 2007).
10.35(c)	Third Amendment, dated as of August 16, 2013, among AESOP Leasing L.P., as Borrower, PV Holding Corp., as a Permitted Nominee, Quartx Fleet Management, Inc., as a Permitted Nominee, and Avis Budget Rental Car Funding (AESOP) LLC, as Lender, to the Second Amended and Restated Loan Agreement, dated as of June 3, 2004. (Incorporated by reference to Exhibit 10.36(c) to the Company's Annual Report on Form 10-K for the year ended December 31, 2013, dated February 20, 2014).
10.36	Amended and Restated Loan Agreement, dated as of June 3, 2004, among AESOP Leasing L.P., as Borrower, and Cendant Rental Car Funding (AESOP) LLC**, as Lender (Incorporated by reference to Exhibit 10.29(a) to the Company's Annual Report on Form 10-K for the year ended December 31, 2006, dated March 1, 2007).
10.36(a)	First Amendment, dated as of December 23, 2005, among AESOP Leasing L.P., as Borrower, and Cendant Rental Car Funding (AESOP) LLC**, as Lender, to the Amended and Restated Loan Agreement, dated as of June 3, 2004 (Incorporated by reference to Exhibit 10.29(b) to the Company's Annual Report on Form 10-K for the year ended December 31, 2006, dated March 1, 2007).
10.36(b)	Second Amendment, dated as of the May 9, 2007, among AESOP Leasing L.P., as Borrower, and Avis Budget Rental Car Funding (AESOP) LLC, as Lender, to the Amended and Restated Loan Agreement, dated as of June 3, 2004 (Incorporated by reference to Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007, dated August 8, 2007).
10.36(c)	Third Amendment, dated as of August 16, 2013, among AESOP Leasing L.P., as Borrower, and Avis Budget Rental Car Funding (AESOP) LLC, as Lender, to the Amended and Restated Loan Agreement, dated as of June 3, 2004 (Incorporated by reference to Exhibit 10.37(c) to the Company's Annual Report on Form 10-K for the year ended December 31, 2013, dated February 20, 2014).
10.37	Second Amended and Restated Master Motor Vehicle Operating Lease Agreement, dated as of June 3, 2004, among AESOP Leasing L.P., as Lessor, and Cendant Car Rental Group, Inc.**, as Lessee and as Administrator (Incorporated by reference to Exhibit 10.9 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2004, dated August 2, 2004).
10.37(a)	First Amendment, dated December 23, 2005, among AESOP Leasing L.P., as Lessor, and Cendant Car Rental Group, Inc.**, as Lessee and as Administrator, to the Second Amended and Restated Master Motor Vehicle Operating Lease Agreement, dated as of December 23, 2005 (Incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K dated January 20, 2006).
10.37(b)	Third Amendment, dated as of May 9, 2007, among AESOP Leasing L.P., as Lessor and Avis Budget Car Rental, LLC, as Lessee and as the Administrator, to the Second Amended and Restated Master Motor Vehicle Operating Lease Agreement, dated as of June 3, 2004 (Incorporated by reference to Exhibit 10.9 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007, dated August 8, 2007).
10.37(c)	Fourth Amendment, dated as of August 16, 2013, among AESOP Leasing L.P., as Lessor and Avis Budget Car Rental, LLC, as Lessee and as the Administrator, to the Second Amended and Restated Master Motor Vehicle Operating Lease Agreement, dated as of June 3, 2004 (Incorporated by reference to Exhibit 10.38(c) to the Company's Annual Report on Form 10-K for the year ended December 31, 2013, dated February 20, 2014).
10.38	Amended and Restated Master Motor Vehicle Finance Lease Agreement, dated as of June 3, 2004, among AESOP Leasing L.P., as Lessor, Cendant Car Rental Group, Inc.**, as Lessee, as Administrator and as Finance Lease Guarantor, Avis Rent A Car System, Inc.****, as Lessee, and Budget Rent A Car System, Inc., as Lessee (Incorporated by reference to Exhibit 10.30(a) to the Company's Annual Report on Form 10-K for the year ended December 31, 2006, dated March 1, 2007).
10.38(a)	First Amendment, dated as of December 23, 2005, among AESOP Leasing L.P., as Lessor, Cendant Car Rental Group, Inc.**, as Lessee, as Administrator and as Finance Lease Guarantor, Avis Rent A Car System, Inc.****, as Lessee, and Budget Rent A Car System, Inc., as Lessee, to the Amended and Restated Master Motor Vehicle Finance Lease Agreement, dated as of June 3, 2004 (Incorporated by reference to Exhibit 10.30(b) to the Company's Annual Report on Form 10-K for the year ended December 31, 2006, dated March 1, 2007).
10.38(b)	Third Amendment, dated as of May 9, 2007, among AESOP Leasing L.P., as Lessor, Avis Budget Car Rental, LLC, as Lessee, as Administrator and as Finance Lease Guarantor, Avis Rent A Car System, LLC, as Lessee, and Budget Rent A Car System, Inc., as Lessee, to the Amended and Restated Master Motor Vehicle Finance Lease Agreement, dated as of June 3, 2004 (Incorporated by reference to Exhibit 10.11 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007, dated August 8, 2007).
10.38(c)	Fourth Amendment, dated as of August 16, 2013, among AESOP Leasing L.P., as Lessor, Avis Budget Car Rental, LLC, as Lessee, as Administrator and as Finance Lease Guarantor, Avis Rent A Car System, LLC, as Lessee, and Budget Rent A Car System, Inc., as Lessee, to the Amended and Restated Master Motor Vehicle Finance Lease Agreement, dated as of June 3, 2004 (Incorporated by reference to Exhibit 10.39(c) to the Company's Annual Report on Form 10-K for the year ended December 31, 2013, dated February 20, 2014).
10.39	AESOP I Operating Sublease Agreement dated as of March 26, 2013 between Zipcar, Inc. and Avis Budget Car Rental, LLC (Incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2013 dated May 8, 2013).

10.40	Second Amended and Restated Administration Agreement, dated as of June 3, 2004, among Cendant Rental Car Funding (AESOP) LLC***, AESOP Leasing L.P., AESOP Leasing Corp. II, Avis Rent A Car System, Inc.****, Budget Rent A Car System, Inc., Cendant Car Rental Group, Inc.** and The Bank of New York, as Trustee (Incorporated by reference to Exhibit 10.34 to the Company's Annual Report on Form 10-K for the year ended December 31, 2005, dated March 1, 2006).
10.40(a)	First Amendment, dated as of August 16, 2013, among Avis Budget Rental Car Funding (AESOP) LLC, AESOP Leasing L.P., AESOP Leasing Corp. II, Avis Rent A Car System, LLC, Budget Rent A Car System, Inc. and Avis Budget Car Rental, LLC, as Administrator, to the Second Amended and Restated Administration Agreement dated as of June 3, 2004 (Incorporated by reference to Exhibit 10.41(a) to the Company's Annual Report on Form 10-K for the year ended December 31, 2013, dated February 20, 2014).
10.41	Assignment and Assumption Agreement dated as of June 3, 2004, among Avis Rent A Car System, Inc.****, Avis Group Holdings, Inc.**** and Cendant Car Rental Group, Inc.** (Incorporated by reference to Exhibit 10.35 to the Company's Annual Report on Form 10-K for the year ended December 31, 2005, dated March 1, 2006).
10.42	Third Amended and Restated Series 2010-6 Supplement, dated as of August 16, 2018, by and among Avis Budget Rental Car Funding (AESOP) LLC, as Issuer, Avis Budget Car Rental, LLC, as Administrator, JPMorgan Chase Bank, N.A., as Administrative Agent, the Non-Conduit Purchasers, the CP Conduit Purchasers, the Committed Note Purchasers, the Funding Agents and APA Banks named therein and The Bank of New York Mellon Trust Company, N.A., as Trustee and as Series 2010-6 Agent.
10.43	Amended and Restated Series 2015-3 Supplement, dated as of August 16, 2018, between Avis Budget Rental Car Funding (AESOP) LLC, as Issuer, Avis Budget Car Rental, LLC, as Administrator, JPMorgan Chase Bank, N.A., as Administrative Agent, the Non-Conduit Purchasers, the CP Conduit Purchasers, the Committed Note Purchasers, the Funding Agents and APA Banks named therein, and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2015-3 Agent.
10.44	Amended and Restated Series 2013-2 Supplement, dated as of February 12, 2014, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2013-2 Agent (Incorporated by reference to Exhibit 10.54 to the Company's Annual Report on Form 10-K for the year ended December 31, 2013, dated February 20, 2014).
10.45	Series 2014-1 Supplement, dated as of February 12, 2014, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2014-1 Agent (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated February 18, 2014).
10.46	Series 2014-2 Supplement, dated as of July 24, 2014, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2014-2 Agent (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated July 24, 2014).
10.47	Series 2015-1 Supplement, dated as of January 29, 2015, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2015-1 Agent (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated January 30, 2015).
10.48	Series 2015-2 Supplement, dated as of May 27, 2015, between Avis Budget Rental Car Funding (AESOP) LLC and the Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2015-2 Agent (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated May 29, 2015).
10.49	Series 2016-1 Supplement, dated as of March 30, 2016, between Avis Budget Rental Car Funding (AESOP) LLC and the Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2016-1 Agent (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated April 5, 2016).
10.50	Series 2016-2 Supplement, dated as of June 1, 2016, between Avis Budget Rental Car Funding (AESOP) LLC and the Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2016-2 Agent (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated June 7, 2016).
10.51	Series 2017-1 Supplement, dated as of March 15, 2017, between Avis Budget Rental Car Funding (AESOP) LLC and the Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2017-1 Agent (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated March 21, 2017).
10.52	Series 2017-2 Supplement, dated as of December 13, 2017, between Avis Budget Rental Car Funding (AESOP) LLC and the Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2017-2 Agent (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated December 19, 2017).
10.53	Series 2018-1 Supplement, dated as of April 30, 2018, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2018-1 Agent (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated May 4, 2018).
10.54	Series 2018-2 Supplement, dated as of October 25, 2018, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2018-2 Agent (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated October 30, 2018).

10.55	Fifth Amended and Restated Credit Agreement dated as of February 13, 2018, among Avis Budget Holdings, LLC, Avis Budget Car Rental, LLC, Avis Budget Group, Inc., the Subsidiary Borrowers from time to time parties thereto, the several banks and other financial institutions or entities from time to time parties thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, Deutsche Bank Securities Inc., as Syndication Agent, Citibank, N.A., Bank of America, N.A., Barclays Bank plc and Credit Agricole Corporate and Investment Bank, as Co-Documentation Agents (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated February 16, 2018).
10.56	Amended and Restated Guarantee & Collateral Agreement, dated as of May 3, 2011, among Avis Budget Holdings, LLC, Avis Budget Car Rental, LLC and certain of its Subsidiaries in favor of JPMorgan Chase Bank, N.A., as Administrative Agent (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated May 6, 2011).
10.56(a)	Amendment dated as of March 4, 2013, to the Amended and Restated Credit Agreement and the Amended and Restated Guarantee & Collateral Agreement, each dated as of May 3, 2011, among Avis Budget Holdings, LLC, Avis Budget Car Rental, LLC and certain of its Subsidiaries, JPMorgan Chase Bank, N.A., as Administrative Agent and certain other signatories thereto (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated March 5, 2013).
10.56(b)	Second Amendment to the Amended and Restated Guarantee & Collateral Agreement, dated as of October 3, 2014, among Avis Budget Holdings, LLC, Avis Budget Car Rental, LLC and certain of its Subsidiaries, in favor of JPMorgan Chase Bank, N.A., as Administrative Agent (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated October 6, 2014).
10.57	Purchase Agreement, dated as of March 19, 2013, by and among Avis Budget Car Rental, LLC and Avis Budget Finance, Inc. as issuers, Avis Budget Group, Inc. and certain of its subsidiaries as guarantors, and Barclays Capital Inc. for itself and on behalf of the several initial purchasers (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated March 25, 2013).
10.58	Registration Rights Agreement, dated as of April 3, 2013, among Avis Budget Car Rental, LLC and Avis Budget Finance, Inc., the guarantors parties thereto, Barclays Capital Inc., and the other initial purchasers parties thereto (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated April 8, 2013).
10.59	Agreement of Resignation, Appointment And Acceptance, dated as of September 5, 2013, by and among Avis Budget Car Rental, LLC, Avis Budget Finance, Inc., The Bank of Nova Scotia Trust Company of New York, as the retiring trustee, and Deutsche Bank Trust Company Americas, as the successor trustee under the indentures described therein (Incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the period ended September 30, 2013, dated November 1, 2013).
10.60	Purchase Agreement, dated as of March 4, 2015, by and among Avis Budget Car Rental, LLC and Avis Budget Finance, Inc. as issuers, Avis Budget Group, Inc. and certain of its subsidiaries as guarantors and Merrill Lynch, Pierce, Fenner & Smith Incorporated for itself and on behalf of the several initial purchasers (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated March 10, 2015).
10.61	Issuer Note Facility Agreement dated March 5, 2013 among CarFin Finance International Limited, Credit Agricole Corporate And Investment Bank, the Initial Senior Noteholders listed therein, Deutsche Trustee Company Limited, Deutsche Bank AG, London Branch and Deutsche Bank Luxembourg S.A. (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated March 11, 2013).
10.62	Amended and Restated Framework Agreement dated May 21, 2014 among CarFin Finance International Limited, Credit Agricole Corporate And Investment Bank, Deutsche Trustee Company Limited, Avis Budget Car Rental, LLC, Avis Finance Company Limited, Avis Budget EMEA Limited, Deutsche Bank AG, London Branch, Caceis Bank France, FCT CarFin, Eurotitrisation, the Senior Noteholders named therein and certain other entities named therein (Incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2014, dated August 5, 2014).††
10.63	Master Definitions Agreement dated March 5, 2013, among CarFin Finance International Limited, Credit Agricole Corporate And Investment Bank, Deutsche Trustee Company Limited, Credit Agricole Corporate and Investment Bank, Avis Budget Car Rental, LLC, Avis Finance Company Limited, Avis Budget EMEA Limited, Deutsche Bank AG, London Branch, the Senior Noteholders named therein and certain other entities named therein (Incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2014, dated August 5, 2014).††
10.64	Fourth Master Amendment and Restatement Deed, by and among CarFin Finance International Limited, Credit Agricole Corporate And Investment Bank, Deutsche Trustee Company Limited, Credit Agricole Corporate And Investment Bank, the Opco's, Servicers, Lessees and Fleetcos listed therein, Avis Budget Car Rental, LLC, Avis Finance Company Limited, Avis Budget EMEA Limited, the Account Banks listed therein, Deutsche Bank Ag, London Branch, the Senior Noteholders listed therein, Structured Finance Management (Ireland) Limited, CarFin Finance Holdings Limited, Intertrust (Netherlands) B.V. And Vistra B.V., Credit Agricole Corporate And Investment Bank, FCT CarFin, Caceis Bank France, Caceis Corporate Trust, Deutsche Bank Luxembourg S.A. and Fiserv Automotive Solutions, Inc., dated December 15, 2014 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated December 19, 2014).††
10.65	Seventh Master Amendment and Restatement Deed, by and among CarFin Finance International Limited, Credit Agricole Corporate And Investment Bank, Deutsche Trustee Company Limited, Credit Agricole Corporate And Investment Bank, the Opco's, Servicers, Lessees and Fleetcos listed therein, Avis Budget Car Rental, LLC, Avis Finance Company Limited, Avis Budget EMEA Limited, the Account Banks listed therein, Deutsche Bank Ag, London Branch, the Senior Noteholders and certain other entities named therein, dated January 22, 2016 (Incorporated by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K dated April 21, 2016).††

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10.66	Ninth Master Amendment and Restatement Deed, by and among CarFin Finance International Limited, Credit Agricole Corporate And Investment Bank, Deutsche Trustee Company Limited, Credit Agricole Corporate And Investment Bank, the Opcos, Servicers, Lessees and Fleetcos listed therein, Avis Budget Car Rental, LLC, Avis Finance Company Limited, Avis Budget EMEA Limited, the Account Banks listed therein, Deutsche Bank Ag, London Branch, the Senior Noteholders and certain other entities named therein, dated May 16, 2017 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated May 22, 2017).††
10.67	Tenth Master Amendment and Restatement Deed, by and among CarFin Finance International, DAC, Credit Agricole Corporate and Investment Bank, Deutsche Trustee Company Limited, Credit Agricole Corporate and Investment Bank, the Opcos, Servicers, Lessees and FleetCos listed herein, Avis Budget Car Rental, LLC, Avis Finance Company Limited, Avis Budget EMEA Limited, the Account Banks listed therein, Deutsche Bank Ag, London Branch, the Senior Noteholders and certain other entities named therein, dated May 30, 2018 (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated June 5, 2018).††
21	Subsidiaries of Registrant.
23.1	Consent of Deloitte & Touche LLP.
31.1	Certification of Chief Executive Officer pursuant to Rules 13(a)-14(a) and 15(d)-14(a) promulgated under the Securities Exchange Act of 1934, as amended.
31.2	Certification of Chief Financial Officer pursuant to Rules 13(a)-14(a) and 15(d)-14(a) promulgated under the Securities Exchange Act of 1934, as amended.
32	Certifications Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase.
101.DEF	XBRL Taxonomy Extension Definition Linkbase.
101.LAB	XBRL Taxonomy Extension Label Linkbase.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase.

* Cendant Corporation is now known as Avis Budget Group, Inc.

** Cendant Car Rental Group, LLC (formerly known as Cendant Car Rental Group, Inc.) is now known as Avis Budget Car Rental, LLC.

*** Cendant Rental Car Funding (AESOP) LLC, formerly known as AESOP Funding II L.L.C, is now known as Avis Budget Rental Car Funding (AESOP) LLC.

**** Avis Rent A Car System, Inc. is now known as Avis Rent A Car System, LLC.

***** Avis Group Holdings, Inc. is now known as Avis Group Holdings, LLC.

† Denotes management contract or compensatory plan.

†† Confidential treatment has been requested for certain portions of this Exhibit pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended, which portions have been omitted and filed separately with the Securities and Exchange Commission.



March 25, 2010

Mr. Michael Tucker
2215 Bellflower Lane
New Hope, PA 18938

Dear Michael:

We are pleased to confirm our offer of employment with Avis Budget Car Rental LLC as Executive Vice President, General Counsel. This position reports to Ronald Nelson, Chairman & CEO. We anticipate your start date to be on or about April 19, 2010. Your salary, paid on a bi-weekly basis, will be \$13,461.54, which equates to an annualized salary of \$350,000.00. This offer is contingent upon satisfactory employment, education, drug screening, and reference verifications, as well as compliance with Federal immigration employment law requirements.

You are eligible to participate in the Avis Budget Car Rental Management Incentive Plan for 2010 specific to your role, which currently provides for a target payment of 65% of your eligible earnings, as applicable within the plan guidelines. The plan is based on the performance factors of Avis Budget's EBITDA goals. The incentive distribution is typically in the first quarter of the following year. Your eligibility under the 2010 Plan will reflect a pro-rated portion for time worked.

You are also eligible to participate in the Executive Management Car Program and Employee Lease Program.

You will be eligible to participate in the Company's long-term incentive plan (LTIP). All awards are subject to approval by the Compensation Committee of Avis Budget's Board of Directors and generally take place annually in the first quarter of the year. Generally, awards are based upon, or denominated as, a dollar value and may be all or partially granted in the form of Restricted Stock Units, Performance-based Restricted Stock Units, Cash and Stock-Settled SARs at the Company's discretion. We anticipate that your initial grant at a value of \$250,000 will be approved per the Compensation Committee process. Your grant is expected to take the form of Performance-based Restricted Stock Units (30% of value) and time-based Restricted Stock Units (70% of value). The number of shares represented by any award is based on the fair market value of Avis Budget Group stock at time of the Committee's action. Vesting of performance-based RSUs is determined in accordance with the Plan and occurs depending upon the Company's performance over the measurement period.

Health and welfare benefits under Avis Budget will become effective on the first calendar day of the month following your date of hire. You will be eligible to participate in the 401K plan as soon as administratively possible, following your start date and subject to the terms and conditions of the plan guidelines. Currently, Avis Budget will match your individual contributions of up to 3% of your annual salary, after one year of service.

In addition, you are eligible to elect participation in certain executive level benefits including financial planning and tax preparation services provided by AYCO Financial Advisory Services, the group Umbrella Liability Plan, and the executive deferred compensation plan. Details of these employee benefits will be provided. You will be provided with modified relocation assistance.

In the event your position with Avis Budget Car Rental LLC is eliminated or your employment is terminated for any reason (other than for Cause and other than your resignation), then you shall be entitled to receive a severance payment from Avis Budget Car Rental LLC (or its successor) in an amount equal to twelve (12) months of your then current annual base salary, plus target bonus, in lieu of any other severance payment under any other severance plan or policy, also pursuant to your signing a release and agreement. In addition, the Company will subsidize COBRA medical benefits to ensure you pay the same rate as an active employee for a period of twelve (12) months, as well as use of the Company car and AYCO Financial Services. For purposes of the foregoing, "Cause" shall mean: (i) your willful failure to substantially perform your duties as an employee of Avis Budget or any of its subsidiaries (other than any such failure resulting from incapacity due to physical or mental illness); (ii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against Avis Budget or any of its subsidiaries; (iii) your conviction of a felony or any crime involving moral turpitude (which conviction, due to the passage of time or otherwise, is not subject to further appeal); or (iv) your gross negligence in the performance of your duties. After five (5) years of continued service your severance benefit will increase to twenty-four (24) months salary, plus target bonus as well as twenty-four (24) months COBRA subsidization, car use and AYCO financial services.

As part of your on-going employment and prior to receipt of severance you may be eligible for, you are required to adhere to the Rules of Professional Conduct;

1. You acknowledge your obligations to Avis Budget Car Rental, LLC (the "Company") as an attorney and agree that you will not act in violation of or create an appearance of impropriety with respect to the Rules of Professional Conduct. You will not disclose at any time (except for business purposes on behalf of the Company) any confidential or proprietary material of the Company. That material shall include, but is not limited to, the names and addresses of customers, customer contacts, contracts, bidding information, business strategies, pricing information, and the Company's policies and procedures. Nothing in this provision is intended to restrict your ability to practice law, nor does it seek to expand the confidential nature of information obtained by you in the course of performing legal functions beyond the scope of the Rules of Professional Conduct.
2. You agree that all documents (paper or electronic) and other information related in any way to the Company shall be the property of the Company, and will be returned to the Company upon the end of your employment with the Company.
3. You agree that should a court issue injunctive relief to enforce any term of this letter, or if a court (or jury) determine that you breached any provision of this letter, you will reimburse the Company for all attorney's fees and costs incurred in enforcing the terms of the letter, and you will also be liable for any other damages or relief permitted by law.
4. You agree that any disputes over the above terms shall be governed by New Jersey law, shall be resolved in a New Jersey Court or in a federal Court located in New Jersey, and that the terms of this letter may be enforced by the Company or its successors or assigns.

Prior to beginning employment with Avis Budget Car Rental LLC, you will need to take a drug-screening test (enclosed is the vendor's form for your use), establish your U.S. employment eligibility and your identity. Examples of proper identification include a valid passport, or a valid driver's license, and social security card; alternate acceptable documents are stated on the enclosed list. You must bring this identification with you on your first day of employment.

Please indicate your acceptance of this offer by signing the enclosed copy of this letter and returning to me in the enclosed envelope. In addition, please complete the W-4, I-9 and fax to me at 973/496-3322 prior to your first day of employment.

Per Avis Budget's standard policy, this letter is not intended nor should it be considered as an employment contract for a definite or indefinite period of time. Employment with Avis Budget Car Rental LLC is at will,

and either you or the Company may terminate employment at any time, with or without cause. In addition, by signing this letter, you acknowledge that this letter sets forth the entire agreement between you and the Company regarding your employment with the Company, and fully supersedes any prior agreements or understandings, whether written or oral.

Michael, we are excited that you are joining our organization and look forward to having you as part of the Avis Budget Car Rental team. If there is anything further I can do to assist you, please do not hesitate to contact me at (973) 496-7797.

Regards,

/s/ Mark J. Servodidio

Mark. J. Servodidio

Executive Vice President – Human Resources

Understood and accepted:

/s/ Michael Tucker

Michael Tucker

3-30-2010

Date

Enclosures

cc: R. Nelson
E. Pictroski
M. Gebhard

Avis Budget Group, Inc.

AWARD AGREEMENT – RESTRICTED STOCK UNITS

Award Agreement (this “Agreement”), dated as of [], by and between Avis Budget Group, Inc., a Delaware corporation (the “Company”), and [] (the “Grantee”), pursuant to the terms and conditions of the Avis Budget Group, Inc. Amended and Restated Equity and Incentive Plan (the “Plan”).

In consideration of the provisions contained in this Agreement, the Company and the Grantee agree as follows:

1. **The Plan.** The Award granted to the Grantee hereunder is pursuant to the Plan. A copy of the Plan and the prospectus therefore have been provided to the Grantee and the terms of the Plan are hereby incorporated in this Agreement. Terms used in this Agreement that are not defined in this Agreement shall have the meanings used or defined in the Plan.

2. **Award.** Concurrently with the execution of this Agreement, subject to the terms and conditions set forth in the Plan and this Agreement, the Company hereby grants [] Restricted Stock Units (the “Award”) to the Grantee on the date hereof (the “Date of Grant”).

3. **Schedule of Lapse of Restrictions.** The Restricted Stock Units granted hereunder shall vest and be paid in the manner set forth below.

The Award shall vest in [] installments on the [] anniversary of the Date of Grant, subject to the Grantee’s continued service with the Company through each applicable vesting date (except as otherwise provided in Section 4 of this Agreement):

- [] of the units will vest on []
- [] of the units will vest on []
- [] of the units will vest on []

To the extent that the Award hereunder becomes vested in accordance with the terms and conditions of this Agreement, the Award shall be paid to the Grantee in the form of one share of Stock for each unit that becomes vested hereunder within two and one-half months following the applicable vesting date, subject to the satisfaction of the requirements set forth in Section 8 of this Agreement.

Notwithstanding any other provision herein to the contrary, (a) in the event of the Grantee’s termination of service due to death or “Disability” (as defined in the Company’s long term disability plan then in effect) at any time, or (b) upon the terms set forth in the Grantee’s employment agreement with the Company (if any), the Award shall become immediately and fully vested without regard to performance, subject to any terms and conditions set forth in the Plan and/or imposed by the Committee.

4. **Termination of Service.** Notwithstanding any other provision of the Plan to the contrary, except as otherwise provided in Section 3 of this Agreement, upon the termination of the Grantee's service with the Company and/or of any of its subsidiaries for any reason whatsoever (whether resignation or otherwise), the Award, to the extent not yet vested, shall immediately and automatically terminate; provided, however, that the Committee may, in its sole and absolute discretion, accelerate the vesting of the Award, upon termination of service or otherwise, for any reason or no reason, but shall have no obligation to do so.

5. **No Assignment.** Except as otherwise provided in the Plan, this Agreement (and the Award) may not be assigned by the Grantee by operation of law or otherwise.

6. **No Rights to Continued Service; Loss of Office.** Neither this Agreement nor the Award shall be construed as giving the Grantee any right to continue in the service of the Company or any of its subsidiaries, or shall interfere in any way with the right of the Company or any of its subsidiaries to terminate such service. Notwithstanding any other provision of the Plan, the Award, this Agreement or any other agreement (written or oral) to the contrary, for purposes of the Plan and the Award, a termination of service shall be deemed to have occurred on the date upon which the Grantee ceases to perform services for the Company or any of its subsidiaries following the provision of any notification of termination or resignation from service, and without regard to any period of notice of termination of service (whether expressed or implied) or any period of severance or salary continuation. Notwithstanding any other provision of the Plan, the Award, this Agreement or any other agreement (written or oral) to the contrary, the Grantee shall not be entitled (and by accepting an Award, thereby irrevocably waives any such entitlement), by way of compensation for loss of office or otherwise, to any sum or other benefit to compensate the Grantee for the loss of any rights under the Plan as a result of the termination or expiration of an Award in connection with any termination of service. No amounts earned pursuant to the Plan or any Award shall be deemed to be eligible compensation in respect of any other plan of the Company or any of its subsidiaries.

7. **Governing Law.** This Agreement and the legal relations between the parties shall be governed by and construed in accordance with the internal laws of the State of Delaware, without effect to the conflicts of laws principles thereof unless the Grantee primarily lives and works in California in which case California law shall apply and the restrictions in Section 15(a) and (b)(iii) shall not apply and Section 15(b)(i) shall be considered modified to only prohibit conduct that also involves unauthorized use of other misappropriation of Company trade secrets.

8. **Tax Obligations.** As a condition to the granting of the Award and the vesting thereof, the Grantee agrees to remit to the Company or any of its applicable subsidiaries such sum as may be necessary to discharge the Company's or such subsidiary's obligations with respect to any tax, assessment or other governmental charge imposed on property or income received by the Grantee pursuant to this Agreement and the Award. Accordingly, the Grantee agrees to remit to the Company or an applicable subsidiary any and all required minimum withholding taxes. Such payment shall be made to the Company or any applicable subsidiary of the Company in a form that is reasonably acceptable to the Company, as the Company may determine in its sole discretion. If the Grantee

does not agree to remit the amount of withholding taxes or other taxes, or otherwise direct the Company or any of its subsidiaries to withhold such amount, the Company or any of its subsidiaries shall satisfy the minimum amount of withholding taxes or other taxes with shares of Stock that would otherwise be received upon settlement of the Award.

9. **Notices.** Any notice required or permitted under this Agreement shall be deemed given when delivered personally, or when deposited in a United States Post Office, postage prepaid, addressed, as appropriate, to the Grantee at the last address specified in Grantee's employment records, or such other address as the Grantee may designate in writing to the Company, or the Company, Attention: General Counsel, or such other address as the Company may designate in writing to the Grantee.

10. **Failure to Enforce Not a Waiver.** The failure of the Company to enforce at any time any provision of this Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

11. **Amendments.** This Agreement may be amended or modified at any time by an instrument in writing signed by the parties hereto.

12. **Authority.** The Compensation Committee of the Board of Directors of the Company shall have full authority to interpret and construe the terms of the Plan and this Agreement. The determination of the Committee as to any such matter of interpretation or construction shall be final, binding and conclusive on all parties.

13. **Rights as a Stockholder.** The Grantee shall have no rights as a stockholder of the Company with respect to any shares of common stock of the Company underlying or relating to any Award until the issuance of Stock to the Grantee in respect of such Award.

14. **Dividends.** The Committee may determine, in its sole and absolute discretion, that the Grantee may receive dividend equivalents, which shall be deferred until, and not paid unless, the shares of common stock of the Company underlying or relating to the Award are issued to the Grantee.

15. **Non-Competition/Non-Solicitation.**

(a) The Grantee acknowledges that the Grantee will perform services of a unique nature for the Company and its affiliates that are irreplaceable, and that the Grantee's performance of such services to a "Competing Business" (as defined below) will result in irreparable harm to the Company. Accordingly, during the Grantee's employment or other service with the Company and/or its affiliates and for a period of [] thereafter, the Grantee agrees that the Grantee will not, directly or indirectly, own, manage, operate, control, be employed by (whether as an employee, consultant, independent contractor or otherwise, and whether or not for compensation) or render services to any person, firm, corporation or other entity, in whatever form, engaged in a Competitive Business in the United States, United Kingdom or any other country

where the Company does business at the time of the Grantee's termination of service. Notwithstanding the foregoing, nothing herein shall prohibit the Grantee from being a passive owner of not more than one percent (1%) of the equity securities of a publicly traded corporation engaged in a Competitive Business, so long as the Grantee has no active participation in the business of such corporation. For purposes hereof, the term "Competitive Business" means any party which competes in any way or manner with the business of the Company or any of its affiliates, as such business or businesses may be conducted from time to time, including, but not limited to, vehicle rental, vehicle sales, vehicle leasing, vehicle sharing, ride hailing, fleet management and other mobility services, either as a general or limited partner, proprietor, common or preferred shareholder (other than being less than a 1% shareholder in a publicly traded company), officer, director, agent, employee, consultant, trustee, affiliate, or otherwise.

- (b) During the Grantee's service with the Company and for a period of [] thereafter, the Grantee agrees that the Grantee shall not, except in the furtherance of the Grantee's duties to the Company, directly or indirectly, individually or on behalf of any other person, firm, corporation or other entity, (i) solicit, aid or induce any customer of the Company or any of its affiliates to purchase goods or services then sold by the Company or any of its affiliates from another person, firm, corporation or other entity or assist or aid any other person or entity in identifying or soliciting any such customer, (ii) solicit, aid or induce any employee, representative or agent of the Company or any of its affiliates to leave such employment or retention or, in the case of employees, to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company or any of its affiliates, or hire or retain any such employee, or take any action to materially assist or aid any other person, firm, corporation or other entity in identifying, hiring or soliciting any such employee, or (iii) interfere, or aid or induce any other person or entity in interfering, with the relationship between the Company or any of its affiliates and any of their respective vendors, joint venturers or licensors. An employee, representative or agent shall be deemed covered by this Section 15 while so employed or retained and for a period of six (6) months thereafter. Notwithstanding the foregoing, the provisions of this Section 15 shall not be violated by general advertising or solicitation not specifically targeted at Company-related persons or entities.
- (c) By accepting this Agreement, the Grantee gives the Company assurance that the Grantee has carefully read and considered all of the terms and conditions of this Agreement, including the restraints imposed under this Section 15. The Grantee agrees that these restraints are necessary for the reasonable and proper protection of the Company and its affiliates and their trade secrets and confidential information and that each and every one of the restraints is reasonable in respect to subject matter, length of time and geographic area, and that these restraints, individually or in the aggregate, will not prevent the Grantee from obtaining other suitable employment during the period in which the Grantee is bound by the restraints. The Grantee

acknowledges that each of these covenants has a unique, very substantial and immeasurable value to the Company and its affiliates and that the Grantee has sufficient assets and skills to provide a livelihood while such covenants remain in force. It is agreed that the Company's affiliates will have the right to enforce all of the Grantee's obligations to such affiliates under this Agreement, including, without limitation, pursuant to this Section 15. The term "affiliates" means any entity that owns a controlling interest in the Company, that the Company owns a controlling interest in, or that is under common ownership or control with the Company, including, but not limited to, subsidiaries.

- (d) If it is determined by a court of competent jurisdiction in any state, province or country that any restriction in this Section 15 is excessive in duration or scope or is unreasonable or unenforceable under applicable law, it is the intention of the parties that such restriction may be modified or amended by the court to render it enforceable to the maximum extent permitted by applicable laws.
- (e) In the event of any violation of the provisions of this Section 15, the Grantee acknowledges and agrees that the post-termination restrictions contained in this Section 15 shall be extended by a period of time equal to the period of such violation up to a maximum extension equal to the time period originally prescribed for the restriction, it being the intention of the parties hereto that the running of the applicable post-termination restriction period shall be tolled during any period of such violation.
- (f) The obligations contained in this Section 15 hereof shall survive the termination of the Grantee's employment or other service with the Company or any of its subsidiaries and the date on which the Grantee no longer holds, directly or indirectly, any equity securities in the Company, and shall be fully enforceable thereafter in accordance with the terms hereof. The existence of any claim or cause of action against the Company or any of its subsidiaries, whether based on the Agreement or any other reason, shall not constitute a defense to the enforcement of the restrictive covenants in this Agreement. The restrictive covenants in this Section 15 will apply and be valid notwithstanding any change in the Grantee's duties, responsibilities, position, or title.
- (g) The Grantee acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of this Section 15 would be inadequate and, in recognition of this fact, the Grantee agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, the Company, without posting any bond or other security, shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy which may then be available, without the necessity of showing actual monetary damages.

IN WITNESS WHEREOF, this Agreement is effective as of the date first above written.

AVIS BUDGET GROUP, INC.

By: _____

Avis Budget Group, Inc.

AWARD AGREEMENT – PERFORMANCE-BASED RESTRICTED STOCK UNITS

Award Agreement (this “Agreement”), dated as of [] (the “Date of Grant”), by and between Avis Budget Group, Inc., a Delaware corporation (the “Company”), and [] (the “Grantee”), pursuant to the terms and conditions of the Avis Budget Group, Inc. Amended and Restated Equity and Incentive Plan (the “Plan”).

In consideration of the provisions contained in this Agreement, the Company and the Grantee agree as follows:

1. **The Plan.** The Award granted to the Grantee hereunder is pursuant to the Plan. A copy of the Plan and the prospectus therefor have been provided to the Grantee and the terms of the Plan are hereby incorporated in this Agreement. Terms used in this Agreement that are not defined in this Agreement shall have the meanings used or defined in the Plan.

2. **Award.** Concurrently with the execution of this Agreement, subject to the terms and conditions set forth in the Plan and this Agreement, the Company hereby grants Restricted Stock Units (the “Award”) to the Grantee as follows:

_____ Total Restricted Stock Units Subject to Award (the “Awarded Units”)

_____ Target Level of Awarded Units

3. **Schedule of Lapse of Restrictions.** The Restricted Stock Units granted hereunder shall vest and be paid in the manner set forth below.

(a) **General.** All of the Awarded Units are unvested and forfeitable as of the Date of Grant, and shall only become vested upon the achievement of both the time-based vesting conditions and the performance-based vesting conditions set forth below.

(i) **Time-Based Vesting.** Subject to the achievement of the performance-based vesting conditions set forth in Section 3(a)(ii) of this Agreement, the Awarded Units shall become time-vested on the third anniversary of the Date of Grant set forth above, subject to the Grantee’s continued employment or other service with the Company or those of its subsidiaries that are included in the Plan through such applicable date (except as otherwise provided herein or in any applicable employment Agreement by and between the Grantee and the Company or its subsidiaries).

(ii) Performance-Based Vesting. Subject to the achievement of the time-based vesting conditions set forth above, the Awarded Units shall be subject to the following performance-based vesting conditions, based on the Company's [] for the period commencing on [] and ending on [] (the "Measurement Period"):

[] <u>Measurement Period</u>	Vesting Level as % of Target <u>Level of Awarded Units</u>
[]	[]
[]	[]
[]	[]
[]	[]
[]	[]

To the extent that [] for the Measurement Period is between specified vesting levels, the portion of the Awarded Units that shall become vested based on [] performance shall be determined on a pro rata basis using straight line interpolation; provided that no portion of the Awarded Units shall become vested if the [] level achieved for the Measurement Period is less than []; and provided, further, that the maximum portion of the Awarded Units that may become vested based on [] for the Measurement Period shall not exceed []% of the Target Level of Awarded Units.

(b) Accelerated Vesting. Notwithstanding any other provision herein to the contrary, in the event of the Grantee's termination of service due to death or "Disability" (as defined in the Company's long-term disability plan as then in effect) (i) prior to [], the Award shall become immediately and fully vested at the Target Level of Awarded Units set forth above, or (ii) on or after [] but prior to the [] anniversary of the Date of Grant set forth above, the Award shall become vested based on actual results in accordance with Section 3(a)(ii) of this Agreement without regard to any otherwise applicable continued service requirement, in each case, subject to any terms and conditions set forth in the Plan and/or imposed by the Committee. In addition, the Award shall be subject to the Change in Control vesting provisions contained in Section 7 of the Plan and any vesting-related provisions contained in any applicable employment or similar Agreement between the Grantee and the Company as approved by the Committee.

(c) Payment. To the extent that the Award hereunder becomes vested in accordance with the terms and conditions of this Section, the Award shall be paid to the Grantee in the form of one share of Stock for each unit that becomes vested hereunder within two and one-half months following the applicable vesting date, subject to the satisfaction of the requirements set forth in Section 8 of this Agreement. To the extent that any fractional units become vested and payable in accordance with this Section 3, such fractional units shall be eliminated at the time of payment by rounding down for fractions less than one-half and rounding up for fractions equal to or greater than one-half.

(d) Other Administrative Provisions.

(i) Any portion of the Awarded units that does not become vested in accordance with the provisions of this Agreement shall be automatically forfeited and cancelled for no value without any consideration being paid therefor and otherwise without any further action of the Company whatsoever.

(ii) The Committee shall in good faith make all determinations necessary or appropriate to determine whether the performance vesting conditions hereunder have been satisfied. The Committee's determinations shall be final, binding and conclusive upon all parties, absent manifest error or bad faith.

(iii) In the event of an exchange, tender offer, merger, consolidation, recapitalization, split, combination or otherwise, the Committee shall make appropriate adjustments to the applicable performance metrics to the extent necessary to reflect such event and preserve the intended economic benefits hereunder. The Committee's adjustment shall be made in accordance with the provisions of the Plan and shall be effective and final, binding and conclusive for all purposes of the Plan and this Agreement, absent manifest error or bad faith.

(iv) Notwithstanding any other provision herein to the contrary, to the extent applicable to the Grantee hereunder, the Award is intended to qualify as "performance-based compensation" within the meaning of Section 162(m) of the Code and shall be subject in all respects to all of the terms and conditions of the Plan required for such qualification.

(v) The terms and conditions of this Agreement shall remain strictly confidential, and the Grantee hereby agrees not to disclose the terms and conditions hereof (including, without limitation, the vesting conditions hereunder) to any person or entity, other than immediate family members, legal advisors or personal tax or financial advisors who, in each case, agree to keep such information confidential, until such time as the Company is required to publicly disclose the material terms hereof pursuant to any applicable law, rule or regulation.

4. **Termination of Service.** Notwithstanding any other provision of the Plan to the contrary, except as otherwise provided in Section 3 of this Agreement, upon the termination of the Grantee's service with the Company and/or any of its subsidiaries for any reason whatsoever (whether resignation or otherwise), the Award, to the extent not yet vested, shall immediately and automatically terminate; provided, however, that the Committee may, in its sole and absolute discretion (but subject to the provisions of Section 3(d)(iv)) of this Agreement, accelerate the vesting of the Award, upon termination of service or otherwise, for any reason or no reason, but shall have no obligation to do so.

5. **No Assignment.** Except as otherwise provided in the Plan, this Agreement (and the Award) may not be assigned by the Grantee by operation of law or otherwise.

6. **No Rights to Continued Service; Loss of Office.** Neither this Agreement nor the Award shall be construed as giving the Grantee any right to continue in the service of the Company or any of its subsidiaries, or shall interfere in any way with the right of the Company or any of its subsidiaries to terminate such service. Notwithstanding any other provision of the Plan, the Award,

this Agreement or any other Agreement (written or oral) to the contrary, for purposes of the Plan and the Award, a termination of service shall be deemed to have occurred on the date upon which the Grantee ceases to perform services for the Company or any of its subsidiaries following the provision of any notification of termination or resignation from service, and without regard to any period of notice of termination of service (whether expressed or implied) or any period of severance or salary continuation. Notwithstanding any other provision of the Plan, the Award, this Agreement or any other Agreement (written or oral) to the contrary, the Grantee shall not be entitled (and by accepting an Award, thereby irrevocably waives any such entitlement), by way of compensation for loss of office or otherwise, to any sum or other benefit to compensate the Grantee for the loss of any rights under the Plan as a result of the termination or expiration of an Award in connection with any termination of service. No amounts earned pursuant to the Plan or any Award shall be deemed to be eligible compensation in respect of any other plan of the Company or any of its subsidiaries.

7. **Governing Law.** This Agreement and the legal relations between the parties shall be governed by and construed in accordance with the internal laws of the State of Delaware, without effect to the conflicts of laws principles thereof unless the Grantee primarily lives and works in California in which case California law shall apply and the restrictions in Section 15(a) and (b)(iii) shall not apply and Section 15(b)(i) shall be considered modified to only prohibit conduct that also involves unauthorized use or other misappropriation of trade secrets.

8. **Tax Obligations.** As a condition to the granting of the Award and the vesting thereof, the Grantee agrees to remit to the Company or any of its applicable subsidiaries such sum as may be necessary to discharge the Company's or such subsidiary's obligations with respect to any tax, assessment or other governmental charge imposed on property or income received by the Grantee pursuant to this Agreement and the Award. Accordingly, the Grantee agrees to remit to the Company or an applicable subsidiary any and all required minimum withholding taxes. Such payment shall be made to the Company or any applicable subsidiary of the Company in a form that is reasonably acceptable to the Company, as the Company may determine in its sole discretion. If the Grantee does not agree to remit the amount of withholding taxes or other taxes, or otherwise direct the Company or any of its subsidiaries to withhold such amount, the Company or any of its subsidiaries shall satisfy the minimum statutory amount of withholding taxes or other taxes with shares of Stock that would otherwise be received upon settlement of the Award.

9. **Notices.** Any notice required or permitted under this Agreement shall be deemed given when delivered personally, or when deposited in a United States Post Office, postage prepaid, addressed, as appropriate, to the Grantee at the last address specified in Grantee's employment records, or such other address as the Grantee may designate in writing to the Company, or the Company, Attention: General Counsel, or such other address as the Company may designate in writing to the Grantee.

10. **Failure to Enforce Not a Waiver.** The failure of the Company to enforce at any time any provision of this Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

11. **Amendments.** This Agreement may be amended or modified at any time by an instrument in writing signed by the parties hereto.

12. **Authority.** The Compensation Committee of the Board of Directors of the Company shall have full authority to interpret and construe the terms of the Plan and this Agreement. The determination of the Committee as to any such matter of interpretation or construction shall be final, binding and conclusive on all parties.

13. **Rights as a Stockholder.** The Grantee shall have no rights as a stockholder of the Company with respect to any shares of common stock of the Company underlying or relating to the Award until the issuance of Stock to the Grantee in respect of the Award.

14. **Dividends.** The Committee may determine, in its sole and absolute discretion, that the Grantee may receive dividend equivalents, which shall be deferred until, and not paid unless, the shares of Stock underlying the Award are issued to the Grantee.

15. **Non-Competition/Non-Solicitation.**

(a) The Grantee acknowledges that the Grantee will perform services of a unique nature for the Company and its affiliates that are irreplaceable, and that the Grantee's performance of such services to a "Competing Business" (as defined below) will result in irreparable harm to the Company. Accordingly, during the Grantee's employment or other service with the Company and/or its affiliates and for a period of [] thereafter, the Grantee agrees that the Grantee will not, directly or indirectly, own, manage, operate, control, be employed by (whether as an employee, consultant, independent contractor or otherwise, and whether or not for compensation) or render services to any person, firm, corporation or other entity, in whatever form, engaged in a Competitive Business in the United States, United Kingdom, or any other country where the Company does Business at the time of Grantee's termination of service. Notwithstanding the foregoing, nothing herein shall prohibit the Grantee from being a passive owner of not more than one percent (1%) of the equity securities of a publicly traded corporation engaged in a Competitive Business so long as the Grantee has no active participation in the business of such corporation. For purposes hereof, the term "Competitive Business" means any party which competes in any way or manner with the business of the Company or any of its affiliates, as such business or businesses may be conducted from time to time, including, but not limited to, vehicle rental, vehicle sales, vehicle leasing, vehicle sharing, ride hailing, fleet management and other mobility services, either as a general or limited partner, proprietor, common or preferred shareholder (other than being less than a 1% shareholder in a publicly traded company), officer, director, agent, employee, consultant, trustee, affiliate, or otherwise.

(b) During the Grantee's service with the Company and for a period of [] thereafter, the Grantee agrees that the Grantee shall not, except in the furtherance of the Grantee's duties to the Company, directly or indirectly, individually or on behalf of any other

person, firm, corporation or other entity, (i) solicit, aid or induce any customer of the Company or any of its affiliates to purchase goods or services then sold by the Company or any of its affiliates from another person, firm, corporation or other entity or assist or aid any other person or entity in identifying or soliciting any such customer, (ii) solicit, aid or induce any employee, representative or agent of the Company or any of its affiliates to leave such employment or retention or, in the case of employees, to accept employment with or render services to or with any other person, firm, corporation or other entity unaffiliated with the Company or any of its affiliates, or hire or retain any such employee, or take any action to materially assist or aid any other person, firm, corporation or other entity in identifying, hiring or soliciting any such employee, or (iii) interfere, or aid or induce any other person or entity in interfering, with the relationship between the Company or any of its affiliates and any of their respective vendors, joint venturers or licensors. An employee, representative or agent shall be deemed covered by this Section 15 while so employed or retained and for a period of six (6) months thereafter. Notwithstanding the foregoing, the provisions of this Section 15 shall not be violated by general advertising or solicitation not specifically targeted at Company-related persons or entities.

- (c) By accepting this Agreement, the Grantee gives the Company assurance that the Grantee has carefully read and considered all of the terms and conditions of this Agreement, including the restraints imposed under this Section 15. The Grantee agrees that these restraints are necessary for the reasonable and proper protection of the Company and its affiliates and their trade secrets and confidential information and that each and every one of the restraints is reasonable in respect to subject matter, length of time and geographic area, and that these restraints, individually or in the aggregate, will not prevent the Grantee from obtaining other suitable employment during the period in which the Grantee is bound by the restraints. The Grantee acknowledges that each of these covenants has a unique, very substantial and immeasurable value to the Company and its affiliates and that the Grantee has sufficient assets and skills to provide a livelihood while such covenants remain in force. It is agreed that the Company's affiliates will have the right to enforce all of the Grantee's obligations to such affiliates under this Agreement, including, without limitation, pursuant to this Section 15. The term "affiliates" means any entity that owns a controlling interest in the Company, that the Company owns a controlling interest in, or that is under common ownership or control with the Company, including, but not limited to, subsidiaries.
- (d) If it is determined by a court of competent jurisdiction in any state, province or country that any restriction in this Section 15 is excessive in duration or scope or is unreasonable or unenforceable under applicable law, it is the intention of the parties that such restriction may be modified or amended by the court to render it enforceable to the maximum extent permitted by applicable laws.

- (e) In the event of any violation of the provisions of this Section 15, the Grantee acknowledges and agrees that the post-termination restrictions contained in this Section 15 shall be extended by a period of time equal to the period of such violation up to a maximum extension equal to the time period originally prescribed for the restriction, it being the intention of the parties hereto that the running of the applicable post-termination restriction period shall be tolled during any period of such violation.
- (f) The obligations contained in this Section 15 hereof shall survive the termination of the Grantee's employment or other service with the Company or any of its subsidiaries and the date on which the Grantee no longer holds, directly or indirectly, any equity securities in the Company, and shall be fully enforceable thereafter in accordance with the terms hereof. The existence of any claim or cause of action against the Company or any of its subsidiaries, whether based on this Agreement or any other reason, shall not constitute a defense to the enforcement of the restrictive covenants in this Agreement. The restrictive covenants in this Section 15 will apply and be valid notwithstanding any change in the Grantee's duties, responsibilities, position, or title.
- (g) The Grantee acknowledges and agrees that the Company's remedies at law for a breach or threatened breach of any of the provisions of this Section 15 would be inadequate and, in recognition of this fact, the Grantee agrees that, in the event of such a breach or threatened breach, in addition to any remedies at law, the Company, without posting any bond or other security, shall be entitled to obtain equitable relief in the form of specific performance, a temporary restraining order, a temporary or permanent injunction or any other equitable remedy which may then be available, without the necessity of showing actual monetary damages.

IN WITNESS WHEREOF, this Agreement is effective as of the date first above written.

AVIS BUDGET GROUP, INC.

By: _____

Avis Budget Group, Inc.

AWARD AGREEMENT – RESTRICTED STOCK UNITS
NON-EMPLOYEE DIRECTORS

Award Agreement (this “Agreement”), dated as of [], by and between Avis Budget Group, Inc., a Delaware corporation (the “Company”), and [] (the “Grantee”), pursuant to the terms and conditions of the Avis Budget Group, Inc. Amended and Restated Equity and Incentive Plan (the “Plan”).

In consideration of the provisions contained in this Agreement, the Company and the Grantee agree as follows:

1. **The Plan.** The Award granted to the Grantee hereunder is pursuant to the Plan. A copy of the Plan and the prospectus therefore have been provided to the Grantee and the terms of the Plan are hereby incorporated in this Agreement. Terms used in this Agreement that are not defined in this Agreement shall have the meanings used or defined in the Plan.
2. **Award.** Concurrently with the execution of this Agreement, subject to the terms and conditions set forth in the Plan and this Agreement, the Company hereby grants [] Restricted Stock Units (the “Award”) to the Grantee on the date hereof (the “Date of Grant”).
3. **Schedule of Lapse of Restrictions.** The Restricted Stock Units granted hereunder shall vest and be paid in the manner set forth below.

The Award shall vest as to 100% of the Restricted Stock Units granted hereunder on the first anniversary of the Date of Grant, subject to the Grantee’s continued service with the Company through the vesting date (except as otherwise provided in Section 4 of this Agreement): 100% of the Restricted Stock Units will vest on [].

To the extent that the Award hereunder becomes vested in accordance with the terms and conditions of this Agreement, the Award shall, unless payment is deferred pursuant to the Avis Budget Group, Inc. Non-Employee Directors Deferred Compensation Plan, Amended and Restated as of January 1, 2019, be paid to the Grantee in the form of one share of Stock for each Restricted Stock Unit that becomes vested hereunder within two and one-half months following the applicable vesting date.

Notwithstanding any other provision herein to the contrary, in the event of the Grantee’s termination of service due to death or “Disability” (as defined in the Company’s long term disability plan then in effect) at any time, the Award shall become immediately and fully vested without regard to performance, subject to any terms and conditions set forth in the Plan and/or imposed by the Committee.

4. **Termination of Service.** Notwithstanding any other provision of the Plan to the contrary, except as otherwise provided in Section 3 of this Agreement, upon the termination of the Grantee’s service with the Company and/or of any of its subsidiaries for any reason whatsoever (whether resignation or otherwise), the Award, to the extent not yet vested, shall immediately and automatically become vested on a pro rata basis determined by multiplying the number of Restricted Stock Units by a fraction the numerator of which is the number of days following the Date of Grant during which the Grantee has remained in the continuous service of the Company and the denominator of which is 365; provided, however, that the Committee may, in its sole and absolute discretion, accelerate the vesting of the Award, upon termination of service or otherwise, for any reason or no reason, but shall have no obligation to do so.

5. **No Assignment.** Except as otherwise provided in the Plan, this Agreement (and the Award) may not be assigned by the Grantee by operation of law or otherwise.

6. **No Rights to Continued Service; Loss of Office.** Neither this Agreement nor the Award shall be construed as giving the Grantee any right to continue in the service of the Company or any of its subsidiaries, whether as a member of the Board of Directors or otherwise. Notwithstanding any other provision of the Plan, the Award, this Agreement or any other agreement (written or oral) to the contrary, for purposes of the Plan and the Award, a termination of service shall be deemed to have occurred on the date upon which the Grantee ceases to perform services for the Company or any of its subsidiaries following the provision of any notification of termination or resignation from service, and without regard to any period of notice of termination of service (whether expressed or implied). Notwithstanding any other provision of the Plan, the Award, this Agreement or any other agreement (written or oral) to the contrary, the Grantee shall not be entitled (and by accepting an Award, thereby irrevocably waives any such entitlement), by way of compensation for loss of office or otherwise, to any sum or other benefit to compensate the Grantee for the loss of any rights under the Plan as a result of the termination or expiration of an Award in connection with any termination of service. No amounts earned pursuant to the Plan or any Award shall be deemed to be eligible compensation in respect of any other plan of the Company or any of its subsidiaries.

7. **Governing Law.** This Agreement and the legal relations between the parties shall be governed by and construed in accordance with the internal laws of the State of Delaware, without effect to the conflicts of laws principles thereof.

8. **Tax Obligations.** As a condition to the granting of the Award and the vesting thereof, the Grantee acknowledges and agrees that the Grantee shall be solely responsible for any applicable taxes that he or she incurs with respect to the Award.

9. **Notices.** Any notice required or permitted under this Agreement shall be deemed given when delivered personally, or when deposited in a United States Post Office, postage prepaid, addressed, as appropriate, to the Grantee at the last address specified in the Company’s records, or such other address as the Grantee may designate in writing to the Company, or the Company, Attention: Corporate Secretary, or such other address as the Company may designate in writing to the Grantee.

10. **Failure to Enforce Not a Waiver.** The failure of the Company to enforce at any time any provision of this Agreement shall in no way be construed to be a waiver of such provision or of any other provision hereof.

11. **Amendments.** This Agreement may be amended or modified at any time by an instrument in writing signed by the parties hereto.
12. **Authority.** The Compensation Committee of the Board of Directors of the Company shall have full authority to interpret and construe the terms of the Plan and this Agreement. The determination of the Committee as to any such matter of interpretation or construction shall be final, binding and conclusive on all parties.
13. **Rights as a Stockholder.** The Grantee shall have no rights as a stockholder of the Company with respect to any shares of common stock of the Company underlying or relating to any Award until the issuance of Stock to the Grantee in respect of such Award.
14. **Dividends.** The Committee may determine, in its sole and absolute discretion, that the Grantee may receive dividend equivalents, which shall be deferred until, and not paid unless, the shares of common stock of the Company underlying or relating to the Award are issued to the Grantee.

IN WITNESS WHEREOF, this Agreement is effective as of the date first above written.

AVIS BUDGET GROUP, INC.

By: _____
Larry D. De Shon
Chief Executive Officer

[]
[]
Avis Budget Group
6 Sylvan Way
Parsippany, NJ 07054

Dear []:

This letter is to confirm that if your employment with Avis Budget Car Rental, LLC (“ABCR” or the “Company”), a subsidiary of Avis Budget Group, Inc., is terminated by ABCR other than: (i) for “Cause” (as defined below); (ii) in connection with your disability which prevents you or is reasonably expected to prevent you from performing services for ABCR for a period of 12 months (your “disability”); or (iii) your death, you will receive (1) a lump-sum severance payment within 15 days following the Release Date (as defined below) equal to [] of the sum of (x) your base salary and (y) your target bonus, (2) continued access to company car usage and financial planning for a period of [] months and (3) the Company will subsidize the total cost of COBRA coverage such that the contributions required of you for health plan participation during the [] month period following your termination shall be substantially equal to the contributions required of active employed executives of ABG (collectively, the “Severance Benefits”). Any other programs and perquisites will be governed by their respective program documents. The provision of the Severance Benefits is subject to, and contingent upon, your executing within forty-five days following your termination of employment and not revoking a separation agreement with ABCR (the date on which the release is no longer revocable, the “Release Date”), in such form determined by ABCR, which requires you, in part, to release all actual and purported claims against ABCR and its affiliates and which also requires you to agree to: (i) protect and not disclose all confidential and proprietary information of ABCR; (ii) not compete, directly or indirectly, against ABCR for a period of no longer than two years after your employment separation or for a period of time and within a geographic scope determined by ABCR to be reasonable to protect ABCR’s business interests; and (iii) not solicit any ABCR employees, consultants, agents or customers during and for two years after your employment separation.

“Cause” shall mean: (i) your willful failure to substantially perform your duties as an employee of the Company or any subsidiary, including your willful failure to provide services to Avis Budget Group, Inc., (other than any such failure resulting from your incapacity due to physical or mental illness); (ii) any act of fraud, misappropriation, dishonesty, embezzlement or similar conduct against Avis Budget Group, Inc., the Company or any subsidiary; or (iii) conviction of a felony or any crime involving moral turpitude (which conviction, due to the passage of time or otherwise, is not subject to further appeal).

The payments and benefits described in this letter are intended to comply with Section 409A of the Internal Revenue Code of 1986, as amended (“Section 409A”) and, accordingly, to the maximum extent permitted, the terms of this letter shall be interpreted and administered to be in compliance with Section 409A. Each amount to be paid or benefit to be provided in this letter shall be construed as a separate identified payment for purposes of Section 409A. Any payments described in this letter that are due within the “short term deferral period” as defined in Section 409A shall not be treated as deferred compensation unless applicable law requires otherwise.

The Severance Benefits as set forth in this letter are in lieu of and supersede any other severance benefits otherwise payable to you under any other agreement or severance plan of ABCR or its affiliates.

You also agree to the following terms:

1. During your employment with the Company you will not engage in any activity that competes with or adversely affects the Company, nor will you begin to organize or develop any competing entity (or assist anyone else in doing so).
2. You will not disclose at any time (except for business purposes on behalf of the Company) any confidential or proprietary material of the Company. That material shall include, but is not limited to, the names and addresses of customers, customer contacts, contracts, bidding information, business strategies, pricing information, and the Company's policies and procedures.
3. All documents (paper or electronic) and other information related in any way to the Company shall be the property of the Company, and will be returned to the Company upon the end of your employment with the Company.
4. For a period of [] months following the termination of your employment with the Company (whether such termination is voluntary or involuntary), you will not become employed with a competitor of the Company, solicit business from any of the Company's customers, or solicit business from an entity solicited by the Company at any time during the twelve months prior to your termination of employment with the Company.
5. For a period of [] months following the termination of your employment with the Company (whether such termination is voluntary or involuntary), you shall not solicit, aid or induce any employee of the Company to leave such employment.
6. Should a court issue injunctive relief to enforce any of the terms of this Agreement, or if a court (or jury) determine that you breached any provision of this Agreement, you will reimburse the Company for all attorney's fees and costs incurred in enforcing the terms of the Agreement, and you will also be liable for any other damages or relief permitted by law.

You agree that any disputes over the above terms shall be governed by New Jersey law, shall be resolved in a New Jersey Court or in a federal Court located in New Jersey, and that the terms of this agreement may be enforced by the Company or its successors or assigns.

Per ABCR's standard policy, this letter is not intended, nor should it be considered, to be an employment contract for a definite or indefinite period of time. As you know, employment with ABCR is at will, and either you or ABCR may terminate your employment at any time, with or without cause.

Regards,

Understood and accepted:

[]

Date

**AVIS BUDGET GROUP, INC. NON-EMPLOYEE DIRECTORS DEFERRED
COMPENSATION PLAN**

Amended and Restated as of January 1, 2019

AVIS BUDGET GROUP, INC.
NON-EMPLOYEE DIRECTORS DEFERRED COMPENSATION PLAN
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ARTICLE I – SPONSORSHIP AND PURPOSE OF PLAN

1.1 Sponsorship

Avis Budget Group, Inc. (the “Company”), a corporation organized under the laws of the State of Delaware, sponsors the Avis Budget Group, Inc. Non-Employee Directors Deferred Compensation Plan (the “Plan”), a non-qualified deferred compensation plan for the benefit of Participants and Beneficiaries (as defined herein). The Company originally adopted the Plan in 1999 and has made certain amendments since then. The Company now desires to further amend and restate the Plan effective January 1, 2019.

1.2 Purpose of Plan

The Plan is intended to be an unfunded plan maintained primarily for the purpose of enabling members of the Board of Directors of the Company who are not employees to defer receipt of designated percentages of their fees received for providing services to the Company. A description of such fees, as in effect on January 1, 2019, is set forth on Exhibit A hereto.

ARTICLE II - DEFINITIONS

Wherever used herein, the following terms have the meanings set forth below, unless a different meaning is clearly required by the context:

- 2.1 **Account** means, for each Participant, the account established for his or her benefit under Section 5.1.
- 2.2 **Beneficiary** means the person(s) or entity designated by the Participant in accordance with the provisions of Article VII to receive benefits under the Plan as a result of a Participant’s death.
- 2.3 **Board** means the Board of Directors of the Company.
- 2.4 **Change of Control** means the date on which:
 - (a) any one person, or more than one person acting as a group, acquires ownership of stock of the Company that, together with stock held by such person or group, constitutes more than 50% of the total fair market value or total voting power of the stock of the Company;
 - (b) any one person, or more than one person acting as a group, acquires (or has acquired during the twelve-month period ending on the date of the most recent acquisition by such person or persons) ownership of stock of the Company possessing 30% or more of the total voting power of the stock of the Company;

(c) a majority of the members of the Board is replaced during any twelve-month period by directors whose appointment or election is not endorsed by a majority of the members of the Board before the date of the appointment or election; or

(d) any one person, or more than one person acting as a group, acquires (or has acquired during the twelve-month period ending on the date of the most recent acquisition by such person or persons) assets from the corporation that have a total gross fair market value equal to more than 40% of the total gross fair market value of all of the assets of the Company immediately before such acquisition or acquisitions.

Notwithstanding the foregoing, a Change of Control shall not be deemed to occur for purposes of any payment hereunder unless such transaction also constitutes a “change in control event” for purposes of Section 409A of the Code.

- 2.5 **Code** means the Internal Revenue Code of 1986, as amended from time to time. Reference to any section or subsection of the Code includes reference to any comparable or succeeding provisions of any legislation which amends, supplements or replaces such section or subsection.
- 2.6 **Committee** means the Governance Committee or another committee of one or more persons appointed by the Board to administer the Plan. In the absence of such appointment, or if, due to resignation or other cause, no appointed members remain, the Board shall be the Committee.
- 2.7 **Company** means Avis Budget Group, Inc. and each other entity that is affiliated with the Company which adopts the Plan with the consent of the Company, provided that the Company shall have the sole power to amend the Plan.
- 2.8 **Company Stock** means shares of common stock of Avis Budget Group, Inc.
- 2.9 **Compensation** means a Participant’s annual retainer fees, as well as such other fees and payments determined by the Board or the Committee to be eligible for deferral from time to time.
- 2.10 **Director** means each member of the Board who is not an employee.
- 2.11 **Disabled or Disability** means the inability of a Participant to engage in any substantial, gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months, and the permanence and degree of which shall be supported by medical evidence satisfactory to the Committee or its designee. Notwithstanding the foregoing, a Disability shall not be deemed to occur for purposes of any payment hereunder unless a Participant is also considered to be “disabled” under Section 409A of the Code.
- 2.12 **Election Form** means the participation election form as approved and prescribed by the Committee or its designee.

- 2.13 **Elective Deferral** means the portion of Compensation which is deferred by a Participant under Sections 4.1 and 4.2.
- 2.14 **ERISA** means the Employee Retirement Income Security Act of 1974, as amended from time to time. Reference to any section or subsection of ERISA includes reference to any comparable or succeeding provisions of any legislation which amends, supplements or replaces such section or subsection.
- 2.15 **Grandfathered Accounts** means all deferrals prior to January 1, 2013 and related investment earnings.
- 2.16 **Participant** means any Director who participates in the Plan in accordance with Article III.
- 2.17 **Plan** means this Avis Budget Group, Inc. Non-Employee Directors Deferred Compensation Plan, as amended from time to time.
- 2.18 **Plan Year** means the twelve consecutive month period ending each December 31st.
- 2.19 **Separation from Service** means a Participant's "separation from service" (within the meaning of Section 409A of the Code) with the Company for any reason.
- 2.20 **Stock Payment** means any equity award granted to a Director, which at vesting is either deferred and continues to be denominated in Stock Units or paid immediately in Company Stock.
- 2.21 **Stock Unit** means a Director's Stock Payment which has been electively deferred and is denominated in phantom units of Company Stock.
- 2.22 **Trust** means the trust established by the Company that identifies the Plan as a plan with respect to which assets are to be held by the Trustee.
- 2.23 **Trustee** means the trustee or trustees under the Trust.
- 2.24 **Unforeseen Emergency** means a severe financial hardship arising from illness or accident of the Participant, Participant's spouse or dependents; casual loss; or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond the control of the Participant. Notwithstanding the foregoing, an Unforeseen Emergency shall not be deemed to occur for purposes of any payment hereunder unless such event also constitutes an "unforeseeable emergency" under Section 409A of the Code.

ARTICLE III - PARTICIPATION

3.1 **Commencement of Participation**

Each Director shall become a Participant in the Plan as of the date his or her service as a Director commences. All Directors performing services at the time of this amendment and restatement are automatically considered Participants in the Plan.

3.2 Continued Participation

A Participant in the Plan shall continue to be a Participant so long as any amount remains credited to his or her Account. Notwithstanding the foregoing, participation in respect of any calendar year is not a guarantee of participation in respect of any future calendar year.

ARTICLE IV – DEFERRALS

4.1 Stock Payments

Subject to such rules, regulations and procedures that the Company may establish from time to time, 100% of Stock Payments shall automatically be deferred in the form of Stock Units.

Any new Director may, at the time his or her service as a Director commences, by completing an Election Form and filing it with the Company within 30 days following the date on which service commences, elect to defer less than 100% of his or her Stock Payment, on such terms as the Committee may permit, which are earned by and payable to the Participant after the date on which the individual files an Election Form. Such election shall be effective only for the Plan Year in which such election is made and with respect to amounts earned and payable after the date of such election. All deferred Stock Payments will be denominated in Stock Units. If less than 100% of a Participant's Stock Payment is deferred, then the portion of the Stock Payment which is not deferred shall be paid to the Director in the form of Company Stock as soon as administratively practical after such amounts are earned, but in all events, by March 15th of the calendar year following the year such amounts are earned.

Any other Director may elect to defer less than 100% of his or her Stock Payment on such terms as the Committee may permit by completing an Election Form prior to the first day of such succeeding Plan Year. Such election shall be effective only for the Plan Year succeeding the Plan Year in which the election is made. If less than 100% of a Participant's Stock Payment is deferred, then the portion of the Stock Payment which is not deferred shall be paid to the Director in the form of Company Stock as soon as administratively practical after such amounts are earned, but in all events, by March 15th of the calendar year following the year such amounts are earned.

4.2 Compensation Otherwise Paid in Cash

A new Director may, at the time his or her service commences, by completing an Election Form and filing it with the Company within 30 days following the date on which service commences, elect to defer a percentage of Compensation not subject to Section 4.1, on such terms as the Committee may permit taking into account the requirements of Section

409A of the Code, which are earned by and payable to the Participant after the date on which the individual files an Election Form. Such election shall be effective only for the Plan Year in which such election is made and with respect to amounts earned and payable after the date of such election.

Any other Director may elect to defer a percentage of Compensation not subject to Section 4.1 on such terms as the Committee may permit by completing an Election Form prior to the first day of such succeeding Plan Year which will take effect the subsequent Plan Year. Such election shall be effective only for the Plan Year succeeding the Plan Year in which the election is made.

Deferral elections under this Section 4.2 and Section 4.1 above may be modified or revoked at any time prior to becoming effective, but once effective, such elections must continue in effect as provided herein.

4.3 Vesting

A Participant shall be immediately vested in, and shall have a nonforfeitable right to, all deferrals and all income and gain attributable thereto, credited to his or her Account; provided, however, that the existence of such right shall not be deemed to vest in any Participant any right, title or interest in or to any specific assets of the Company.

ARTICLE V – ACCOUNTS AND INVESTMENT

5.1 Accounts

The Committee shall establish an Account for each Participant reflecting Elective Deferrals together with any adjustments for income, gain or loss and any payments from the Account. The Committee may cause the Trustee to maintain and invest separate asset accounts corresponding to each Participant's Account. The Committee shall establish sub-accounts for each Participant that has more than one election in effect under Section 6.1, Elective Deferrals from before and after January 1, 2019, and such other sub-accounts as are necessary for the proper administration of the Plan.

The Committee shall periodically, but not less frequently than annually, provide the Participant with a statement of his or her Account reflecting the income, gains and losses (realized and unrealized), amounts of Elective Deferrals, and distributions of such Account since the prior statement.

5.2 Investments

A Participant's Stock Payment which has been elected for deferral will automatically be invested in the form of a Stock Unit which shall be issued under the Avis Budget Group, Inc. Amended and Restated Equity and Incentive Plan or other similar plan.

All other Elective Deferrals may be invested in Company Stock in the form of a Stock Unit or any other investment made available by the Committee. If a valid election is not on file, these deferrals will be held in a default election selected by the Committee.

The number of Stock Units allocated to a Director's Account will be equal to the number of shares of Company Stock underlying Stock Payments deferred into the Plan as of any given date (an "Allocation Date"). For purposes of the Plan, fair market value shall equal the closing price per share of Company Stock as of the applicable Allocation Date, or such other reasonable formula determined by the Committee. An Allocation Date will occur on each date upon which any Director would otherwise become entitled to receive all or any portion of any Stock Payments, or as otherwise determined by the Committee. Each Stock Unit will be the equivalent of one share of Company Stock.

Additional Stock Units will be credited to a Director's Account in respect of cash dividends and/or special dividends and distributions, if any, on Company Stock, based on the number of Stock Units credited to such Director's Account as of the record date for such dividend or distribution. Such additional units shall be credited on the next Allocation Date following the payment date for such dividend or distribution. The number of Stock Units to be so credited shall be equal to the quotient obtained by dividing (A) the product of (i) the number of Stock Units credited to such Account on the dividend or distribution record date and (ii) the dividend (or distribution value as determined by the Committee in its sole discretion) per share of Company Stock, by (B) the closing price of a share of Company Stock as of such dividend payment date or distribution date.

If at any time the number of shares of Company Stock is increased or decreased as a result of any stock dividend or distribution, stock split, combination or reclassification of shares or any similar transaction, the number of Stock Units in a Director's Account will be equitably adjusted, as determined by the Committee in its sole discretion, to the extent necessary to preserve, but not increase, the value of each Director's Account.

The Committee shall have full discretion as to the frequency and manner in which Directors may change their investment elections. Consistent with the Company's policies, approval of the Corporate Secretary is needed prior to any Director selling or transferring their holdings in Company Stock, including any Stock Units.

ARTICLE VI - DISTRIBUTIONS

6.1 Distributions

All Compensation deferred prior to February 1, 2010 and all investment gains related to those deferrals shall be distributed in the form of a single lump sum on the date which is seven months immediately following the date upon which such Participant has a Separation from Service. All Compensation deferred after February 1, 2010 but before January 1, 2013 and all investment gains related to those deferrals shall be distributed in the form of a single lump sum as soon as administratively practical following the date upon which such Participant has a Separation from Service (but in all events within 30

days following such Separation from Service. Collectively, these deferrals are considered Grandfathered Accounts and not subject to the terms outlined in Section 6.2, 6.3, 6.4, 6.5, and 6.6.

All Compensation deferred on or after January 1, 2013 and all investment gains related to those deferrals shall be distributed in accordance with the election process described in Section 6.2 and shall be subject to Sections 6.2, 6.3, 6.4, 6.5, and 6.6.

Deferrals in the form of Stock Units shall be paid in the form of Company Stock. The number of shares of Company Stock payable to a Director upon distribution will equal the number of Stock Units held in such Director's Account as of the date of such distribution. All other investments shall be paid in cash.

6.2 Election as to Time and Form of Payment

A Participant shall elect (on the Election Form used to elect to defer Compensation under Sections 4.1 and 4.2) the date at which his or her Account will commence to be paid for all Compensation deferred on or after January 1, 2013 and all related investment gains. The Participant may elect distribution to occur on a specified date or upon a Separation from Service. The Participant shall also elect thereon for payments to be paid in either:

- a. a single lump-sum payment; or
- b. a series of installments paid over a period elected by the Participant of up to 10 years, the amount of each installment to equal the balance of his or her Account immediately prior to the installment divided by the number of installments remaining to be paid. The Participant shall elect whether such installments are made annually, semiannually, quarterly or monthly.

Such distribution election detailing the time and form of payment will need to be made on an annual basis and is only effective for Elective Deferrals made for the Plan Year beginning after the date of the election. If an election under this Section is not made timely or is deemed invalid by the Committee, the default time of distribution for such deferral will be upon Separation from Service and the default form of payment will be a single-lump sum payment. Except as provided in Sections 6.1, 6.3, 6.4, 6.5 and 6.6, payment of a Participant's Account shall be made in accordance with the Participant's elections under this Section 6.2.

Notwithstanding the above, upon a Participant's Separation from Service, in the event such Participant's Account balance is less than \$25,000, such Account balance shall be distributed in the form of a single lump-sum upon such Separation from Service.

6.3 Change of Control

Notwithstanding Section 6.2, as soon as possible following a Change of Control (but in all events within 30 days following such Change of Control), each Participant shall be paid his or her entire Account balance in a single lump sum.

6.4 Disability

Notwithstanding Section 6.2, if a Participant becomes Disabled prior to the complete distribution of his or her Account, the balance of the Account shall be paid as soon as practicable to the Participant following such Disability (but in all events within 30 days following such Disability) in a single lump sum.

6.5 Death

Notwithstanding Section 6.2, if a Participant dies prior to the complete distribution of his or her Account, the balance of the Account shall be paid as soon as practicable to the Participant's designated Beneficiary or Beneficiaries, elected by the Participant pursuant to Section 7.

6.6 Unforeseen Emergency

A Participant may request distribution of amounts deferred upon an Unforeseen Emergency. Subject to any additional limitations imposed under Section 409A of the Code, such distribution is limited to amounts reasonably necessary to meet the emergency and pay any anticipated tax on the distribution. The Committee retains the right to make a final determination if a Participant's need meets the definition of Unforeseen Emergency and all decisions are final.

ARTICLE VII – BENEFICIARY DESIGNATION

7.1 Designation

Upon enrollment in the Plan or upon notification that a valid election is not on file, each Participant shall file with the Company a written designation of one or more persons as the Beneficiary who shall be entitled to receive the amount, if any, payable under the Plan upon the Participant's death. A Participant may, from time to time, revoke or change his or her Beneficiary designation without the consent of any prior Beneficiary by filing a new such designation with the Company on a form designated by the Company for such purpose. The most recent such designation received by the Company shall be controlling and shall be effective upon receipt and acceptance by the Company; provided, however, that no designation, or change or revocation thereof, shall be effective unless received by the Company prior to the Participant's death.

7.2 Failure to Designate Beneficiary

If no such Beneficiary designation is in effect at the time of a Participant's death, or if no designated Beneficiary survives the Participant, or if such designation conflicts with law, the Participant's estate shall be deemed to have been designated as the Beneficiary and shall receive the payment of the amount, if any, payable under the Plan upon the Participant's death. If the Company is in doubt as to the right of any person to receive such amount, the Company may retain such amount, without liability for any interest thereon, until the rights thereto are determined, or the Company may pay such amount

into any court of appropriate jurisdiction and such payment shall be a complete discharge of the obligations of the Company under the Plan.

7.3 Payment to Representatives

If the Committee or its designees determines that a Participant or Beneficiary is legally incapable of giving valid receipt and discharge for the payment due from this Plan, such amounts shall be paid to a duly appointed and acting guardian, if any. If no such guardian is appointed and acting, the Committee may retain such amount, without liability for any interest thereon, until the rights thereto are determined, or the Committee may pay such amount into any court of appropriate jurisdiction on behalf of the Participant or Beneficiary and such payment shall be a complete discharge of the obligations of the Company under the Plan.

ARTICLE VIII - PLAN ADMINISTRATION

8.1 Powers and Duties of the Committee

The Committee shall have absolute discretion with respect to the operation, interpretation and administration of the Plan. The Committee's powers and duties shall include, but not be limited to:

- a) Establishing Accounts for Participants;
- b) Determining eligibility for, and amount of, distributions from the Plan;
- c) Adopting, interpreting, altering, amending or revoking rules and regulations necessary to administer the Plan;
- d) Delegating ministerial duties and other ongoing, day-to-day administrative responsibilities to senior executives of the Company and employing outside professionals as may be required; and
- e) Causing the Company to enter into agreements or taking such other actions on behalf of the Company as are necessary to implement the Plan.

Participants are not prohibited from serving as members of the Committee. If an individual is both a Participant and a member of the Committee, such individual is prohibited from making any decision with respect to his or her own participation in, or individual benefits under, the Plan; provided that the foregoing shall not prohibit any member of the Committee from carrying out such Committee members' general responsibilities as contemplated by the Plan or making decisions that have general application to all Participants under the Plan and the administration of benefits hereunder. Any action of the Committee may be taken by a vote or written consent of the majority of the Committee members entitled to act. Any Committee member or officer of the Company shall be entitled to represent the Committee, including the signing of any certificate or other written direction, with regard to any action approved by the Committee.

8.2 Information

To enable the Committee to perform its functions, the Company shall supply full and timely information to the Committee on all matters relating to the compensation of Participants, their employment, retirement, death, Separation from Service, and such other pertinent facts as the Committee may require.

8.3 Claims Procedure

In the event a claim by a Participant relating to the amount of any distribution is denied, such person will be given written notice by the Committee of such denial, which shall set forth the reason for denial. The Participant may, within sixty (60) days after receiving the notice, request a review of such denial by filing notice in writing with the Committee. The Committee, in its discretion, may request a meeting with the Participant to clarify any matters it deems pertinent. The Committee will render a written decision within sixty (60) days after receipt of such request, stating the reason for its decision. If the Committee is unable to respond within sixty (60) days, an additional sixty (60) days may be taken by the Committee to respond. The Participant will be notified if the additional time is necessary by the end of the initial sixty (60) day period. The determination of the Committee as to any disputed questions or issues arising under the Plan and all interpretations, determinations and decisions of the Committee with respect to any claim hereunder shall be final, conclusive and binding upon all persons.

ARTICLE IX - AMENDMENT AND TERMINATION

9.1 Amendments

Except as expressly provided in Section 9.3 hereof, the Company, in its sole discretion, by action of its Board or other governing body charged with the management of the Company, or its designee, may amend the Plan, in whole or in part, at any time.

9.2 Termination

This Plan is strictly a voluntary undertaking on the part of the Company and shall not be deemed to constitute a contract between the Company and any Director or consideration for, or an inducement or condition of employment for, the performance of the services by any Director. The Company reserves the right to terminate the Plan at any time, subject to Section 9.3, by an instrument in writing which has been executed on the Company's behalf by its duly authorized officer. Upon termination, outstanding Account Balances under the Plan shall be paid in any such manner that takes into account, and complies with, the applicable requirements of Section 409A of the Code, as determined by the Committee in its good-faith discretion.

9.3 Protection of Benefit

No amendment or termination of this Plan shall reduce the rights of any Participant with respect to amounts allocated to a Participant's Account prior to the date of such amendment or termination without the Participant's express written consent.

ARTICLE X - MISCELLANEOUS

10.1 **Offset to Benefits**

Amounts payable to the Participant under the Plan may be offset by any reasonable monetary claims the Company has against the Participant except to the extent any offset is prohibited by or would result in adverse tax consequences under Section 409A of the Code.

10.2 **Inalienability**

Except as provided in Section 10.2 hereof, a Participant's right to payments under this Plan are not subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Participant. In no event shall the Company make any payment under this Plan to any person or entity other than the Participant or Beneficiary, unless required by law.

10.3 **Contract for Service**

The adoption and maintenance of this Plan does not constitute a contract between the Company and any Participant and is not consideration for the service of any person. Nothing contained herein gives any Participant the right to be retained as a member of the Board or derogates from the right of the Company to discharge any Participant at any time and for any reason without regard to the effect of such discharge upon his or her rights as a Participant in the Plan.

10.4 **Indemnity of Committee**

The Company indemnifies and holds harmless the Committee and its designees from and against any and all losses resulting from any liability to which the Committee may be subjected by reason of any act or conduct in its official capacity in the administration of this Plan, including all costs and expenses reasonably incurred in its defense, in case the Company fails to provide such defense, in all cases, in accordance with the Company's Certificate of Incorporation and by-laws.

10.5 **Liability**

No member of the Board, the Committee, or management of the Company shall be liable to any person for any action taken under the Plan.

10.6 **Rules of Construction**

- (a) **Governing Law.** The construction and operation of this Plan are governed by the laws of the State of New Jersey, except to the extent superseded by federal law.

- (b) **Headings.** The headings of Articles, Sections and Subsections are for reference only and are not to be utilized in construing the Plan.
- (c) **Gender.** Unless clearly inappropriate, all pronouns of whatever gender refer indifferently to persons or objects of any gender.
- (d) **Singular and Plural.** Unless clearly inappropriate, singular terms refer also to the plural number and vice versa.
- (e) **Severability.** If any provision of this Plan is held illegal or invalid for any reason, the remaining provisions are to remain in full force and effect and to be reformed, construed and enforced in accordance with the purposes of the Plan as if the illegal or invalid provision did not exist.

ARTICLE XI – FUNDING

11.1 **Unfunded Plan**

This Plan is intended to be unfunded for tax purposes and all distributions hereunder shall be made out of the general assets of the Company. No Participant or Beneficiary shall have any right, title, interest, or claim in or to any assets of the Company other than as an unsecured creditor. The Plan constitutes only an unsecured commitment by the Company to pay benefits to the extent, and subject to the limitations, provided for herein. This Plan is intended to be a “top hat” plan for the benefit of a select group of management or highly compensated individuals for purposes of the Employee Retirement Income Security Act of 1974 (“ERISA”), and is designed to comply with the requirements of Section 409A of the Code.

11.2 **Trust**

Notwithstanding the foregoing, the Company has the discretion to contribute to a trust amounts allocated to a Participant’s Accounts. The assets of such Trust shall be available to the creditors of the Company in the event of bankruptcy or insolvency. To the extent of the Trust assets, amounts due under the Plan shall be payable first from such Trust to Participants before any claim is made against the Company. The Committee may provide direction to the Trustee or custodian on behalf of the Company as it deems necessary to provide for the proper distribution of benefits from the Trust.

Avis Budget Group, Inc. Non-Employee Director Compensation Program

	Annual Compensation \$(a)(b)
Annual Director Retainer	225,000
Audit Committee Chair	25,000
Audit Committee Member	12,500
Compensation Committee Chair	25,000
Compensation Committee Member	12,500
Corporate Governance Committee Chair	18,000
Corporate Governance Committee Member	9,000
Executive Committee Member	9,000
Chairman of the Board Retainer	125,000
Other Benefits	5,000(c)

- (a) Members of the Board of Directors who are also officers or employees of the Company do not receive compensation for serving as directors (other than reimbursement of travel-related expenses for meetings held outside of the Company's headquarters).
- (b) The annual retainers, committee chair stipends and committee membership stipends (collectively, "Director Fees") are paid 50% in cash and 50% in Common Stock of the Company, subject to an annual cap of 30,000 shares of Common Stock per year. Cash payments are paid quarterly and the equity portion is awarded annually and generally vests on the one-year anniversary of the date of grant. Under a non-qualified deferred compensation plan, Directors may elect to defer all or a portion of their Director Fees. Directors who elect to defer Director Fees payable in cash may choose from various investment choices similar to those available to our named executive officers under our executive deferred compensation plan or may elect to receive an increased equity award in lieu of some or all of such cash fees.
- (c) Represents discretionary matching contributions available through The Avis Budget Charitable Foundation.

AVIS RENT A CAR SYSTEM, LLC PENSION PLAN

(AS AMENDED AND RESTATED EFFECTIVE AS OF JANUARY 1, 2015,
WITH CERTAIN OTHER EFFECTIVE DATES)

AVIS RENT A CAR SYSTEM, LLC PENSION PLAN INTRODUCTION

This Avis Rent A Car System, LLC Pension Plan (the "Plan") became effective as of June 1, 2006 as an amendment and restatement of Part II of the Cendant Corporation Pension Plan in connection with the spin-off of Realogy Corporation by Cendant Corporation (the "Sponsor") as part of a special dividend distribution to its shareholders (the "Dividend Distribution"). When first made effective, this Plan was identical in all material respects to Part II of the Cendant Corporation Pension Plan.

In connection with the Dividend Distribution, the Sponsor and Realogy Corporation agreed to separate the Cendant Corporation Pension Plan into two plans, this Plan and the Realogy Corporation Pension Plan. The Realogy Corporation Pension Plan became effective as of June 1, 2006 and was identical in all material respects to Part I of the Cendant Corporation Pension Plan. The Realogy Corporation Pension Plan assumed all liabilities and obligations under Part I of the Cendant Corporation Pension Plan, as a successor employer. Accordingly, the Plan was amended on June 1, 2006 pursuant to this restatement to reflect that the terms and provisions of the Cendant Corporation Pension Plan, Part I were no longer applicable, as the remaining assets and liabilities were transferred to the Realogy Corporation Pension Plan.

The Plan was amended and restated, effective January 1, 2010 to (a) incorporate all required and discretionary amendments since the last restatement, (b) make such additional changes required by applicable law and regulations in compliance with the cyclical remedial amendment program, and (c) make other administrative and conforming changes.

The Plan is hereby further amended and restated, effective January 1, 2015 to incorporate prior amendments made to the Plan to comply with Section 436 of the Internal Revenue Code of 1986 and the Treasury Regulations thereunder.

AVIS RENT A CAR SYSTEM, LLC PENSION PLAN

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ARTICLE 1. DEFINITIONS

The following words and phrases shall, when used herein, have the meanings set forth below, unless a different meaning is clearly required by the context:

1.1 "Absence in Military Service"

"Absence in Military Service" shall mean absence of an Employee in military service for the United States of America provided that the Employee returns to the employ of the Company by the end of any period prescribed by the laws of the United States during which he has reemployment rights with the Company. Notwithstanding any provision in the Plan to the contrary, effective as of December 12, 1994, contributions and benefits with respect to "qualified military service" will be provided in accordance with section 414(u) of the Code.

1.2 "Absence on Authorized Leave"

"Absence on Authorized Leave" shall mean any absence approved by the Company other than absence which qualifies as Absence in Military Service under Section 1.1. All such leaves of absence shall be granted in a nondiscriminatory manner so that all Employees in similar situations shall receive uniform treatment. The following periods of Absence on Authorized Leave shall be included in determining a Member's Service:

- (i) the period of any such absence, not exceeding two years, including any such absence during which the Member does not receive Compensation from the Company;
- (ii) the period of any such absence, not exceeding two years, except as required by law, for service with any governmental agency or any department of the United States;
- (iii) the period of any such absence during which sickness or accident benefits are being paid by the Company.

1.3 "Acquisition Date"

"Acquisition Date" shall mean, with respect to any Predecessor Corporation, the date on which the business and assets of such Predecessor Corporation, or such part thereof as shall have been acquired by the Company, were first acquired.

1.4 "Actuary"

"Actuary" shall mean the actuarial consultant or actuarial consultants designated from time to time to make actuarial computations in connection with the Plan.

1.5 "Annuity Starting Date"

"Annuity Starting Date" shall mean the date as of which payment of a Member's Retirement Pension or Vested Benefit is scheduled to commence in accordance with Articles 4 and 6 of this Plan.

1.6 "Associated Company"

"Associated Company" shall mean any division, subsidiary or affiliate of the Company designated by the Board of Directors, or by the Committee pursuant to authority delegated to it by the Board of Directors, as an Associated Company for purposes of the Plan during the period for which such designation exists. For the period of time before the Company was divested from International Telephone and Telegraph Corporation, Associated Company shall also mean any Company which was designated as an Associated Company under the Prior Salaried Plan.

1.7 “Average Final Compensation”

“Average Final Compensation” means the average of a Member’s five highest consecutive years of Compensation during the ten calendar years prior to the earlier of: (a) the Member’s Normal, Deferred or Early Retirement Date or the date of his Termination of Employment, whichever is applicable or (b) January 1, 1999; provided, however, that if the Member’s Compensation for his last year of employment is included in the averaging period and such last year of employment is less than twelve months, his Average Final Compensation shall include Compensation during the last year of employment, the four preceding calendar years and a pro rata portion of Compensation in the fifth preceding calendar year in order to average Compensation for five full years.

For purposes of determining the Average Final Compensation of a Member whose consecutive years of Compensation during the ten calendar years prior to the Member’s Normal, Deferred or Early Retirement Date, or the date of his Termination of Employment, whichever is applicable, are interrupted by an Absence in Military Service, an Absence on Authorized Leave or any other absence if his Service prior to such absence is restored pursuant to Section 1.14.2, the years of Compensation preceding and following such absence shall be considered consecutive.

1.8 “Beneficiary”

“Beneficiary” shall mean any person, including the spouse or Joint Annuitant of a Member, eligible to receive any benefits payable upon the death of the Member.

1.9 “Board of Directors”

“Board of Directors” shall mean the Board of Directors of Cendant Corporation (the “Plan Sponsor”) or any successor by merger, purchase or otherwise.

1.10 “Code”

“Code” shall mean the Internal Revenue Code of 1986, as amended from time to time.

1.11 “Committee”

“Committee,” or “Employee Benefits Committee,” shall mean the Committee appointed to administer the Plan pursuant to Article 11.

1.12 “Company”

“Company” shall mean Cendant Car Rental, Inc. (formerly HFS Car Rental, Inc.), Avis Rent A Car System, Inc. or any successor by merger, purchase or otherwise, with respect to its Employees, and any other Participating Corporation or Participating Division with respect to its Employees. Effective, June 1, 2006, “Company” shall mean Avis Rent A Car System, LLC.

1.13 “Compensation”

“Compensation” shall mean the total remuneration paid to a Member (whether before or after membership in the Plan) for service rendered to the Company, the Prior Company, an Associated Company, or a Predecessor Corporation, including any bonuses (but excluding any bonuses received pursuant to the Senior Executive Long-Term Bonus Plan) and including any severance or separation payments and final vacation pay (but only to the extent that such severance or separation payments and final vacation pay are granted by the Company on a nondiscriminatory basis to employees similarly situated), but excluding automobile, relocation or other special allowances of a similar nature, and provided that Compensation shall be

determined before giving effect to any salary reduction or similar arrangement under a plan described in section 125 of the Code, or a transportation fringe benefit arrangement referred to in section 132(f)(4) of the Code or any elective deferral described in section 402(g)(3) of the Code. Effective for Plan Years beginning after December 31, 2001, the annual compensation limit shall remain \$170,000 and shall not be adjusted for increases in the cost-of-living or other legislative increases in accordance with section 401(a)(17) of the Code.

A Member's Compensation taken into account under the Plan for each Plan Year commencing after June 30, 1989 and prior to July 1, 1994, shall not exceed \$200,000, as adjusted by the Secretary of the Treasury at the same time and in the same manner as under section 415(d) of the Code. In addition to other applicable limitations set forth in the Plan, and notwithstanding any other provision of the Plan to the contrary, for Plan Years beginning on or after July 1, 1994, the annual Compensation of each Member taken into account under the Plan shall not exceed the OBRA '93 annual compensation limit. The OBRA '93 annual compensation limit is \$150,000, as adjusted by the Commissioner for increases in the cost-of- living in accordance with section 401(a)(17)(B) of the Code. The cost-of-living adjustment in effect for a calendar year applies to any period, not exceeding 12 months, over which Compensation is determined (determination period) beginning in such calendar year. If a determination period consists of fewer than 12 months, the OBRA '93 annual compensation limit will be multiplied by a fraction, the numerator of which is the number of months in the determination period, and the denominator of which is 12.

For Plan Years beginning on or after July 1, 1994, any reference in this Plan to the limitation under section 401 (a)(17) of the Code shall mean the OBRA '93 annual compensation limit set forth in this provision.

If Compensation for any prior determination period is taken into account in determining a Member's contributions in the current Plan Year, the Compensation for that prior determination period is subject to the OBRA '93 annual compensation limit in effect for that prior determination period. For this purpose, for determination periods beginning before the first day of the first Plan Year beginning on or after July 1, 1994, the OBRA '93 annual compensation limit is \$150,000.

Furthermore, effective July 1, 1989 and for Plan years ending prior to January 1, 1997, in determining "Compensation," the rules of section 414(q)(6) of the Code shall apply, except that in applying such rules, the term "family" shall include only the spouse of the Member and any lineal descendants of the Member who have not attained age 19 before the close of the calendar year. Notwithstanding the foregoing, effective January 1, 1997, the family aggregation rules of section 414(q)(6) of the Code shall no longer apply.

1.14 "Credited Service"

"Credited Service," for purposes of determining the amount of any benefit payable to or on behalf of a Member, shall mean (a) the Member's Credited Service as of December 31, 1975, as determined under the Salaried Plan and/or the Hourly Plan, including any periods of service prior to September 18, 1956 which were not treated as Credited Service under the Salaried Plan and/or the Hourly Plan only because such service was rendered prior to September 18, 1956, and (b) the Member's Service as determined under Section 1.34(b).

1.14.1 Notwithstanding the foregoing or Section 1.14.4, a Member's Credited Service shall not include (a) Service prior to January 1, 1976, when an Employee was not employed on a "full-time" basis (as hereinafter defined), and (b) Service during which a Member was not an "Employee" (as defined in Section 1.17). A "full-time" Employee is one who worked the

regular schedule in effect for his job classification in accordance with Company policy in effect at such time.

1.14.2 If, after incurring a Break in Service after a Severance Date (as described in Sections 1.34.1 and 1.34.2) occurring on or after January 1, 1976, a Member is re-employed and completes a year of Service following his Reemployment Commencement Date, his prior years of Service and Credited Service shall be restored for all Plan purposes, if (a) he had fulfilled the requirements for a Vested Benefit under Section 6.2 as of such Severance Date, or (b) the period of the Member's Break in Service, computed to the nearest 1/12th year, is less than the greater of (i) five and (ii) the aggregate number of his years of Service prior to such Severance Date.

1.14.3 If a Member who had fulfilled the requirements for a Vested Benefit under Section 6.2 shall not have received any distribution under the Plan following his prior Termination of Employment, his Service and Credited Service shall be reinstated, in accordance with the provisions of Section 1.14.2, following his Reemployment Commencement Date so that his Retirement Pension or Vested Benefit upon his subsequent Termination of Employment shall be determined on the basis of his Service, Credited Service and Average Final Compensation as of the date of such subsequent Termination of Employment. If the Member shall have received any distribution under the Plan following his prior Termination of Employment, his Service shall be so reinstated, but his Credited Service shall be so reinstated only if such distribution was not a lump sum payment made in lieu of all other benefits to which the Member may have become entitled under the Plan (a "lump sum distribution"). If such distribution was not a lump sum distribution, the Retirement Pension or Vested Benefit payable in respect of the Member upon his subsequent Termination of Employment shall be computed so as to give effect to any Retirement Pension or Vested Benefit previously paid to the Member on account of his prior Termination of Employment. Notwithstanding the foregoing, if the Member had received any distribution under the Plan following his prior Termination of Employment, his Credited Service shall, in all events, be reinstated if the Member repays the full amount of such distribution, together with interest thereon to the date of repayment computed at the rate currently determined by the Secretary of the Treasury pursuant to the provisions of section 411 (c)(2)(C) of the Code, not later than the end of the five-year period beginning with the Member's resumption of employment as an Employee.

1.14.4 A Member's Credited Service shall include, in the case of an Employee who became a Member of the Prior Plan on January 1, 1976, and who had been excluded from membership in the Salaried Plan by reason of the fact that he had reached his fifty-fifth birthday prior to his Date of Original Employment, Service with the Company before January 1, 1976.

1.14.5 For purposes of Section 1.14.1, in the case of a Member who was employed by a Predecessor Corporation prior to its acquisition by the Company, the Member's Credited Service as of December 31, 1975 shall be the greater of (a) or (b) below:

(a) The Member's most recent period of continuous employment with the Company which includes December 31, 1975; or

(b) If the Acquisition Date was before July 22, 1965, the Member's period of continuous employment with both the Predecessor Corporation and the Company which includes December 31, 1975 and the Acquisition Date.

1.14.6 For purposes of Section 1.14, the Committee may, in its discretion, and subject to the provisions of applicable law, determine the extent to which a Member's continuous

employment with a Predecessor Corporation acquired by the Company on or after July 22, 1965, shall be deemed Credited Service under this Plan.

1.14.7 If a former Member of the Salaried Plan or the Hourly Plan, who had not fulfilled the requirements for a vested benefit under either Plan, incurred a Termination of Employment prior to January 1, 1976, and thereafter was re-employed by the Company and becomes a Member of the Plan, the Member's Credited Service before such Termination of Employment shall be restored and included in his total Credited Service under the Plan, using the rule of either (a) or (b) below, whichever produces the greater total Credited Service:

(a) The Member's prior Credited Service shall be restored if the period of time between the date of his Termination of Employment and the date of his reemployment by the Company is less than his aggregate Credited Service prior to such Termination of Employment.

(b) The Member's prior Credited Service shall be restored if, after his reemployment by the Company, such Member renders a period of Credited Service equal to the lesser of (i) the period of his absence or (ii) ten years.

1.14.8 For purposes of Section 1.14.1, a Member's Credited Service shall include any period during which such Member was employed by International Telephone and Telegraph Corporation prior to 1972, if such Member was employed or rehired by the Company prior to January 1, 1976.

1.14.9 Notwithstanding anything contained herein to the contrary, for purposes of Article 4, Service by a Member with the Company subsequent to December 31, 1998 shall not be recognized in determining the Member's Credited Service. The Credited Service of a Member (i) whose employment with the Company has not terminated as of December 31, 1998 or (ii) who is named in Appendix B hereof, shall be equal to the sum of (A) the Member's Credited Service as otherwise determined under Section 1.14 plus (B) two years.

1.15 "Date of Original Employment"

"Date of Original Employment" shall mean the Date of Original Employment by the Company or by an Associated Company.

1.16 "Effective Date of the Salaried Plan"

"Effective Date of the Salaried Plan" shall mean January 1, 1972.

1.17 "Employee"

"Employee" shall mean any person employed by the Company and with respect to persons employed by Cendant Car Rental, Inc. only, those persons who were previously employed by the Prior Company, and who receives Compensation, whether on an annual or hourly basis or otherwise, other than a pension or retainer; provided, however, that except as the Board of Directors may otherwise provide on a basis uniformly applicable to all persons similarly situated, no person shall be an Employee for purposes of the Plan who (a) is engaged as a consultant or (b) is accruing benefits in respect of current service under any other pension, retirement, qualified profit-sharing or other similar plan of the Company or the Prior Company or of any Associated Company or of any subsidiary or affiliated company of the Company; and provided, further, that no person shall be an Employee for purposes of the Plan whose terms and conditions of employment are determined by a collective bargaining agreement with the Company which does not make this Plan applicable to him.

1.17.1 For all purposes of the Plan, any person who is an employee of an entity (herein referred to as a “Designated Foreign Corporation”) (a) which is created under the laws of a country other than the United States of America, (b) of which a majority interest is owned directly or indirectly by the Company, and (c) which has previously notified the Committee that an agreement hereinafter described has become effective, shall be deemed to be an Employee during his continuous employment thereafter by such Designated Foreign Corporation, provided that the Company has entered into an agreement under section 3121(1) of the Code and has satisfied the provisions of section 406 of the Code.

1.17.2 The Committee may designate on a non-discriminatory basis such resident aliens of the United States, who are employed by a Designated Foreign Corporation, who shall be deemed Employees under the Plan.

1.17.3 Resident aliens of the United States who are employed by the Company within the United States shall be treated as Employees for all Plan purposes while so employed.

1.17.4 Any person (other than an Employee) who provides services to the Company or an affiliate of the Company and who is treated as an Employee of the Company or such affiliate for purposes of certain pension requirements under section 414(n) of the Code (a “Leased Employee”), shall be deemed to be an Employee of the Company or such affiliate for purposes of the service definitions and rules of the Plan. Leased Employee means any person (other than an Employee of the Company or affiliate) who, pursuant to an agreement between the Company or affiliate and any other person (“leasing organization”), has performed services for the Company or affiliate (or for the Company or affiliate and any related persons determined in accordance with section 414(n)(6) of the Code) on a substantially full-time basis for a period of at least one (1) year, and such services are, prior to January 1, 1997, of a type historically performed by employees in the business field of the Company, and on or after January 1, 1997, performed under the primary direction and control of the Company or affiliate. Notwithstanding the foregoing, no Leased Employee shall be eligible to participate in this Plan by reason of this Section 1.17.4. For purposes of participation in the Plan, the term Employee shall exclude any person, including but not limited to a Leased Employee, who performs services for, and receives remuneration from, the Company or any affiliate of the Company under an agreement, contract or arrangement under which said individual is designated, characterized or classified as an independent contractor, as a consultant or in any category or” classification other than as an employee of the Company or an affiliate of the Company, without regard to whether any determination by an agency, governmental or otherwise, or by a court concludes that such classification or characterization was in error, and without regard to whether the individual is treated as an employee of the Company pursuant to Sections 414(b), 414(c) or 414(m) of the Code or any regulations that may be issued under section 414(0) of the Code.

1.18 “Employment Commencement Date”

“Employment Commencement Date” or “Reemployment Commencement Date” shall mean the date upon which an Employee completes an Hour of Service for the Company or Prior Company following his initial employment or, in the case of reemployment, following his most recent Severance Date (as described in Sections 1.34.1 and 1.34.2).

1.19 “Equivalent Actuarial Value”

“Equivalent Actuarial Value” shall mean, except as provided in Appendix A and Section 5.3.2 hereof, equivalent value when computed on the basis of the 1984 UP Mortality Table and the interest rate promulgated by the Pension Benefit Guaranty Corporation as applicable

for valuing immediate annuities as of the first day of the Plan Year in which the Annuity Starting Date occurs.

In the case of a Member who continues employment with the Company after age 65, Equivalent Actuarial Value shall be computed on the basis of the actuarial factors in effect under the Plan on the date of the Member's actual retirement.

1.20 "ERISA"

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended from time to time.

1.21 "Fund"

"Fund" shall mean the cash, securities and other property held for the purposes of the Plan as set forth in Article 10.

1.22 "Hour of Service"

"Hour of Service" shall mean each hour for which an Employee is directly or indirectly compensated by the Company or Prior Company.

1.23 "Hourly Plan"

"Hourly Plan" shall mean the ITT Avis, Inc. Pension Plan for Hourly Employees, effective April 1, 1968.

1.24 "Joint Annuitant"

"Joint Annuitant" shall mean a person designated by a Member in accordance with Article 7 to receive payments under Section 7.3 in the event of the Member's death.

1.25 "Member"

"Member" shall mean any person included in the membership of the Plan as provided in Article 2.

1.26 "Participating Corporation"

"Participating Corporation" shall mean any Associated Company which has by appropriate action of the Board of Directors been designated as a Participating Corporation and the board of directors of which shall have taken appropriate action to adopt the Plan.

The Board of Directors, if it so elects, may limit participation in the Plan to one or more operating or other units of any Participating Division or Participating Corporation or may exclude one or more of such units from participation in the Plan and in either such event persons employed by any operating or other unit of such Participating Division or Participating Corporation not covered by the designation thereof as such shall not be deemed to be Employees for purposes of the Plan until further action by the Board of Directors.

1.27 "Participating Division"

"Participating Division" shall mean any division of a Company or any Associated Company which has by appropriate action of the Board of Directors been designated as a Participating Division.

1.28 "Plan"

(a) "Plan" shall mean the Avis Rent A Car System, LLC Pension Plan as it may be amended from time to time. Any reference to "Plan" prior to June 1, 2006 shall refer to the

Cendant Corporation Pension Plan, Part II, unless otherwise specifically identified or it is otherwise clear from the context.

(b) "Prior Plan" shall mean the Retirement Plan for Salaried and Hourly Employees of Avis Rent A Car System, Inc., as in effect on June 30, 1985.

1.29 "Plan Year"

"Plan Year" shall mean the calendar year.

1.30 "Predecessor Corporation"

(a) "Predecessor Corporation" shall mean any subsidiary or affiliated company of the Company, and any predecessor or subsidiary thereof, to the extent that all or part of the business and assets of any such corporation shall have been acquired by the Company either before or after the Effective Date of the Salaried Plan.

(b) "Prior Company" shall mean ARAC with respect to those Cendant Car Rental, Inc. employees who were previously employed by ARAC and who became employees of Cendant Car Rental, Inc. pursuant to an agreement between Cendant and ARAC, effective September 23, 1997.

1.31 "Prior Salaried Plan"

"Prior Salaried Plan" shall mean the International Telephone Retirement Plan for Salaried Employees as in effect on December 31, 1971 as applicable to ARAC.

1.32 "Retirement Pension"

"Retirement Pension" shall mean a pension or other benefit payable to a Member or his Beneficiary pursuant to Articles 4, 6 or 8 hereof.

1.33 "Salaried Plan"

"Salaried Plan" shall mean the Retirement Plan for Salaried Employees of Avis Rent A Car System, Inc., effective as of January 1, 1972.

1.34 "Service"

"Service" shall mean, (a) with respect to periods prior to January 1, 1976, a Member's most recent period of continuous employment with the Company or Prior Company which includes December 31, 1975 and (b) with respect to periods after December 31, 1975, periods of his employment (i) beginning on the later of January 1, 1976 or his Employment or Reemployment Commencement Date and (ii) ending on his "Severance Date" (as described in Sections 1.34.1 and 1.34.2). In addition, for the purposes of Article 2 and Article 6 of the Plan, a Member's Service, under clause (b) of the preceding sentence, shall include the period of his absence from employment after his most recent Severance Date, provided that he returns to employment with the Company or Prior Company within twelve months of such date.

1.34.1 A Member's "Severance Date" shall mean the earlier of (a) the date on which he retires or dies or his employment with the Company or Prior Company as an Employee otherwise is terminated or (b) the first anniversary of the first date of a period in which he remains absent from employment with the Company or Prior Company for any other reason; provided, however, that if a Member retires or dies or his employment as an Employee otherwise is terminated during a period in which he is absent from employment with the Company or Prior Company for any other reason, his Severance Date shall be the date of such retirement, death or other termination of employment.

1.34.2 Notwithstanding the provisions of Section 1.34.1, no Severance Date shall occur for a Member during a period of his Absence in Military Service or Absence on Authorized Leave; provided, however, that periods of a Member's Absence on Authorized Leave shall be included in his Service only to the extent provided in Section 1.1 or Section 1.2, as applicable.

1.34.3 In addition, in computing a Member's Service for the purposes of Article 2 and Article 6 of the Plan, there shall be included (a) a Member's last period of continuous employment with a Predecessor Corporation which includes the Acquisition Date and (b) the period of employment during which an Employee previously performed work for the Company or Prior Company and did not accrue benefits under either the Salaried Plan or the Hourly Plan but instead accrued benefits for such work under a pension plan sponsored by an organization other than the Company or Prior Company.

1.34.4 In addition, the period of time with respect to which a Member receives any severance or separation payment or final vacation pay shall, for all Plan purposes, be included in such Member's Service, unless the severance or separation payment or final vacation pay is paid to the Member as a single lump sum payment.

1.34.5 A Member's Service for all Plan purposes shall be expressed in terms of completed years and months, rounding up or down, as the case may be, to the nearest whole month.

1.34.6 A Member's Service shall also include any period of employment by the Company or Prior Company or by an Affiliated Company (as defined in Section 16.4), to the extent recognized as such under Article 16 of the Plan relating to Transfers.

1.34.7 "Break in Service" shall mean any Severance Period greater than twelve (12) months, excluding any period of up to twelve (12) months during which an Employee is on a maternity/paternity leave. The term "maternity/paternity leave" means any absence of an Employee from work for reasons of (i) the pregnancy of the Employee, (ii) the birth of a child of the Employee or the placement of a child with the Employee for the purposes of adoption, or (iii) the care of a child for a period beginning immediately following such birth or placement.

1.34.8 "Severance Period" means each period beginning on an Employee's Severance Date and ending on his next Reemployment Commencement Date.

1.35 "Social Security Benefit"

"Social Security Benefit" shall mean, except as otherwise specified below, the estimated amount which is payable to a Member at age 65 under Title II of the Social Security Act as in effect on the date his Service terminates, or the estimated amount which would be payable to a Member if he were not disqualified from receiving benefits by continuing in employment, or for any other reason. Notwithstanding the foregoing, any Social Security Benefit determined under this Section 1.35 subsequent to December 31, 1998, shall be based on the provisions of Title II of the Social Security Act as in effect on December 31, 1998. In the case of a Member who has reached his fifty-fifth birthday and has completed ten years of Service as of December 31, 1998, his Social Security Benefit shall be the estimated amount which would be payable to the Member at age 65, calculated on the assumption that the Member would have no further earnings for Social Security purposes after the earlier of his Early Retirement Date or December 31, 1998. In the case of a Member who has not reached his fifty-fifth birthday and who has not completed ten years of Service as of December 31, 1998, his Social Security Benefit shall be the estimated amount which would be payable to the Member at age 65, calculated on

the assumption that the Member will continue to receive earnings until his Normal Retirement Date at his rate of Compensation as in effect at the earlier of the date his Service terminates or December 31, 1998. All such estimated amounts shall be determined by the Committee on the advice of the Actuary in accordance with rules applied in a nondiscriminatory manner and without regard to Service, Compensation or changes in Title II of the Social Security Act after December 31, 1998.

Notwithstanding the foregoing, the benefit of a Member shall be calculated or recalculated based on his actual Social Security earnings history, if such Member submits an official copy of his Social Security earnings history to the Committee within six months of the later of his Severance Date or the date he is first notified of this right. Any Member whose benefit is recalculated in accordance with the preceding sentence shall have his benefit adjusted retroactive to his Annuity Starting Date, if appropriate.

1.36 "Spouse Joint and Survivor Annuity"

"Spouse Joint and Survivor Annuity" shall mean an annuity which provides (i) actuarially reduced monthly payments to the Member during the Member's lifetime commencing on his Annuity Starting Date, and (ii) if the Member predeceases his spouse, monthly payments to such spouse for the spouse's lifetime, equal to 50 percent of the monthly payment which the Member was receiving as of the date of his death. The Spouse Joint and Survivor Annuity referred to in Section 5.2 shall be subsidized, in that the actuarial reduction of the Member's Retirement Pension for purposes of calculating the Spouse Joint and Survivor Annuity shall be equal to one-half of the actuarial reduction which would otherwise be required to establish for such Member an Equivalent Actuarial Value between this form of benefit and an unsubsidized 50 percent joint and survivor annuity benefit.

1.37 "Terminated Member's Spouse Joint and Survivor Annuity"

"Terminated Member's Spouse Joint and Survivor Annuity" shall mean an annuity which provides (i) actuarially reduced monthly payments to the Member during the Member's lifetime commencing on his Annuity Starting Date, and (ii) if the Member predeceases his spouse, monthly payments to such spouse for the spouse's lifetime equal to 50 percent of the monthly payment which the Member was receiving as of the date of his death. The Terminated Member's Spouse Joint and Survivor Annuity shall be the Equivalent Actuarial Value of the Vested Benefit which would be payable to the Member under Section 6.4 if he were not married.

1.38 "Termination of Employment"

"Termination of Employment" shall mean a Member's ceasing to be employed by the Company other than by reason of death. A Member's ceasing to be an Employee (as defined herein) shall not be deemed a Termination of Employment if such Member either (i) continues to be employed by the Company other than as an Employee, or (ii) continues to be employed by an Affiliated Company (as defined in Section 16.4).

1.39 "Total and Permanent Disability"

"Total and Permanent Disability" shall mean disability due to bodily or mental injury or disease, either occupationally or non-occupationally caused, which the Committee determines, on the basis of medical evidence satisfactory to it, is likely to be permanent and has disabled the Member from further performance of his normal work. The Committee shall apply uniform standards, including reference to medical certification, in determining whether such a disability exists. In the event that a dispute arises between the Member and the Committee as to the existence of such a disability, it shall be settled by a majority decision of three licensed

physicians, one to be appointed by the Committee, one by the Member, and a third to be appointed by the two physicians so appointed.

1.40 "Trustee"

"Trustee" shall mean the trustee or trustees by which the funds of the Plan are held as provided in Article 10.

ARTICLE 2. MEMBERSHIP

2.1 Members on June 30, 1985

Members of June 30, 1985. Each Employee of the Company or Prior Company on July 1, 1985 (including an Employee on an Absence on Authorized Leave or Total and Permanent Disability) who was a Member of the Prior Plan on June 30, 1985 shall be a Member of the Plan on July 1, 1985.

2.2 Break in Service

Break in Service. Each Member who has a Reemployment Commencement Date after incurring a Break in Service and each Employee who (i) was a Member of the Prior Plan at any time prior to June 30, 1985, (ii) did not become a Member on July 1, 1985 and (iii) has a Reemployment Commencement Date after incurring a Break in Service occurring on or after January 1, 1976, shall not be eligible to participate in the Plan, except that such Member or Employee shall be reinstated as a Member of the Plan, as of the first day of the month coincident with or next following his Reemployment Commencement Date, if his Service is restored pursuant to Section 1.14.2.

2.3 Prior Plan Requirement

Prior Plan Requirement. Except as otherwise provided in Section 2.2 hereof, no person who was not a member of the Prior Plan on June 30, 1985 shall become a Member of this Plan.

2.4 Termination of Membership

Termination of Membership. A Member's membership in the Plan shall terminate if he (i) ceases to be an Employee, other than by reason of retirement under the Plan, and (ii) does not have a Reemployment Commencement Date before incurring a Break in Service, except that a Member's membership shall continue during any period of Absence in Military Service or Absence on Authorized Leave or while he is not an Employee (as defined in Section 1.17) but is in the employ of the Company, an Associated Company, or an Affiliated Company (as defined in Section 16.4).

2.5 Furnishing Information Required by Committee

Furnishing Information Required by Committee. Before any Retirement Pension shall be payable to or on the account of a Member or former Member entitled to a Vested Benefit under the Plan, such Member or former Member shall file with the Committee such information as it shall require to establish his rights under the Plan.

ARTICLE 3.
RETIREMENT DATES

3.1 Normal Retirement Date

Normal Retirement Date. The “Normal Retirement Date” of a Member shall be the first day of the month coinciding with or next following his sixty-fifth birthday; provided, however, that each Member’s accrued benefit under the Plan shall become one hundred percent (100%) vested and nonforfeitable upon his sixty-fifth birthday notwithstanding any contrary provision of the Plan.

3.2 Early Retirement Date

Early Retirement Date. A Member who has reached his fifty-fifth birthday and has completed ten years of Service may thereafter elect to retire on the first day of any calendar month (herein referred to as his “Early Retirement Date”) prior to his Normal Retirement Date.

Notwithstanding the foregoing, the “Early Retirement Date” of a Member who was a participant in the Hourly Plan on December 31, 1975 shall be the first day of any month prior to his Normal Retirement Date and coinciding with or next following the date on which he completes three years of Service and reaches his sixtieth birthday, on which he elects to retire, if such date is earlier than the date specified above.

3.3 Disability Retirement Date

Disability Retirement Date. A Member who suffers Total and Permanent Disability before his Normal Retirement Date shall retire on the first day of any calendar month (herein referred to as his “Disability Retirement Date”) coincident with or next following the date on which it is determined that he suffered such Total and Permanent Disability.

3.4 Deferred Retirement Date

Deferred Retirement Date. The “Deferred Retirement Date” of a Member shall be the first day of the month coincident with or next following the date of his actual retirement after his Normal Retirement Date.

ARTICLE 4.
RETIREMENT PENSIONS

4.1 Normal Retirement Pension

Normal Retirement Pension. A Member who retires on his Normal Retirement Date shall be entitled to an annual “Normal Retirement Pension” equal to 1-1/2 percent of the Member’s Average Final Compensation multiplied by the number of years of his Credited Service, not in excess of 35 years (37 years with respect to any Member who receives an additional two years of Credited Service pursuant to section 1.14.9(ii)), less 1-3/7 percent of his annual Social Security Benefit multiplied by the number of years of the Member’s Credited Service not in excess of 35 years (37 years with respect to any Member who receives an additional two years of Credited Service pursuant to section 1.14.9(ii)). A Normal Retirement Pension shall commence on the Member’s Normal Retirement Date.

Unless otherwise provided under the Plan, effective on January 1, 1994, each Section 401(a)(17) Employee's accrued benefit under this Plan shall be the greater of the Accrued Benefit determined for the Employee under (a) or (b) below:

(a) the Employee's accrued benefit determined with respect to the benefit formula applicable for the Plan Year beginning on or after January 1, 1994, as applied to the Employee's total years of Credited Service taken into account under the Plan for the purposes of benefit accruals, or

(b) the sum of:

(i) the Employee's accrued benefit as of June 30, 1994, frozen in accordance with Section 1.401(a)(4)-13 of the Treasury Regulations, and

(ii) the Employee's accrued benefit determined under the benefit formula applicable for the Plan Year beginning on or after January 1, 1994, as applied to the Employee's years of Credited Service credited to the Employee for Plan Years beginning on or after January 1, 1994, for purposes of benefit accruals.

A Section 401(a)(17) Employee means an Employee whose current accrued benefit as of a date on or after the first day of the first Plan Year beginning on or after January 1, 1994, is based on Compensation for a year beginning prior to the first day of the first Plan Year beginning on or after January 1, 1994, that exceeded \$150,000.

4.2 Early Retirement Pension

Early Retirement Pension. A Member who elects to retire on an Early Retirement Date shall be entitled to an annual "Early Retirement Pension" determined in the manner of a Normal Retirement Pension but based on his Average Final Compensation and Credited Service as of his Early Retirement Date. An Early Retirement Pension shall commence on the Member's Normal Retirement Date.

Notwithstanding this Section 4.2, a Member may elect to receive his Early Retirement Pension commencing on his Early Retirement Date, or on the first day of any calendar month following his Early Retirement Date and prior to his Normal Retirement Date. If payment of a Member's Early Retirement Pension commences prior to his Normal Retirement Date, the Member's Early Retirement Pension determined under Section 4.2 shall be reduced by 1/4 of 1 percent for each full month by which the commencement of benefits precedes the Member reaching age 62.

4.3 Disability Retirement Pension

Disability Retirement Pension. A Member who has suffered Total and Permanent Disability shall be entitled to an annual "Disability Retirement Pension" determined in the manner of a Normal Retirement Pension but based on the Member's Average Final Compensation and Credited Service as computed in Section 4.3.1 or Section 4.3.2, as applicable. A Disability Retirement Pension shall commence on the Member's Normal Retirement Date.

4.3.1 For purposes of Section 4.3 only, the Average Final Compensation of a Member who suffers Total and Permanent Disability prior to December 31, 1994, shall be computed assuming that he continues to receive Compensation during the period between the date he suffers Total and Permanent Disability and the date his Disability Retirement Pension commences at an annual rate of Compensation equal to his rate of Compensation for the 12 month period immediately preceding such Total and Permanent Disability; and such a Member's Credited Service shall include any portion of the period between the date he suffers Total and Permanent

Disability and the date his Disability Retirement Pension commences during which he either (1) receives. (or would receive if he were eligible) long-term disability benefits under any plan funded by the Company or Prior Company or (2) receives disability benefits under the Social Security Act then in effect.

4.3.2 For purposes of Section 4.3 only, the Average Final Compensation of a Member who suffers Total and Permanent Disability on or after December 31, 1994, shall be computed assuming that he does not continue to receive Compensation during the period between the date he suffers Total and Permanent Disability and the date his Disability Retirement Pension commences; and such a Member's Credited Service shall not include any portion of the period between the date he suffers Total and Permanent Disability and the date his Disability Retirement Pension commences.

4.3.3 A Member entitled to a Disability Retirement Pension may elect to have such Retirement Pension commence at any time prior to his Normal Retirement Date after he both reaches his fifty-fifth birthday and completes ten years of Service. In such event, his Disability Retirement Pension determined under Sections 4.3 and 4.3.1 shall be reduced by 1/4 of 1 percent for each full month by which the commencement of benefits precedes the Member reaching age 65.

4.3.4 If a Member entitled to a Disability Retirement Pension ceases to have a Total and Permanent Disability prior to qualifying for a Vested Benefit, such Member shall not be entitled to a Disability Retirement Pension hereunder, but the period of such Total and Permanent Disability shall be recognized as Service under the Plan.

4.4 Deferred Retirement Pension

Deferred Retirement Pension. A Member who retires on a Deferred Retirement Date shall be entitled to an annual "Deferred Retirement Pension" determined in the manner of a Normal Retirement Pension but based on his Average Final Compensation and Credited Service on his Deferred Retirement Date; provided, however, that the Deferred Retirement Pension of a Member whose Normal Retirement Date occurred prior to January 1, 1979 and who did not have a Termination of Employment prior to January 1, 1979 shall be the greater of (i) the amount determined under this Section 4.4 or (ii) the Equivalent Actuarial Value of the Normal Retirement Pension determined under Section 4.1 which would have been payable if he had retired on his Normal Retirement Date. A Deferred Retirement Pension shall commence on the Member's Deferred Retirement Date.

4.5 Employment After Normal Retirement Date and Reemployment After Normal Retirement Date

Employment After Normal Retirement Date and Reemployment After Normal Retirement Date. In the case of a former Member who is re-employed by the Company or an Associated Company (a "Re-employed Member"), and who has a Reemployment Commencement Date more than twelve months after a Severance Date (as described in Sections 1.34.1 and 1.34.2), the total benefit payable to him upon his subsequent Termination of Employment, including any earlier benefit he may have retained under the Plan, shall be limited to the amount it would have been if the Re-employed Member's total periods of Service had been one continuous period of Service. Payment of any Retirement Pension or Vested Benefit to a Re-employed Member and payment of a Normal Retirement Pension to a Member who continues his employment with the Company or an Affiliated Company after his Normal Retirement Date, shall be suspended effective with the first monthly benefit payable after the date of his reemployment or his continued employment after his Normal Retirement Date. In order for the

benefit payment to be suspended under this Section 4.5, with respect to any calendar month, a Re-employed Member or a Member continuing his employment after his Normal Retirement Date must (i) complete at least eight (8) days of employment during such calendar month (or such other standard as may be applicable under Section 203(a)(3)(B) of ERISA) which employment constitutes "Section 203(a)(3)(B) Service" as defined in Section 2530.203-3(c) of the Code of Federal Regulations and (ii) be furnished with a notice containing:

- (a) a description of the specific reasons for the discontinuance of payments;
- (b) a general description of the Plan provisions relating to the discontinuance;
- (c) a copy of such Plan provisions;
- (d) a statement to the effect that applicable Department of Labor regulations may be found in Section 2530.203-3 of the Code of Federal Regulations; and
- (e) a description of the Plan's claims procedure.

4.6 Deductions from Benefits

Deductions from Benefits. Unless the Board of Directors otherwise provides under rules uniformly applicable to all Employees similarly situated, the Committee shall deduct from the amount of any Retirement Pension or Vested Benefit under the Plan any amount paid or payable to or on account of any Member under the provisions of any present or future law, pension or benefit scheme of any sovereign government, or any political subdivision thereof, or any fund or organization or government agency or department, on account of which contributions have been made or premiums or taxes paid by the Company, the Prior Company, any Participating Corporation, any Associated Company or any Predecessor Corporation with respect to any service which is Credited Service for purposes of computation of benefits under the Plan; provided, however, that pensions payable for governmental service or benefits under Title II of the Social Security Act are not to be used to reduce the benefits otherwise provided under this Plan except as specifically provided herein.

There shall be deducted from any Retirement Pension or Vested Benefit payable under this Plan the part of any pension or comparable benefit, including any lump sum payment, provided by employer contributions of the Company or the Prior Company, an Affiliated Company (as defined in Section 16.4) or a Predecessor Corporation under any pension plan or other agreement with respect to any service which is treated as Credited Service under this Plan; provided, however, that no such deduction from the Retirement Pension or Vested Benefit payable under this Plan shall occur if the pension plan or other agreement of any such Affiliated Company (as defined in Section 16.4) contains a deduction provision comparable to this Section 4.6.

4.7 No Reduction in Benefits for Members of Salaried or Hourly Plans

No Reduction in Benefits for Members of Salaried or Hourly Plans. Notwithstanding anything to the contrary herein, in the case of any Member who was a member of the Salaried Plan or the Hourly Plan prior to January 1, 1976, the portion of his Retirement Pension attributable to Service prior to January 1, 1976 shall not be less than the retirement pension he had accrued under such Salaried Plan or Hourly Plan.

ARTICLE 5.

NORMAL FORMS OF RETIREMENT PENSION

5.1 Normal Form of Retirement Pension — Unmarried Member

Normal Form of Retirement Pension — Unmarried Member. For a Member who is not married on his Annuity Starting Date, the Member's Retirement Pension shall be in the form of an annuity, payable monthly for life, commencing on the Member's Annuity Starting Date and terminating with the last monthly payment preceding such Member's death.

5.2 Normal Form of Retirement Pension — Married Member

Normal Form of Retirement Pension — Married Member. For a Member who is married on his Annuity Starting Date, the Member's Retirement Pension shall be in the form of a Spouse Joint and Survivor Annuity.

5.2.1 A married Member may elect (and may revoke such election and thereafter re-elect) pursuant to a Qualified Election (as defined below), at any time before the end of the period described in Section 5.2.2 (herein referred to as the "Election Period"), not to have his Retirement Pension paid as a Spouse Joint and Survivor Annuity pursuant to Section 5.2. The election under this Section 5.2.1 shall be made in writing by the Member to the Committee.

5.2.2 The Election Period shall be the ninety-day (90-day) period ending on the Member's Annuity Starting Date; provided, however, that in no event shall the Election Period end within ninety (90) days after the information described in Section 5.2.3 is mailed or delivered to the Member, unless he requests the additional information described in Section 5.2.4, in which case the Election Period shall end, if later, sixty (60) days after the additional information is mailed or delivered to him. Notwithstanding the foregoing and pursuant to the requirements of section 417(a)(7)(B) of the Code, a Member may elect, with the consent of the Member's spouse, to commence his distribution in the Spouse Joint and Survivor Annuity form of payment, as provided in this Section 5.2 or Section 6.5 or an optional form of payment, as provided in Section 7.6, on an Annuity Starting Date which is less than thirty (30) days after the written explanation required herein has been provided to the Member by the Committee or as of an Annuity Starting Date which provides the date as of which such written explanation is provided to the Member by the Committee, provided that (i) the Committee informs the Member that the Member has the right to a period of at least thirty (30) days after receiving such written explanation to consider whether to waive the Spouse Joint and Survivor Annuity payable under the terms of this Plan and to elect a method of distribution provided in Section 7.6; (ii) the Member is permitted to revoke an affirmative distribution election at any time prior to the Annuity Starting Date or, if later, at any time prior to the expiration of the seven (7) day period that begins on the day after the day the Member receives such written explanation; and (iii) the commencement of payments does not occur prior to the expiration of the seven (7) day period that begins on the day after the day the Member receives such written explanation.

5.2.3 At least nine (9) months prior to the Member's earliest Annuity Starting Date, the Committee shall furnish to him (by mail or personal delivery) a written explanation of: (i) the terms and conditions of the Spouse Joint and Survivor Annuity; (ii) the Member's right to make and the effect of an election to waive the Spouse Joint and Survivor Annuity form of benefit; (iii) the rights of a Member's spouse; (iv) the right to make, and effect of, a revocation of a previous election to waive the Spouse Joint and Survivor Annuity; and (v) the relative value of the various optional forms of benefit under the Plan. The explanation shall also state that the

Committee will provide the information described in Section 5.2.4, if he requests such information in writing within sixty (60) days after the foregoing statement is mailed or delivered.

5.2.4 Upon written request made by the Member within sixty (60) days of the date the statement described in Section 5.2.3 was mailed or delivered, the Committee shall furnish to him (by mail or personal delivery) a written explanation in nontechnical language of the terms and conditions of the Spouse Joint and Survivor Annuity provisions of the Plan and the financial effects upon the Member's Retirement Pension of his making the election under Section 5.2.1. Such explanation shall be personally delivered or mailed to the Member within thirty (30) days from the date of the Member's written request.

5.2.5 A "Qualified Election" means a waiver of a Spouse Joint and Survivor Annuity. The waiver must be in writing and must be consented to by the Member's spouse. The spouse's consent to a waiver must be witnessed by a representative of the Committee or a notary public. Notwithstanding this consent requirement, if the Member establishes to the satisfaction of the Committee that such written consent cannot be obtained because there is no spouse or the spouse cannot be located, a waiver by the Member shall be deemed a Qualified Election. Any consent necessary under this provision shall be valid only with respect to the spouse who signs the consent, or in the event of a deemed Qualified Election, the designated spouse. Additionally, a revocation of a prior waiver may be made by a Member without the consent of the spouse at any time before the Member's Annuity Starting Date. The number of such revocations shall not be limited.

5.3 Small Payments

Small Payments. If the monthly benefit payable to a Member at his Normal Retirement Date is less than \$25 per month, the Equivalent Actuarial Value of such benefit on a lump sum basis shall be paid to the Member at the time of his Termination of Employment. If the monthly benefit payable to a Member at any other Annuity Starting Date is less than \$25 per month, the Equivalent Actuarial Value of such benefit on a lump sum basis shall be paid to the Member at such Annuity Starting Date.

5.3.1 If the actuarial equivalent lump sum value, as determined in Section 5.3.2, of a Member's benefit payable under the Plan is less than or equal to \$3,500 (\$5,000 effective January 1, 1998), such lump sum shall be paid to the Member at the time of his Termination of Employment. If such lump sum value exceeds \$3,500 (\$5,000 effective January 1, 1998), no such lump sum payment shall be made to a Member prior to the Member's Normal Retirement Date without the consent of such Member and the Member's spouse, if any. If the value of the Member's vested benefit at the time of any distribution amounts to \$3,500 (\$5,000 effective January 1, 1998), the value of the Member's vested benefit at any subsequent time will be deemed to exceed the applicable amount. The preceding sentence shall be inapplicable to distributions made on or after October 17, 2000.

5.3.2 For periods prior to January 1, 2000, solely for purposes of determining whether a payout may be made under this Section 5.3 the actuarial value shall be computed as of the Annuity Starting Date by using an interest rate: (i) if the Member's benefit does not exceed \$25,000, not in excess of the applicable rate that would be used by the Pension Benefit Guaranty Corporation ("PBGC") (determined as of the first month of the Plan Year during which falls the Member's Annuity Starting Date) for purposes of determining the present value of a lump sum distribution for single employer plan terminations (the "PBGC Rate") and (ii) if the Member's benefit exceeds \$25,000, not in excess of 120% of the PBGC Rate.

For periods on and after January 1, 2000, but prior to January 1, 2002, the amount of benefits payable as a lump sum shall not be less than the greater of (i) the amount of such benefit determined under the actuarial assumptions specified above or (ii) the amount of such benefit determined using the “Applicable Interest Rate” and the “Applicable Mortality Table” as defined herein.

For periods on and after January 1, 2002, the amount of benefits payable as a lump sum shall be determined using the “Applicable Interest Rate” and the “Applicable Mortality Table” as defined herein.

Notwithstanding the foregoing, effective for distributions with an Annuity Starting Date on or after December 31, 2002, the “Applicable Mortality Table” shall mean the mortality table prescribed in Revenue Ruling 2001-62.

For purposes of this Section 5.3.2, (1) “Applicable Interest Rate” means the annual interest rate on 30-year Treasury securities, as specified by the Commissioner of Internal Revenue in revenue rulings, notices or other guidance published in the Internal Revenue Bulletin, based on such interest rate as of the November of the immediately preceding Plan Year (except that for periods prior to January 1, 2003, the rate determined as of the first month of the Plan Year during which falls the Member’s Annuity Starting Date shall be used, if such rate produces a greater benefit) and (2) “Applicable Mortality Table” means the mortality table based on the prevailing Commissioner’s standard table (described in section 807(d)(5)(A) of the Code) used to determine reserves for group annuity contracts issued on the date as of which present value is being determined (without regard to any other subparagraph of section 807(d)(5)(A) of the Code), that is prescribed by the Commissioner of Internal Revenue in revenue rulings, notices or other guidance published in the Internal Revenue Bulletin.

Notwithstanding the foregoing, for any Plan Year beginning on or after January 1, 2008, for the purposes of this Section 5.3.2, (1) Applicable Interest Rate means the applicable interest rate as described in section 417(e)(3)(C) of the Code for the month of November as published by the Internal Revenue Service in the month of December immediately preceding such Plan Year, and (2) Applicable Mortality Table means the applicable mortality table described in section 417(e)(3)(B) of the Code.

Notwithstanding the foregoing, for purposes of making the actuarial adjustment required by Code section 415(b)(2)(E)(ii) for Plan Years beginning in 2004 or 2005, the interest rate shall be the greater of the “Applicable Interest Rate” as defined herein or 5.5%; provided, however, that in the case of a Member receiving a distribution after December 31, 2003 and before January 1, 2005, the substitution of 5.5% for the “Applicable Interest Rate” may not reduce the benefit payable to the Member below the amount determined using the “Applicable Interest Rate” in effect as of the last day of the last Plan Year beginning before January 1, 2004.

5.4 Facility of Payments

Facility of Payments. In the event that the Committee shall find that any person to whom benefits are payable is unable to care for his affairs because of illness or accident, or is a minor, or has died, then unless claim shall have been made therefor by a duly appointed legal representative, the Committee may direct that any benefit payment due be paid to such person’s spouse, child, parent or other blood relative, or to any individual appointed by a court of competent jurisdiction, or to any person deemed by the Committee to have incurred expense for such person otherwise entitled to payment, and any such payments made shall be a complete discharge of the liabilities of the Plan therefor.

ARTICLE 6.
TERMINATION OF SERVICE

6.1 Termination Prior to Retirement

Termination Prior to Retirement. There are no benefits payable under the Plan if a Member's employment terminates after January 1, 1976 and prior to his retirement under the Plan unless the Member meets the requirements of Section 6.2.

6.2 Vested Benefit

Vested Benefit. A Member who is not eligible for a Retirement Pension under Article 4 of the Plan shall be entitled to receive an annual "Vested Benefit" if (i) he has completed ten years of Service (effective for Plan Years commencing after June 30, 1989, five years of Service) at the date of his Termination of Employment, (ii) his Termination of Employment results from an involuntary layoff (other than a termination for cause) and the sum of his age and his years of Service at the date of his Termination of Employment is at least sixty-five (65), or (iii) the Member is an employee of We Try Harder, Inc. on September 30, 1986. For purposes of the preceding sentence, all Members similarly situated shall be treated in similar fashion. If the amount of the Member's Vested Benefit at the time of his Termination of Employment is zero, the Member shall be deemed to have received a distribution of such zero Vested Benefit. For purposes of this Section 6.2, years of Service shall include (a) all years of Service as an Employee and all other years of Service during a Member's last period of continuous Service, if any, prior to January 1, 1976, and, (b) from and after January 1, 1976, all years of Service, subject to the rules relating to reemployment set forth in Section 1.14.2 and 1.14.3. Such Vested Benefit shall be determined in the manner of a Normal Retirement Pension but based on the Member's Average Final Compensation and Credited Service on the date of his Termination of Employment. Such Vested Benefit shall commence on a Member's Normal Retirement Date except as provided in Section 6.3.

A Member who is not eligible for a Vested Benefit pursuant to the foregoing provisions of this Section 6.2 upon his Termination of Employment shall, in all events, be entitled to an annual Vested Benefit, computed and paid as set forth above, provided, however, that such Vested Benefit shall be determined in the manner of a Normal Retirement Pension but based on the Member's Average Final Compensation and Credited Service on June 30, 1985.

6.3 Early Commencement of Vested Benefits

Early Commencement of Vested Benefits. A Member whose employment has terminated and who is entitled to a Vested Benefit may elect to have his benefit commence at any time after he reaches his fifty-fifth birthday and prior to his Normal Retirement Date. In such event, the Member's Vested Benefit determined under Section 6.2 shall be reduced by (i) 5112 of 1 percent for each full month by which the commencement of benefits precedes the Member reaching age 65, (ii) if the Member's Termination of Employment results from an involuntary layoff (other than a termination for cause) and he has completed at least twenty-five years of Credited Service, 114 of 1 percent for each full month by which the commencement of benefits precedes the Member reaching age 62, or (iii) if the Member was an employee of We Try Harder, Inc. on September 30, 1986, and the sum of

- (a) his Service under the Plan, and

(b) his participation in PHH Group, Inc. Pension Plan exceeds 10 years and he is no longer a participant in PHH Group, Inc. Pension Plan, 114 of 1 percent for each full month by which the commencement of benefits precedes the Member reaching age 62.

6.4 Normal Form of Vested Benefit — Unmarried Member

Normal Form of Vested Benefit — Unmarried Member. For a Member who is entitled to a Vested Benefit in accordance with Section 6.2, and who is not married on his Annuity Starting Date, the Member's Vested Benefit shall be in the form of an annuity, payable monthly for life, commencing on the Member's Annuity Starting Date and terminating with the last monthly payment preceding such Member's death.

6.5 Normal Form of Vested Benefit — Married Member

Normal Form of Vested Benefit — Married Member. For a Member who is entitled to a Vested Benefit in accordance with Section 6.2, and who is married on his Annuity Starting Date, the Member's Retirement Pension shall be in the form of a Terminated Member's Spouse Joint and Survivor Annuity.

6.5.1 A married Member may elect (and may revoke such election and thereafter re-elect) pursuant to a Qualified Election (as defined below), at any time before the end of the period described in Section 6.5.2 (herein referred to as the "Election Period"), not to have his Vested Benefit paid as a Terminated Member's Spouse Joint and Survivor Annuity pursuant to Section 6.5. The election under this Section 6.5.1 shall be made in writing by the Member to the Committee.

6.5.2 The Election Period shall be the ninety day (90-day) period ending on the Member's Annuity Starting Date; provided, however, that in no event shall the Election Period end within ninety (90) days after the information described in Section 6.5.3 is mailed or delivered to the Member, unless he requests the additional information described in Section 6.5.4 in which case the Election Period shall end, if later, sixty (60) days after the additional information is mailed or delivered to him. Notwithstanding the foregoing and pursuant to the requirements of section 417(a)(7)(B) of the Code, a Member may elect, with the consent of the Member's spouse, to commence his distribution in the Spouse Joint and Survivor Annuity form of payment, as provided in Section 5.2 or this Section 6.5 or an optional form of payment, as provided in Section 7.6, on an Annuity Starting Date which is less than thirty (30) days after the written explanation required herein has been provided to the Member by the Committee or as of an Annuity Starting Date which precedes the date as of which such written explanation is provided to the Member by the Committee, provided that (i) the Committee informs the Member that the Member has the right to a period of at least thirty (30) days after receiving such written explanation to consider whether to waive the Spouse Joint and Survivor Annuity payable under the terms of this Plan and to elect a method of distribution provided in Section 7.6; (ii) the Member is permitted to revoke an affirmative distribution election at any time prior to the Annuity Starting Date or, if later, at any time prior to the expiration of the seven (7) day period that begins on the day after the day the Member receives such written explanation; and (iii) the commencement of payments does not occur prior to the expiration of the seven (7) day period that begins on the day after the day the Member receives such written explanation.

6.5.3 At least nine (9) months prior to the Member's earliest Annuity Starting Date, the Committee shall furnish to him (by mail or personal delivery) a written explanation of:

- (i) the terms and conditions of the Terminated Member's Spouse Joint and Survivor Annuity;

(ii) the Member's right to make and the effect of an election to waive the Terminated Member's Spouse Joint and Survivor Annuity form of benefit; (iii) the rights of a Member's spouse; (iv) the right to make, and the effect of, a revocation of a previous election to waive the Terminated Member's Spouse Joint and Survivor Annuity and (v) the relative values of the various optional forms of benefit under the Plan. The explanation shall also state that the Committee will provide the information described in Section 6.5.4, if he requests such information in writing within sixty (60) days after the foregoing statement is mailed or delivered.

6.5.4 Upon written request made by the Member within sixty (60) days of the date the statement described in Section 6.5.3 was mailed or delivered, the Committee shall furnish to him (by mail or personal delivery) a written explanation in nontechnical language of the terms and conditions of the Terminated Member's Spouse Joint and Survivor Annuity provisions of the Plan and the financial effects upon the Member's Vested Benefit of his making the election under Section 6.5.1. Such explanation shall be personally delivered or mailed to the Member within thirty (30) days from the date of the Member's written request.

6.5.5 A "Qualified Election" means a waiver of a Terminated Member's Spouse Joint and Survivor Annuity. The waiver must be in writing and must be consented to by the Member's spouse. The spouse's consent to a waiver must be witnessed by a representative of the Committee or a notary public. Notwithstanding this consent requirement, if the Member establishes to the satisfaction of the Committee that such written consent cannot be obtained because there is no spouse or the spouse cannot be located, a waiver by the Member shall be deemed a Qualified Election. Any consent necessary under this provision shall be valid only with respect to the spouse who signs the consent, or in the event of a deemed Qualified Election, the designated spouse. Additionally, a revocation of a prior waiver may be made by a Member without the consent of the spouse at any time before the Member's Annuity Starting Date. The number of such revocations shall not be limited.

6.6 Termination Prior to January 1, 1976

Termination Prior to January 1, 1976. If a Member's employment terminated prior to January 1, 1976, his benefits, if any, shall be determined in accordance with the provisions of the Prior Plan as in effect at the date of such termination of employment.

ARTICLE 7.

OPTIONAL FORMS OF BENEFITS

7.1 Election of Optional Benefit

Election of Optional Benefit. In lieu of the normal form of Retirement Pension referred to in Section 5.1 or Section 5.2, or in lieu of the normal form of Vested Benefit referred to in Section 6.4 or Section 6.5, whichever is applicable, a Member may elect, in accordance with the provisions of Section 7.6, to have his Retirement Pension or Vested Benefit paid under one of the optional forms of benefits set forth in this Article. All optional forms of benefits shall be determined by the Actuary on the basis of Equivalent Actuarial Values. Regardless of the form of payment, all distributions shall comply with section 401 (a)(9) of the Code and the Treasury Regulations thereunder, including the minimum distribution incidental death benefit requirement of section 401(a)(9)(G) of the Code and the Treasury Regulations thereunder, and such provisions shall override any Plan provisions otherwise inconsistent therewith.

7.2 Straight Life Annuity Option

Straight Life Annuity Option. A married Member may elect, in accordance with the provisions of Section 7.6, to receive the Retirement Pension or Vested Benefit to which he is entitled under the Plan in the form of an annuity payable for the Member's life and terminating with the last monthly payment preceding such Member's death.

7.3 Joint and Survivor Annuity Option

Joint and Survivor Annuity Option. A Member may elect, in accordance with the provisions of Section 7.6, to receive the Retirement Pension or Vested Benefit to which he is entitled under the Plan in the form of a joint and survivor annuity with a "Joint Annuitant" selected by the Member. Effective for distributions with a benefit commencement date prior to January 1, 2008, such joint and survivor annuity shall provide (i) actuarially reduced monthly payments to the Member during the Member's lifetime and (ii) if the Member predeceases the Joint Annuitant, monthly payments in the same amount or one half thereof, as designated by the Member, to such Joint Annuitant for his life. Effective for distributions with a benefit commencement date on or after January 1, 2008, such joint and survivor annuity shall provide (i) actuarially reduced monthly payments to the Member during the Member's lifetime and (ii) if the Member predeceases the Joint Annuitant, monthly payments in the same amount, three quarters thereof, or one half thereof, as designated by the Member, to such Joint Annuitant for his life. If a Member dies prior to his Normal Retirement Date and without having elected to retire on an Early Retirement Date, the election under this Section 7.3 shall be void and no benefit will be paid under this option. If the Member dies after his Normal Retirement Date, or after the commencement of his Retirement Pension or Vested Benefit, the Joint Annuitant shall receive the reduced amount of benefit provided for him under this option. If the Joint Annuitant dies prior to the commencement of a Retirement Pension or a Vested Benefit to the Member and prior to the Member's Normal Retirement Date, the election shall be void and the Member will receive his Retirement Pension or Vested Benefit pursuant to Sections 5.1, 5.2, 6.4 or 6.5, whichever is applicable. If the Joint Annuitant dies after the Member's Normal Retirement Date or after the commencement of his Retirement Pension or Vested Benefit, the Member will receive the reduced Retirement Pension or Vested Benefit provided for him under this option.

7.4 Ten Year Certain Option

Ten Year Certain Option. A Member may elect, in accordance with the provisions of Section 7.6, to receive the Retirement Pension or Vested Benefit to which he is entitled in the form of an actuarially reduced annuity during his lifetime, with the provision that if he dies after his Normal Retirement Date, or after his benefits commenced but prior to receiving one hundred twenty (120) monthly payments, the entire amount or, as the case may be, the balance of such one hundred twenty (120) monthly payments shall be paid to the Member's Beneficiary. The Committee shall, at the Beneficiary's election, provide that all payments to the Beneficiary under this Section shall be commuted and paid in a lump sum.

A Member who elects a Ten Year Certain Option shall, at the time of such election, designate a primary Beneficiary or Beneficiaries to receive any payments under such Ten Year Certain Option after the death of the Member. Such Member shall also designate one or more secondary or contingent Beneficiaries to receive any payments under such Ten Year Certain Option after the death of the Member in the event that the designated primary Beneficiary or Beneficiaries predecease the Member. Such designations shall be held on file by the Committee and may be changed by the Member at any time prior to his death. In the event that neither the Member nor any designated primary or secondary Beneficiary survives to receive all payments

which become due under such Ten Year Certain Option, the remaining payments shall be made to the estate of either the Member or his Beneficiary or Beneficiaries, whoever is last to survive.

7.5 Social Security Level Income Option

Social Security Level Income Option. A Member who is entitled to an Early Retirement Pension or to a Vested Benefit and who commences payment of such Pension or Benefit prior to his Normal Retirement Date may elect, in accordance with the provisions of Section 7.6, to receive such Pension or Benefit in a form which is actuarially adjusted so as to be larger for the months before he becomes eligible for federal Social Security benefits and smaller for the months after he becomes eligible for federal Social Security benefits. The effect of an election of this Social Security Level Income Option shall be that the monthly payments received by the Member, including both the benefits from this Plan and the benefits under Social Security to which the Member is entitled, will be approximately equal both before and after he becomes eligible for Social Security benefits. For purposes of determining the amount of Social Security benefits under this Social Security Level Income Option, the estimated amount payable to a Member at age 62 under Title II of the Social Security Act as in effect on the Member's Annuity Starting Date shall be used.

7.6 Exercise of Option

Exercise of Option. The Member's election of an option described in Sections 7.2, 7.3, 7.4, or 7.5 must be consented to by the Member's spouse, if any, in the manner prescribed in and subject to the rules of Sections 5.2.2 and 5.2.5. Any such election shall become effective on the Member's Annuity Starting Date. Until such election becomes effective, the Member may change his prior beneficiary or contingent annuitant designation (without notice to any prior or new designee) or may revoke such election entirely by delivering a new election form to the Committee; provided, however, that any such change shall require the consent, in the manner referred to above, of the Member's spouse, if any, unless such change will result in payment of the Member's benefit in the form of a Spouse Joint and Survivor Annuity, as defined in Section 5.2, or a Terminated Member's Spouse Joint and Survivor Annuity, as defined in Section 6.5. Benefits shall be paid (if any are payable) in accordance with the last duly made election received by the Committee prior to the Member's Annuity Starting Date.

7.7 Required Distributions

Required Distributions. Notwithstanding any provision in the Plan to the contrary, distributions to any Member who (i) attains age 70-1/2 prior to January 1, 2001 or

(ii) is a 5-percent owner (as defined in Section 416(i) of the Code) shall be made or commence no later than April 1st of the calendar year following the year in which such Member attains age 70-1/2. Distributions to Members who are non-5-percent owners and who attain age 70-1/2 on or after January 1, 2001 shall be made or commence no later than April 1st of the calendar year following the later of (i) the calendar year in which the Member attains age 70-1/2, or (ii) the calendar year in which the Member terminates employment.

7.7.1 Notwithstanding the foregoing, a Member who attains age 70½ on or after January 1, 2001, but before January 1, 2002, and who has not terminated employment with the Company, shall have the right but not the obligation to have distribution commence not later than April 1 of the calendar year following the calendar year in which the Member attains age 70½ and in the same form as provided in Sections 5.1, 5.2, 6.4, 6.5 and 7.6. Such distributions shall not be less than the amount required to satisfy the requirements of section 401 (a)(9) of the Code.

7.7.2 The amount of the minimum distributions required under this Section 7.7 shall be the minimum amounts required under Section 401(a)(9) of the Code and the Treasury Regulations issued thereunder based upon the life expectancy of an unmarried Member or the joint life expectancy of a married Member and his spouse and shall be payable no less frequently than annually. The life expectancies determined pursuant to this Section 7.7.2 shall not be recalculated. After the initial benefit payment has been made, the amount of the succeeding benefit payments must be made by the end of each of the next following calendar years. With respect to distributions under the Plan made for calendar years beginning on or after January 1, 2001, the Plan will apply the minimum distribution requirements of section 401(a)(9) of the Internal Revenue Code in accordance with the regulations under section 401(a)(9) that were proposed in January 2001, notwithstanding any provision of the Plan to the contrary. This amendment shall continue in effect until the end of the last calendar year beginning before the effective date of final regulations under section 401 (a)(9) or such other date specified in guidance published by the Internal Revenue Service.

7.7.3 With respect to a Member who is not a 5-percent owner and whose required distribution hereunder does not commence as of the April 1 following attainment of age 70½ because such Member has not terminated employment with the Company, such Member's Retirement Pension shall be actuarially increased to take into account the period after age 70½ during which such Member did not receive a Retirement Pension. Such actuarial increase shall be the actuarial equivalent of the Member's Retirement Pension using an interest rate of 8% and the 1984 UP Mortality Table and shall be determined beginning as of the April 1 following the calendar year in which the Member attains age 70½ (or January 1, 1997, if the Member attains age 70½ prior to 1996) and ending on the date on which the Member's Retirement Pension commences after retirement in an amount sufficient to satisfy the requirements of section 401(a)(9) of the Code. The amount of the actuarial increase payable as of the end of the period for which such actuarial increase must be made shall not be less than the Actuarial Equivalent of the Member's Retirement Pension that would have been payable as of the date the actuarial increases must commence, plus the Actuarial Equivalent of the additional benefits accrued after that date and reduced by the Actuarial Equivalent of any distributions made after that date. To the extent permitted under section 411(b)(1)(H) of the Code, the actuarial increase otherwise required under section 401(a)(9)(C)(iii) of the Code shall reduce the benefit accrual otherwise required under section 411(b)(1)(H) of the Code.

7.7.4 The commencement of Member's minimum required distribution shall not affect his entitlement to accrue further benefits under the Plan.

7.7.5 If the Member dies before distribution of his or her interest begins, distribution of the Member's entire interest shall be completed by December 31 of the calendar year containing the fifth anniversary of the Member's death except to the extent that an election is made to receive distributions in accordance with (a) or (b) below:

(a) if any portion of the Member's interest is payable to a designated beneficiary, distributions may be made over the life or over a period certain not greater than the life expectancy of the designated beneficiary commencing on or before December 31 of the calendar year immediately following the calendar year in which the Member died;

(b) if the designated beneficiary is the Member's surviving spouse, the date distributions are required to begin in accordance with (a) above shall not be earlier than the later of (1) December 31 of the calendar year immediately following the calendar year in which the

Member died and (2) December 31 of the calendar year in which the Member would have attained age 70½.

7.7.6 (i) Final Regulations.

(a) Effective Date. The provisions of this Final Regulations Section will apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year.

(b) Precedence. The requirements of this Final Regulations Section will take precedence over any inconsistent provisions of the Plan.

(c) Requirements of Treasury Regulations Incorporated. All distributions required under this Final Regulations Section will be determined and made in accordance with the Treasury regulations under section 401 (a)(9) of the Code.

(d) TEFRA Section 242(b)(2) Elections. Notwithstanding the other provisions of this Final Regulations section, other than Section (i)(d), distributions may be made under a designation made before January 1, 1984, in accordance with section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the plan that relate to section 242(b)(2) of TEFRA.

(ii) Time and Manner of Distribution.

(a) Required Beginning Date. The Member's entire interest will be distributed, or begin to be distributed, to the Member no later than the Member's required beginning date.

(b) Death of Member Before Distributions Begin. If the Member dies before distributions begin, the Member's entire interest will be distributed, or begin to be distributed, no later than as follows:

(1) If the Member's surviving spouse is the Member's sole designated beneficiary, then, except as provided in the adoption agreement, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Member died, or by December 31 of the calendar year in which the Member would have attained age 70 1/2, if later.

(2) If the Member's surviving spouse is not the Member's sole designated beneficiary, then, except as provided in the adoption agreement, distributions to the designated beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Member died.

(3) If there is no designated beneficiary as of September 30 of the year following the year of the Member's death, the Member's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Member's death.

(4) If the Member's surviving spouse is the Member's sole designated beneficiary and the surviving spouse dies after the Member but before distributions to the surviving spouse begin, this Section (ii)(b), other than Section (ii)(b)(1), will apply as if the surviving spouse were the Member. For purposes of this Sections (ii)(b) and (v), distributions are considered to begin on the Member's required beginning date (or, if Section (ii)(b)(4) applies, the date distributions are required to begin to the surviving spouse

under Section (ii)(b)(1)). If annuity payments irrevocably commence to the Member before the Member's required beginning date (or to the Member's surviving spouse before the date distributions are required to begin to the surviving spouse under Section (ii)(b)(1)), the date distributions are considered to begin is the date distributions actually commence.

(c) **Form of Distribution.** Unless the Member's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with Sections (iii), (iv) and (v) of this Final Regulations section. If the Member's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of section 401 (a)(9) of the Code and the Treasury regulations. Any part of the Member's interest which is in the form of an individual account described in section 414(k) of the Code will be distributed in a manner satisfying the requirements of section 401(a)(9) of the Code and the Treasury regulations that apply to individual accounts.

(iii) Determination of Amount to be Distributed Each Year.

(a) **General Annuity Requirements.** If the Member's interest is paid in the form of annuity distributions under the Plan, payments under the annuity will satisfy the following requirements:

- (1) the annuity distributions will be paid in periodic payments made at intervals not longer than one year;
- (2) the distribution period will be over a life (or lives) or over a period certain not longer than the period described in Section (iv) or (v);
- (3) once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted;
- (4) payments will either be nonincreasing or increase only as follows:
 - (A) by an annual percentage increase that does not exceed the annual percentage increase in a cost-of-living index that is based on prices of all items and issued by the Bureau of Labor Statistics;
 - (B) to the extent of the reduction in the amount of the Member's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in Section (iv) dies or is no longer the Member's beneficiary pursuant to a qualified domestic relations order within the meaning of section 414(P);
 - (C) to provide cash refunds of employee contributions upon the Member's death; or
 - (D) to pay increased benefits that result from a plan amendment.

(b) Amount Required to be Distributed by Required Beginning Date. The amount that must be distributed on or before the Member's required beginning date (or, if the Member dies before distributions begin, the date distributions are required to begin under Section (ii)(b)(1) or (ii)(b)(2)) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the Member's benefit accruals as of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Member's required beginning date.

(c) Additional Accruals After First Distribution Calendar Year. Any additional benefits accruing to the Member in a calendar year after the first distribution calendar year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

(iv) Requirements For Annuity Distributions That Commence During Member's Lifetime.

(a) Joint Life Annuities Where the Beneficiary Is Not the Member's Spouse. If the Member's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Member and a nonspouse beneficiary, annuity payments to be made on or after the Member's required beginning date to the designated beneficiary after the Member's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Member using the table set forth in Q&A-2 of section 1.401(a)(9)-6T of the Treasury regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the Member and a nonspouse beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the designated beneficiary after the expiration of the period certain.

(b) Period Certain Annuities. Unless the Member's spouse is the sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Member's lifetime may not exceed the applicable distribution period for the Member under the Uniform Lifetime Table set forth in section 1.401(a)(9)-9 of the Treasury regulations for the calendar year that contains the annuity starting date. If the annuity starting date precedes the year in which the Member reaches age 70, the applicable distribution period for the Member is the distribution period for age 70 under the Uniform Lifetime Table set forth in section 1.401(a)(9)-9 of the Treasury regulations plus the excess of 70 over the age of the Member as of the Member's birthday in the year that contains the annuity starting date. If the Member's spouse is the Member's sole designated beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Member's applicable distribution period, as determined under this section (iv)(b), or the joint life and last survivor expectancy of the Member and the Member's spouse as determined under the Joint and Last Survivor Table set forth in section 1.401(a)(9)-9 of the Treasury regulations, using the Member's and spouse's attained ages as of the Member's and spouse's birthdays in the calendar year that contains the annuity starting date.

(v) Requirements For Minimum Distributions Where Member Dies Before Date Distributions Begin.

(a) Member Survived by Designated Beneficiary. Except as provided in the adoption agreement, if the Member dies before the date distribution of his or her interest begins

and there is a designated beneficiary, the Member's entire interest will be distributed, beginning no later than the time described in section (ii)(b)(1) or (ii)(b)(2), over the life of the designated beneficiary or over a period certain not exceeding:

- (1) unless the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year immediately following the calendar year of the Member's death; or
- (2) if the annuity starting date is before the first distribution calendar year, the life expectancy of the designated beneficiary determined using the beneficiary's age as of the beneficiary's birthday in the calendar year that contains the annuity starting date.

(b) **No Designated Beneficiary.** If the Member dies before the date distributions begin and there is no designated beneficiary as of September 30 of the year following the year of the Member's death, distribution of the Member's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Member's death.

(c) **Death of Surviving Spouse Before Distributions to Surviving Spouse Begin.** If the Member dies before the date distribution of his or her interest begins, the Member's surviving spouse is the Member's sole designated beneficiary, and the surviving spouse dies before distributions to the surviving spouse begin, this Section (v) will apply as if the surviving spouse were the Member, except that the time by which distributions must begin will be determined without regard to Section (ii)(b)(1).

(vi) Definitions.

(a) **Designated beneficiary.** The individual who is designated as the beneficiary under Section 1.8 of the Plan and is the designated beneficiary under section 401(a)(9) of the Internal Revenue Code and section 1.401(a)(9)-I, Q&A-4, of the Treasury regulations.

(b) **Distribution calendar year.** A calendar year for which a minimum distribution is required. For distributions beginning before the Member's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Member's required beginning date. For distributions beginning after the Member's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to section (ii)(b).

(c) **Life expectancy.** Life expectancy as computed by use of the Single Life Table in section 1.401(a)(9)-9 of the Treasury regulations.

(d) **Required beginning date.** The date specified in Section 7.7 of the Plan.

7.8. **Rollover Distribution.**

Rollover Distribution. Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section 7.8, effective January 1, 1993, a distributee may elect, at the time and in the manner prescribed by the Committee, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

If a mandatory distribution under Section 5.3.1 is an eligible rollover distribution to a Member that exceeds \$1,000 (other than a distribution to a spouse or Code Section 414(p) alternate payee of a Member), and if the Member does not affirmatively elect to have such distribution paid directly to an eligible retirement plan specified by the Member in a direct rollover

in accordance with this Section 7.8 or to receive the distribution directly, the Plan shall pay the distribution in a direct rollover to an individual retirement plan designated by the Plan Administrator and established in the name of the Member.

7.8.1 An eligible rollover distribution is a distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: (i) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated beneficiary, or for a specified period of ten (10) years or more; (ii) any distribution to the extent such distribution is required under section 401 (a)(9) of the Code; and (iii) any hardship distribution.

7.8.2 An eligible retirement plan is (i) a plan qualified under section 401(a) or 403(a) of the Code, (ii) a tax-sheltered annuity described in section 403(b) of the Code, (iii) an eligible plan under section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from the Plan, and (iv) an individual retirement arrangement under section 408 of the Code. The definition of eligible retirement plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relation order, as defined in section 414(P) of the Code. Effective for distributions on or after January 1, 2008, eligible retirement plan shall also include a Roth IRA under section 408A of the Code. For calendar years prior to January 1, 2010, the term eligible retirement plan shall not include any Roth IRA established for the benefit of an individual who may not contribute to a Roth IRA pursuant to the limitations in section 408A(c)(3)(B) of the Code.

7.8.3 A distributee is an Employee or Former Employee, the surviving spouse of an Employee or Former Employee or an alternate payee under a qualified domestic relations order who is the spouse or former spouse of the Member. A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.

7.8.4 In the event that the provisions of this Section 7.8 or any part thereof cease to be required by law as a result of subsequent legislation or otherwise, this Section 7.8 or applicable part thereof shall be ineffective without necessity of further amendment of the Plan.

7.8.5 For Plan Years beginning on or after January 1, 2008, a Nonspouse Beneficiary may elect, in the time and manner prescribed by the Committee, to have any portion of an eligible rollover distribution paid by a direct trustee-to-trustee transfer to an individual retirement plan as described in Sections 402(c)(8)(B)(i) or 402(c)(8)(B)(ii) of the Code. Such a distribution shall be treated as an eligible rollover distribution for the purposes of Section 402(c)(11) of the Code.

For the purpose of this Section, Nonspouse Beneficiary is defined as a designated beneficiary (as defined by Section 401(a)(9)(E) of the Code) of the Employee who is not the surviving spouse of the Employee.

ARTICLE 8.
DEATH BENEFITS

8.1 Qualified Pre-retirement Survivor Annuity

Qualified Pre-retirement Survivor Annuity. In the event a Member dies on or after the first date as of which he has attained a nonforfeitable right to any part of his accrued benefit under the Plan but prior to his Annuity Starting Date, and such Member is survived by a spouse who has been married to the Member throughout the one (1) year period preceding the Member's death, a "Qualified Pre-retirement Survivor Annuity" shall be payable for the life of such surviving spouse.

8.1.1 In the case of a Member who dies prior to his Annuity Starting Date at the time when (i) he is eligible for Early Retirement under Section 4.2, (ii) he has retired with a Disability Retirement Pension under Section 4.3, (iii) he has retired with a deferred benefit under Section 4.2, or (iv) he is eligible for early commencement of his Vested Benefit under Section 6.3, the Qualified Pre-retirement Survivor Annuity shall be a monthly amount equal to 50% of the reduced monthly benefit to which the Member would have been entitled had he commenced receiving benefits on the day before his death with an immediate Spouse Joint and Survivor Annuity or Terminated Member's Spouse Joint and Survivor Annuity in effect. Such Qualified Pre-retirement Survivor Annuity shall commence to be paid beginning as of the first day of the month coincident with or next following the date of the Member's death.

8.1.2 In the case of a Member who dies prior to the time he is eligible for Early Retirement pursuant to Section 4.2, Disability Retirement pursuant to Section 4.3, or early commencement of his Vested Benefit under Section 6.3, the Qualified Pre-retirement Survivor Annuity shall be a monthly amount equal to 50% of the reduced monthly benefit to which the Member would have been entitled at his earliest Annuity Starting Date, assuming such Member had (i) separated from service on the date of his death (if he had not previously separated from service), (ii) survived to such Annuity Starting Date, and (iii) commenced receiving his benefit on such Annuity Starting Date with an immediate Terminated Member's Spouse Joint and Survivor Annuity in effect. Payment of the Qualified Pre-retirement Survivor Annuity in such case shall commence on such earliest Annuity Starting Date.

8.2 Death in Service Option 1

Death in Service Option 1. An active Member who is still employed by the Company on or after his Early Retirement Date or, if applicable, on or after his Normal Retirement Date and who has a spouse may elect, in accordance with the provisions of Section 8.4, to have a Retirement Pension payable to the Member's spouse in an amount equal to the Retirement Pension that would have been payable to such spouse if the Member had retired and the payment of his Retirement Pension commenced in the month in which his death occurred, computed as if he had elected a Joint and Survivor Annuity Option (within the meaning of Section 7.3) with 100% continued to his spouse as Joint Annuitant, reduced by 1/2 of 1 percent per annum for each year the election is in effect. The reduced Retirement Pension payable to a Member who makes an election under the preceding sentence shall be equal to the Retirement Pension to which he would otherwise be entitled, reduced by 1/2 of 1 percent per annum for each year between the date on which his election became effective and the earlier of his retirement date or the date of death of his spouse.

8.3 Death in Service Option II

Death in Service Option II. An active Member who is eligible to elect to receive an Early Retirement Pension and who has not reached his Normal Retirement Date may, by written notice received by the Committee, elect to receive a reduced Retirement Pension upon his retirement with the provision that if he should die after his election becomes effective but prior to the date distribution of his Retirement Pension would have commenced but for his death, a Retirement Pension shall be payable to any person designated by him for the remainder of the lifetime of such person, provided, however, that a Member to whom Section 8.1 applies may designate, in accordance with the provisions of Section 8.4, only a person other than his spouse to receive the benefit provided by this Section 8.3.

8.3.1 An election made under Section 8.2 or Section 8.3 above shall become effective on the later of (i) the first day of the calendar month coincident with or next following the date on which such election was made or, (ii) the date the Member first becomes eligible to elect to receive an Early Retirement Pension.

8.3.2 The reduced Retirement Pension payable to a Member who has made an effective election under Section 8.3 above shall be equal to the Retirement Pension to which he would otherwise be entitled, reduced for each year between the date on which his election became effective and the earlier of his retirement date or the date of death of the designated person, by either (i) 1 percent per annum in the case of a Member who elects to have the Retirement Pension provided by Section 8.3.3 below paid to such designated person or (ii) 112 of 1 percent per annum in the case of a Member who elects to have the Retirement Pension provided by Section 8.3.4 below paid to such designated person.

8.3.3 The reduced Retirement Pension payable to the designated person under this Section 8.3.3 shall be equal to the amount of the Retirement Pension that would have been payable to such designated person under Section 7.3 if the Member had retired and the payment of his Retirement Pension had commenced in the month in which his death occurred, computed as if the Member had Elected a Joint and Survivor Annuity Option under Section 7.3 with 100% continued to his Joint Annuitant with the designated person nominated as his Joint Annuitant, reduced by 1 percent per annum for each year between the date on which the Member's election became effective and the date of his death.

8.3.4 The reduced Retirement Pension payable to the designated person under this Section 8.3.4 shall be equal to the amount of the Retirement Pension that would have been payable to such designated person under Section 7.3 if the Member had retired and the payment of his Retirement Pension had commenced in the month in which his death occurred, computed as if the Member had elected a Joint and Survivor Annuity Option under Section 7.3 with 50% continued to his Joint Annuitant with the designated person nominated as his Joint Annuitant, reduced by 112 of 1 percent per annum for each year between the date on which the Member's election became effective and the date of his death.

8.4 Consent of Spouse

Consent of Spouse. Any election made under Section 8.2 or Section 8.3 by a Member to whom Section 8.1 applies must be made by the Member in writing during the election period described in Section 8.4.1 and must be consented to by the Member's spouse in the manner prescribed in and subject to the rules of Sections 5.2.2 and 5.2.5.

8.4.1 The election period to waive the Qualified Pre-retirement Survivor Annuity shall begin on the first day of the Plan Year in which the Member attains age 35 and end on the date of the Member's death. In the event a Member who is eligible for a Vested Benefit

separates from service prior to the beginning of the election period, the election period shall begin on the date of such separation from service.

8.4.2 With regard to the election described in Section 8.4.1, the Committee shall provide each Member within the applicable period for such Member a written explanation of the Qualified Pre-retirement Survivor Annuity in such terms and in such a manner as would be comparable to the explanation provided for meeting the requirements of Sections 5.2.2 and 5.2.3 applicable to a Spouse Joint and Survivor Annuity.

The applicable period for a Member is whichever of the following periods ends last: (i) the period beginning with the first day of the Plan Year in which the Member attains age 32 and ending with the close of the Plan Year preceding the Plan Year in which the Member attains age 35 and (ii) a reasonable period ending after the individual becomes a Member. Notwithstanding the foregoing, notice must be provided within a reasonable period ending after separation of service in the case of a Member who separates from service before attaining age 35.

For purposes of the preceding paragraph, a reasonable period ending after the event described in (ii) is the end of the two year period beginning one year prior to the date the event occurs and ending one year after that date. In the case of a Member who separates from service before the Plan Year in which age 35 is attained, notice shall be provided within the two year period beginning one year prior to separation and ending one year after separation. If such a Member thereafter returns to employment with the Company, the applicable period for such Member shall be redetermined.

8.5 Other Death Benefits

Other Death Benefits. If a Member dies at any time on or after his Annuity Starting Date, his benefit (if any is payable) shall be paid in accordance with the Plan provisions governing the form of payment in effect as of the date of his death. Except as provided in this Article 8, no death benefits shall be provided under the Plan.

8.6 Death during Qualified Military Service

Notwithstanding anything in the Plan to the contrary, if a Member dies on or after January 1, 2007 while performing "qualified military service" within the meaning of Section 414(u) of the Code, the survivors of the Member are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan as if the Member had resumed and then terminated employment on account of death.

ARTICLE 9. CONTRIBUTIONS

9.1 Contributions of the Company

Contributions of the Company. In order to provide for the benefits established by this Plan, the Company shall make such contributions to the Fund as may be required to maintain the Plan on a sound actuarial basis and meet the funding standards of ERISA.

9.2 Irrevocability of Contributions

Irrevocability of Contributions. Except as provided in Section 18.2, the contributions made by the Company shall be irrevocable and shall be transferred to the Trustee

or insurance company, as provided for in Article 10, to be used in accordance with the provisions of the Plan to pay the benefits established by the same. Neither such contributions nor the income therefrom shall be used for or applied to purposes other than the exclusive benefit of the Members or their Beneficiaries prior to satisfaction of all liabilities hereunder.

9.3 Use of Forfeitures

Use of Forfeitures. Any amounts forfeited by Members shall be used to reduce future Company contributions hereunder and shall not be used to increase the benefits any Member or other person would otherwise receive under the Plan.

ARTICLE 10.

MANAGEMENT OF FUNDS

10.1 Medium of Funding

Medium of Funding. The Fund shall be held by a Trustee or Trustees appointed from time to time by the Board of Directors, in one or more trusts (such trusts being herein collectively referred to as the "Trust"), under a trust instrument or instruments approved or authorized by the Board of Directors for use in providing the benefits of the Plan and paying any expenses of the Plan not paid directly by the Company; provided, however, that the Company may, in its discretion, also enter into any type of contract with any insurance company or companies selected by it for providing benefits under the Plan.

10.2 Fund to be for Exclusive Benefit of Members

Fund to be for Exclusive Benefit of Members. Prior to the satisfaction of all liabilities with respect to persons entitled to benefits, except for the payment of expenses, no part of the corpus or income of the Fund shall be used for, or diverted to, purposes other than for the exclusive benefit of Members, former Members entitled to Vested Benefits, retired Members, Beneficiaries of Members and other persons who are or may become entitled to benefits hereunder.

ARTICLE 11.

THE COMMITTEE AND CLAIMS PROCEDURE

11.1 Appointment of Committee

Appointment of Committee. The administration of the Plan, as provided herein, including the supervision of the payment of all benefits to Members and Beneficiaries, shall be vested in and be the responsibility of the Employee Benefits Committee which shall be called the "Committee" herein. The Committee shall be the Plan Administrator and a Named Fiduciary of the Plan for purposes of the Act. The Committee shall consist of such number of persons, not less than three (3), as shall from time to time be determined by the Compensation Committee of the Board. The members of the Committee and their successors shall be appointed from time to time by the Compensation Committee of the Board. If no Committee is appointed, the term Committee shall refer to the Board of Directors of the Company.

11.2 Officers and Subcommittees

Officers and Subcommittees. The Committee shall elect a Chairman and shall appoint such subcommittees as it shall deem necessary and appropriate.

11.3 Committee Procedures

Committee Procedures. A majority of the members of the Committee then serving shall constitute a quorum for the transaction of business. All resolutions or other action taken by the Committee shall be by vote of a majority of those present at such meeting and entitled to vote. Resolutions may be adopted or other action taken without a meeting of the Committee. Any member of the Committee shall have the power to execute on behalf of the Committee all instruments and documents necessary or required by the Trustee in connection with the application for contracts on the lives of Members, and the act of such member for such purpose shall be binding on the Committee to the same extent as though such instrument or instruments had been executed by the Committee. Subject to the foregoing, the chairman of the Committee may act on the Committee's behalf and may contract for actuarial, legal, investment, advisory, medical, accounting, clerical, and other services determined necessary by it for the administration of the Plan and the Fund.

11.4 Committee Powers

Committee Powers. The Committee shall have all powers necessary to carry out its duties hereunder, including, but not limited to, the power to:

- (a) Determine all questions affecting the eligibility of any Employee to participate herein;
- (b) Compute the amount of benefits payable hereunder to any Member or Beneficiary;
- (c) Make rules and regulations for the implementation, administration and interpretation of the Plan, which are not inconsistent with the terms and provisions of the Plan. Such rules and regulations as are adopted by the Committee shall be binding upon any persons having an interest in or under the Plan;
- (d) Communicate the funding policy to the Trustee and other investment managers whose duties are to determine the investment policy of the Fund; and
- (e) Appoint such investment managers with respect to all or any designated part of the Fund as it shall deem appropriate.

In carrying out its duties herein, the Committee shall have discretionary authority to exercise all powers and to make all determinations, consistent with the terms of the Plan, in all matters entrusted to it, and its determinations shall be given deference and shall be final and binding on all interested parties. Notwithstanding the foregoing, the Committee shall administer the Plan in accordance with its terms, and shall have all powers necessary to carry out the provisions of the Plan not otherwise reserved to the Company, the Board of Directors or the Trustee. The Committee shall have all powers to administer the Plan, within its discretion, other than the power to invest or reinvest the assets of the Plan to the extent such powers have been delegated to the Trustee, an insurance company and/or an asset manager. The Committee shall have total and complete discretion to interpret the Plan and to determine all questions arising in the administration, interpretation and application of the Plan including the power to construe and interpret the Plan; to decide the questions relating to an individual's eligibility to participate in

the Plan and/or eligibility for benefits and the amounts thereof; to have fact finder discretionary authority to decide all facts relevant to the determination of eligibility for benefits or participation; to make such adjustments as it deems necessary or desirable to correct any arithmetical or accounting errors; to determine the amount, form and timing of any distribution to be made hereunder; as well as to resolve any conflict. The Committee shall have the discretion to make factual determinations as well as decisions and determinations relating to the amount and manner of allocations and distributions of benefits. In making its decisions, the Committee shall be entitled to, but need not rely upon, information supplied by a Member, Beneficiary or representative thereof. The Committee shall have full and complete discretion to determine whether a domestic relations order constitutes a "qualified domestic relations order" under applicable law and whether the putative alternate payee under such an order otherwise qualifies for benefits hereunder. The Committee may correct any defect, supply any omission or reconcile any inconsistency in such manner and to such extent as it shall deem necessary to carry out the purposes of this Plan. The Committee's decision in such matters shall be binding and conclusive as to all parties.

11.5 Information for Committee

Information for Committee. The members of the Committee may inspect the records of the Company to the extent that it may reasonably be necessary for them to determine any fact in connection with acts to be performed by them under this Plan, but the members of the Committee shall not be required to make such inspection but may rely upon any written statement or other communication believed by them to be genuine and to be signed by an authorized officer of the Company. In this connection, the Company agrees to furnish the Committee with such information and data relative to the Plan as is necessary for the proper administration thereof.

11.6 Plan Records

Plan Records. The Committee, or the Secretary of the Committee shall keep or cause to be kept records reflecting administration of the Plan, which records shall be subject to audit by the Company. A Member may examine only those records pertaining directly to him.

11.7 Instructions to Trustees

Instructions to Trustees. The Committee shall provide appropriate written instructions to the Trustee signed by an authorized member or members of the Committee to enable it to make the distributions provided for in the Plan. The Trustee shall be entitled to rely upon any written notice, instruction, direction, certificate or other communication reasonably believed by it to be genuine and to be signed by an authorized member of the Committee or an officer of the Company, and the Trustee shall be under no duty to make investigation or inquiry as to the truth or accuracy of any statement contained therein, unless it knows that the direction or instruction constitutes a breach of the Committee's or the Company's fiduciary responsibility with respect to the Plan.

11.8 Allocation of Duties, etc. Among Committee Members

Allocation of Duties, etc. Among Committee Members. The duties, powers and responsibilities reserved to the Committee may be allocated among its respective members so long as such allocation is pursuant to action of a majority of its respective members or by written agreement executed by a majority of its respective members, in which case, except as may be required by the Act, no member of the Committee shall have any responsibility or liability with respect to any duties, powers or responsibilities not allocated to him or for the acts or omissions of any other member.

11.9 Delegation by Committee

Delegation by Committee. The Committee shall have full power and authority to delegate powers and duties to any persons or firms (including, but not limited to, corporate resources departments, accountants, trustee(s), counsel, investment manager(s), actuaries, physicians, appraisers, consultants, professional plan administrators, insurers and other specialists), or otherwise act to secure specialized advice or assistance, as it deems necessary or desirable in connection with the management of the Plan; to the extent not prohibited by the Act, the Committee shall be entitled to rely conclusively upon, and shall be fully protected in any action or omission taken by it in good faith reliance upon, the advice or opinion of such persons or firms provided such persons or firms were prudently chosen by the Committee, taking into account the interests of the Members and Beneficiaries and with due regard to the ability of the persons or firms to perform their assigned functions.

11.10 Investment Managers

Investment Managers. The Committee's power to retain the services of an investment manager(s) for the management of (including the power to acquire and dispose of) all or any part of the Fund's assets, shall be limited to the retention of such persons or firms that are registered as investment managers under the Investment Advisers Act of 1940, as Banks (as defined in that Act), or which are insurance companies qualified to manage, acquire or dispose of the Fund's assets under the laws of more than one state, and provided that each of such persons or firms has acknowledged to the Committee and the Trustee in writing that he is a fiduciary with respect to the Plan. In such event, the Trustee shall not be liable for the acts or omissions of such investment manager or managers, nor shall it be under any obligation to invest or otherwise manage any assets which are subject to the management of such investment manager or managers.

11.11 Costs and Expenses

Costs and Expenses. Unless otherwise determined by the Compensation Committee of the Board, the Committee shall serve without compensation for its services as such. However, the expenses of administering the Plan, including the printing of literature and forms related thereto, the disbursement of benefits thereunder, the compensation of professional plan administrators, agents, appraisers, actuaries, consultants, counsel, investment advisors, insurers or other specialists may be paid from the Fund unless otherwise directed by the Company.

11.12 Standard of Care

Standard of Care. The members of the Committee shall use ordinary care and reasonable diligence in the performance of their administrative duties.

11.13 Indemnification and Insurance

Indemnification and Insurance. To the extent permitted by law, neither the Committee, nor its members, nor any other person performing duties hereunder, shall incur any liability for any act done, determination made or failure to act, if in good faith, and the Company shall indemnify the Committee, its members and such other persons against any and all liability which is incurred as a result of the good faith performance or good faith nonperformance of their duties hereunder. Nothing in this Plan shall preclude the Company from purchasing liability insurance to protect such persons with respect to their duties under this Plan. The protection provided in this Section applies only to those Committee members and other persons who are Employees.

11.14 Disputes

Disputes. In the event that any dispute shall arise as to any act to be performed by the Committee, the Committee may postpone the performing of such act until actual adjudication of such dispute shall have been made in a court of competent jurisdiction or until they shall be indemnified against loss, to their satisfaction, by the Company.

11.15 Committee Members as Members

Committee Members as Members. No member of the Committee shall be precluded from becoming a Member of the Plan if he would be otherwise eligible, but he shall not be entitled to vote or act upon, or sign any documents relating specifically to, his own participation under the Plan except when it relates to benefits generally. If this disqualification results in the lack of a Committee quorum, then the Compensation Committee of the Board of Directors shall appoint a sufficient number of temporary members of the Committee who shall serve for the sole purpose of determining such a question.

11.16 Claims Procedure

(a) Initial Claim. If an eligible Employee or an eligible Employee's surviving spouse or other beneficiary (hereinafter referred to as a "Claimant") is denied any benefit under this Plan, the Claimant may file a claim in writing with the Committee. The Committee shall review the claim itself or appoint an individual or an entity to review the claim. The Claimant shall be notified within ninety (90) days after receipt of the claim by the Committee, whether the claim is allowed or denied, unless the Claimant receives written notice prior to the end of the ninety (90) day period stating that circumstances require an extension of the time for decision and the date that a decision is expected to be provided to the Claimant. Such notification shall be given within one hundred and eighty (180) days after the claim is filed. The notice of the decision shall be in writing, in a manner calculated to be understood by the Claimant, sent by mail to the Claimant's last known address, and, if the notice is a denial of the claim, the notice must contain the following information:

- (1) the specific reason or reasons for the denial;
- (2) a reference to specific provisions of the Plan on which the denial is based; and
- (3) if applicable, a description of any additional material or information necessary to perfect the claim and an explanation of why such material or information is necessary; and
- (4) an explanation of the Plan's claims review procedure for the denied or partially denied claim and any applicable time limits, and a statement that the Claimant has a right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), following an adverse benefit determination on review.

(b) Review Procedure. A Claimant or his duly authorized representative is entitled to request a review by the Committee of any denial of the Claimant's claim. The request for review must be submitted to the Committee in writing within sixty (60) days of receipt of notice of the denial. Absent a request for review within the sixty (60) day period, the claim will be deemed to be conclusively denied. The review of a denial of a claim shall be conducted by the Committee or an individual or entity appointed by the Committee. The reviewer shall afford the Claimant or the Claimant's representative upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the Claimant's claim for benefits. The review shall take into account all comments, documents, records, and other

information submitted by the Claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination. The reviewer shall render a review decision in writing, within sixty (60) days after receipt of a request for a review, provided that, the reviewer may extend the time for decision (if special circumstances require) by not more than sixty (60) days upon written notice to the Claimant (such written notice shall state the circumstances that require an extension of time for the decision and the date a decision is expected to be provided to the Claimant). The Claimant shall receive written notice of the reviewer's decision in a manner calculated to be understood by the Claimant. The notice shall set forth:

- (1) the specific reason or reasons for the denial of the appeal of the claim;
- (2) a reference to specific provisions of the Plan on which the denial is based; and
- (3) a statement of the Claimant's right to bring a civil action under ERISA section 502(a) and a description of any applicable limitation under the Plan.

A Claimant may not commence a civil action in court for any benefit claim until he has fully exhausted these claims procedures.

In reviewing claims, the Committee shall have sole and full discretionary authority to interpret the terms of the Plan, including any uncertain terms, to determine eligibility for, entitlement to, and the amount of any benefits, and to make factual findings and determine any other claims related to the Plan. Any interpretation or determination made pursuant to such discretionary authority shall be given full force and effect and shall be final, binding and conclusive on all interested parties and shall be afforded the maximum deference permitted by law.

Notwithstanding the above, no action in law or equity shall be taken in any form against the Plan or the Company for benefits provided by the Plan unless or until the procedural remedies provided by this section 11.16 have been exhausted. No such action in law or equity shall be brought after the expiration of two years from the exhaustion of these procedural remedies.

11.17 Compliance With Regulations

Compliance With Regulations. The review of all claims hereunder shall be made in accordance with applicable regulations under the Act.

ARTICLE 12. AMENDMENTS

12.1 The Board of Directors shall have the power to modify or amend the Plan at any time in accordance with its established rules of procedure; provided, however, that none of the assets of the Plan, because of any modification or amendment, may be used for any purpose other than the exclusive benefit of active Members and retired Members and their Beneficiaries prior to the satisfaction of all liabilities hereunder. In no case shall such amendments or modifications directly or indirectly cause any portion of the assets of the Plan to revert to the Company or to be used for any purpose other than the exclusive benefit of such Members prior to the satisfaction of all liabilities under the Plan.

12.2 No amendment to the Plan shall retroactively adversely affect benefits to which the Members and their Beneficiaries are entitled, without their consent, unless such amendment is necessary in order to conform the Plan to the requirements of sections 401 and 501 of the Code.

ARTICLE 13.

TERMINATION OF THE PLAN

13.1 Termination by the Company

Termination by the Company. This Plan may be terminated by vote of the Board of Directors at any time in accordance with its established rules of procedure; provided, however, that such termination shall not cause any of the assets held under the Plan to be used for any purpose other than the exclusive benefit of active Members and retired Members and their Beneficiaries or to revert to the Company prior to the satisfaction of all liabilities under the Plan. Notwithstanding the foregoing or the provisions of Section 9.2, 10.2, 12.1 or any other provision of the Plan to the contrary, any assets held under the Plan after the satisfaction of all liabilities under the Plan subsequent to its termination shall revert to the Company.

13.2 Certain Benefits Nonforfeitable

Certain Benefits Nonforfeitable. In case of termination of the Plan due to any cause, or partial termination in accordance with the regulations of the Treasury, the right of all Members to benefits will become nonforfeitable to the extent funded or, if greater, to the extent as guaranteed by the Pension Benefit Guaranty Corporation.

13.3 Priority of Distribution on Termination

Priority of Distribution on Termination. Except as provided in Section 13.1 hereof, in the event of termination of the Plan, the assets remaining in the Plan shall be used and disposed of for the benefit of the Members and their Beneficiaries in accordance with the provisions of Title IV of ERISA. Without limiting the generality of the foregoing, if the Internal Revenue Service determines that any allocation made pursuant to this Section 13.3 results in "discrimination" (within the meaning of section 401(a)(4) of the Code) then, if required to prevent disqualification of the Plan (or any trust under the Plan) under section 401(a) of the Code) the assets-allocated under the section 4044(a) of-ERISA shall be reallocated to the extent necessary to avoid such discrimination. Subject to regulations of the Pension Benefit Guaranty Corporation, any amount allocated for the benefit of a Member, spouse, or Beneficiary shall be applied for his benefit, as the Committee determines in its sole discretion, either by a cash payment or by the purchase of an insurance company contract or by the continuance of the Trust Fund and the payment of benefits thereunder in such amounts as may be provided by the property so allocated, or by any combination of the foregoing.

13.4 Coordination with Article 15

Coordination with Article 15. The priorities for distribution of Plan assets established under Section 13.3 shall be subject to the limitations provided in Article 15 if the termination of the Plan occurs prior to the tenth anniversary of the commencement date (as defined in Section 15.1), or prior to the time when the full current costs of the Plan for the first ten years from the establishment date have been funded. In the event that the limitations provided

in Article 15 become applicable, adjustments shall be made in such priorities of distribution as may be required to satisfy the requirements of Article 15.

ARTICLE 14.

LIMITATION ON BENEFITS

14.1 Code Section 415 Limitations

Code Section 415 Limitations. In addition to other limitations set forth in the Plan and notwithstanding any other provision of the Plan, the Retirement Pension, including the right to any optional benefits provided in the Plan (and all other defined benefit plans required to be aggregated with this Plan under the provisions of section 415 of the Code), shall not increase to an amount in excess of the amount permitted under section 415 of the Code at any time. This shall not require the re-computation of benefits accrued in "limitation years" beginning before July 1, 1987. For purposes of this Article 14, the "limitation year" shall be the Plan Year. Effective for Limitation Years ending after December 31, 2001 ("EGTRRA Effective Date") and notwithstanding any other provision in the Plan to the contrary, the accrued benefit for any Member shall be determined by applying the terms of the Plan implementing the limitations of Section 415(b) of the Code as was in effect on the day immediately prior to the EGTRRA Effective Date.

14.1.2 Combined Limitations. In the case where (i) this Plan and another defined benefit plan or defined contribution plan of the Company cover the same Member and (ii) reductions in either the amount of the annual benefit payable under this Plan or the amount of annual benefit or annual addition under such other plan with respect to the Member (or both) are necessary in order to comply with section 415 of the Code, a reduction in the annual benefit payable under this Plan to the Member shall be made to the extent necessary to comply with section 415 of the Code prior to any reduction in the annual benefit or annual addition under such other plan with respect to the Member. Effective for Limitation Years beginning on or after January 1, 2000 (the "SBJPA Effective Date"), and notwithstanding any other provision of the Plan, the retirement benefit for any Member shall be determined by applying the terms of the Plan implementing the limitations of section 415 of the Code as if the limitations of section 415 of the Code continued to include the limitations of section 415(e) of the Code as in effect on the day immediately prior to the SBJPA Effective Date. For this purpose, a Member's defined contribution fraction is set equal to the Member's defined contribution fraction as of the day immediately prior to the SBJPA Effective Date.

14.1.3 Commencement Prior to Age 62. Notwithstanding the above, if a Member's annual pension benefit begins before the Member's 62nd birthday, the determination as to whether the benefit limitation under section 415 of the Code has been satisfied shall be made by adjusting such limitations so that it is the actuarial equivalent of the section 415 limit annual benefit beginning at age 62. For purposes of making such an adjustment, actuarial equivalent shall mean, of the two reductions below, the one which will result in the lesser benefit payable to the Member:

- (i) The reduction based on the Plan's early retirement reduction factors under Section 4.2 hereof, or

(ii) The actuarial reduction based on a 5% interest rate and the mortality table described in Section 5.3.2 hereof.

For Limitation Years beginning on or after January 1, 2008, adjustment for commencement prior to age 62 will be made in accordance with Section 415 of the Code and Treasury Regulation Section 1.415(b)-1(d) issued thereunder.

14.1.4 Commencement Prior to Social Security Retirement Age. Notwithstanding the above, if a Member's annual pension benefit begins after attaining age 62, but prior to the Member's Social Security Retirement Age, the determination as to whether the benefit limitation under section 415 of the Code has been satisfied shall be made by adjusting such limitations so that it is the actuarial equivalent of the section 415 limit annual benefit beginning at Social Security Retirement Age. For purposes of making such an adjustment, the limitation shall be reduced by 6 2/3% per year for the first three years, and 5% per year for any additional years, by which the Member's annual pension benefit commences after age 62, but prior to the Member's Social Security Retirement Age. The interest rate assumption used to adjust the limitation under this section shall not be less than the greater of 5% or the rate otherwise specified herein.

14.1.5 Adjustment for Certain Other Forms of Benefit. If the benefit to the Member is payable in any form other than a straight life annuity, the determination as to whether the benefit limitation under section 415 of the Code has been satisfied shall be made by adjusting such limitations so that it is the actuarial equivalent of the section 415 limit annual benefit payable in the form of a straight life annuity. For purposes of making such an adjustment, actuarial equivalent shall mean, of the two reductions below, the one which will result in the greater benefit:

(i) The reduction based on the Plan's factors, or

(ii) The actuarial reduction based on a 5% interest rate (or with respect to lump sum payments or other decreasing annuities (i.e., Level Income Option) the interest rate described in Section 5.3.2 hereof) and the mortality table described in Section 5.3.2 hereof.

For Limitation Years beginning on or after January 1, 2008, if a Member's benefits shall be paid in a form other than a life annuity or qualified joint and survivor annuity, the dollar limitation applicable to the Member's benefits shall be adjusted in accordance with Section 415 of the Code and Treasury Regulation Section 1.415(b)-1(c).

14.1.6. Commencement after Age 65. Notwithstanding the above, for Limitation Years beginning on or after January 1, 2008, if a Member's annual pension benefit begins after the Member's 65th birthday, the determination as to whether the benefit limitation under section 415 of the Code has been satisfied shall be made by adjusting such limitations in accordance with Section 415 of the Code and Treasury Regulation Section 1.415(b)-1(e) issued thereunder.

14.2 Code Section 415 Definitions

Code Section 415 Definitions. For purposes of this Article 14, the following terms shall have the following meanings:

14.2.1 "Related Company," means any other company which is, together with the Company, a member of a "controlled group of corporations" or under "common control" as determined under sections 414(b) and (c) of the Code as modified by section 415(h) of the Code, or a member of an "affiliated service group" within the meaning of section 414(m) of the Code, and any other entity required to be aggregated with the Company pursuant to regulations that may be issued under section 414(0) of the Code.

14.2.2 “Compensation,” for purposes of section 415 of the Code and this Article 14, means a Member’s earned income, wages, salaries, and fees for professional services, and other amounts received for personal services actually rendered in the course of employment with the Company or any Related Company (including, but not limited to, commissions paid salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips and bonuses); and effective January 1, 1998, any elective deferral (as defined in section 402(g)(3) of the Code) and any amount contributed or deferred by the Company or any Related Company at the election of the Member which is not includible in the gross income of the Member under section 125, section 132(f)(4) or section 457 of the Code for a Plan Year but excluding the following:

- (i) Company or Related Company contributions to a plan of deferred compensation which are not included in the Member’s gross income for the taxable year in which contributed, or Company or Related Company contributions under a simplified employee pension plan to the extent such contributions are deductible by the Member or any distributions from a plan of deferred compensation;
- (ii) amounts realized from the exercise of a nonqualified stock option, or when restricted stock (or property) held by the Member either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;
- (iii) amounts realized from the sale, exchange or other disposition of stock acquired under a qualified stock option;
- (iv) other amounts which received special tax benefits, or contributions made by the Company or any Related Company (whether or not under a salary reduction agreement) towards the purchase of an annuity described in section 403(b) of the Code (whether or not the amounts are actually excludable from the gross income of the Member).

Compensation for any Plan Year is the compensation actually paid or includible in gross income during such year or, effective January 1, 1998, which would have been paid or includible during such year had such compensation not been subject to elective deferral or exclusion under section 402(g)(3), 125, 132(f)(4) or 457 of the Code.

Notwithstanding anything to the contrary in Section 14.2.2 above, for Limitation Years beginning on or after January 1, 2008, for the purpose of the limitations on benefits to a Member as provided for in this Section, ‘Compensation’ for a Limitation Year shall have the meaning set forth in Section 415(c)(3) of the Code and Treasury Regulation Section 1.415(c)-2(d)(4).

14.2.3 “Social Security Retirement Age” means the Social Security retirement age as defined under section 415(b)(8) of the Code which shall mean age 65 in the case of a Member attaining age 62 before January 1, 2000 (i.e., born before January 1, 1938), age 66 for a Member attaining age 62 after December 31, 1999, and before January 1, 2017 (i.e., born after December 31, 1937, but before January 1, 1955), and age 67 for a Member attaining age 62 after December 31, 2016 (i.e., born after December 31, 1954).

ARTICLE 15.

TEMPORARY LIMITATIONS ON AMOUNT OF BENEFITS

15.1 Effective January 1, 1994, the provisions of this Article 15 shall apply (a) in the event the Plan is terminated, to any Member who is a highly compensated employee or

highly compensated former employee (as defined in section 414(q)(1) of the Code) of the Company and Related Companies (as defined in Section 14.2.2) and (b) in any other event, to any Member who is one of the twenty-five highest compensated Employees or former Employees of the Company and Related Companies for a Plan Year. The amount of the annual payments under the Plan to any Member to whom this Section 15.1 applies shall not exceed an amount equal to the payments that would be made under the Plan during the Plan Year on behalf of the Member under a single life annuity which is of Equivalent Actuarial Value to the sum of all of the Member's accrued benefits under the Plan.

15.2.1 For Plan Years beginning prior to January 1, 2008, the provisions of Section 15.1 shall not apply if (a) the value of the benefits which would be payable under the Plan to a Member described in Section 15.1 is less than one percent of the value of the current liabilities (as defined in section 412(1)(7) of the Code) under the Plan or (b) the value of the Plan's assets equals or exceeds, immediately after payment of a benefit under the Plan to a Member described in Section 15.1, one hundred ten percent of the value of the current liabilities under the Plan.

15.2.2 For Plan Years beginning on or after January 1, 2008, the provisions of Section 15.1 shall not apply if (a) the value of the benefits which would be payable under the Plan to a Member described in Section 15.1 is less than one percent of the Plan's funding target (as defined in section 430(d)(1) of the Code), (b) the value of the Plan's assets equals or exceeds, immediately after payment of a benefit under the Plan to a Member described in the Section 15.1, one hundred ten percent of the Plan's funding target, value of the current liabilities under the Plan, or (c) the present value of the benefits payable to or on behalf of the Member under the Plan does not exceed \$5,000 (or such greater amount as may be set forth in section 411(a)(11)(A) of the Code).

15.2.3 For purposes of Section 15.2.2, the funding target of the Plan as of any date may be based on the funding target reported on Schedule SB of the Plan's most recent timely-filed Form 5500 or 5500 C/R, and the value of the Plan's assets shall be determined on the same date as of which the funding target is determined.

15.3 Notwithstanding the preceding provisions of this Article 15, in the event the Plan is terminated, the restrictions contained in Section 15.1 shall not be applicable if the benefits payable under the Plan to any Member who is a highly compensated Employee or a highly compensated former Employee are limited to benefits which are non-discriminatory under section 401 (a)(4) of the Code.

15.4 If it should subsequently be determined by statute, court decision acquiesced in by the Commissioner of Internal Revenue or ruling by the Commissioner of Internal Revenue that the provisions of this Article 15 are no longer necessary to qualify the Plan under section 401(a) of the Code, this Article 15 shall be ineffective without the necessity of further amendment to the Plan.

15.5 For the purposes of this Article 15, "highly compensated employee" means, effective for years beginning after December 31, 1996, any Employee who: (1) was a 5- percent owner at any time during the year or the preceding year, or (2) for the preceding year had compensation from the Employer in excess of \$80,000 and, if the Employer so elects, was in the top-paid group for the preceding year. The \$80,000 amount is adjusted at the same time and in the same manner as under section 415(d) of the Code, except that the base period is the calendar quarter ending September 30, 1996.

For this purpose the applicable year of the plan for which a determination is being made is called a determination year and the preceding 12-month period is called a look-back year.

A highly compensated former employee is based on the rules applicable to determining highly compensated employee status as in effect for that determination year, in accordance with section 1.414(q)-IT, A-4 of the temporary Income Tax Regulations and Notice 97-45.

In determining whether an Employee is a highly compensated employee for years beginning in 1997, this Section is treated as having been in effect for years beginning in 1996.

For this purpose the definition of compensation shall mean compensation as defined in section 415(c)(3) of the Code. Notwithstanding the above, for limitation years beginning after December 31, 1997, compensation shall include elective amounts that are not includible in the gross income of the Member by reason of section 132(e)(4) of the Code.

15.6 Limitations Required under Section 436 of the Code. The provisions of this Section 15.6 shall apply only to the extent required by Section 436 of the Code and Treasury Regulations issued thereunder.

15.6.1 Limitations Applicable If the Plan's Adjusted Funding Target Attainment Percentage Is Less Than 80 Percent, But Not Less Than 60 Percent. Notwithstanding any other provisions of the Plan, if the Plan's adjusted funding target attainment percentage for a Plan Year is less than 80 percent (or would be less than 80 percent to the extent described in Section 15.6.1(ii) below) but is not less than 60 percent, then the limitations set forth in this Section

15.6.1 apply.

(i) 50 Percent Limitation on Single Sum Payments, Other Accelerated Forms of Distribution, and Other Prohibited Payments. A Participant is not permitted to elect, and the Plan shall not pay, a single sum payment or other optional form of benefit that includes a prohibited payment with an annuity starting date on or after the applicable Section 436 measurement date, and the Plan shall not make any payment for the purchase of an irrevocable commitment from an insurer to pay benefits or any other payment or transfer that is a prohibited payment, unless the present value of the portion of the benefit that is being paid in a prohibited payment does not exceed the lesser of:

(a) 50 percent of the present value of the benefit payable in the optional form of benefit that includes the prohibited payment; or

(b) 100 percent of the PBGC maximum benefit guarantee amount (as defined in Section 1.436-1(d)(3)(iii)(C) of the Treasury Regulations).

The limitation set forth in this Section 15.6.1(i) does not apply to any payment of a benefit which under Section 411(a)(11) of the Code may be immediately distributed without the consent of the Participant. If an optional form of benefit that is otherwise available under the terms of the Plan is not available to a Participant as of the annuity starting date because of the application of the requirements of this Section 15.6.1(i), the Participant is permitted to elect to bifurcate the benefit into unrestricted and restricted portions (as described in Section 1.436-1(d)(3)(iii)(D) of the Treasury Regulations). The Participant may also elect any other optional form of benefit otherwise available under the Plan at that annuity starting date that would satisfy the 50 percent/PBGC maximum

benefit guarantee amount limitation described in this Section 15.6.1(i), or may elect to defer the benefit in accordance with any general right to defer commencement of benefits under the Plan.

(ii) Plan Amendments Increasing Liability for Benefits. No amendment to the Plan that has the effect of increasing liabilities of the Plan by reason of increases in benefits, establishment of new benefits, changing the rate of benefit accrual, or changing the rate at which benefits become nonforfeitable shall take effect in a Plan Year if the adjusted funding target attainment percentage for the Plan Year is:

(a) Less than 80 percent; or

(b) 80 percent or more, but would be less than 80 percent if the benefits attributable to the amendment were taken into account in determining the adjusted funding target attainment percentage.

The limitation set forth in this Section 15.6.1(ii) does not apply to any amendment to the Plan that provides a benefit increase under a Plan formula that is not based on compensation, provided that the rate of such increase does not exceed the contemporaneous rate of increase in the average wages of Participants covered by the amendment.

15.6.2 Limitations Applicable If the Plan's Adjusted Funding Target Attainment Percentage Is Less Than 60 Percent. Notwithstanding any other provisions of the Plan, if the Plan's adjusted funding target attainment percentage for a Plan Year is less than 60 percent (or would be less than 60 percent to the extent described in Section 15.6.2(ii) below), then the limitations in this Section 15.6.2 shall apply.

(i) Single Sums, Other Accelerated Forms of Distribution, and Other Prohibited Payments Not Permitted. A Participant is not permitted to elect, and the Plan shall not pay, a single sum payment or other optional form of benefit that includes a prohibited payment with an annuity starting date on or after the applicable Section 436 measurement date, and the Plan shall not make any payment for the purchase of an irrevocable commitment from an insurer to pay benefits or any other payment or transfer that is a prohibited payment. The limitation set forth in this Section 15.6.2(i) does not apply to any payment of a benefit which under Section 411(a)(11) of the Code may be immediately distributed without the consent of the Participant.

(ii) Shutdown Benefits and Other Unpredictable Contingent Event Benefits Not Permitted to Be Paid. An unpredictable contingent event benefit with respect to an unpredictable contingent event occurring during a Plan Year shall not be paid if the adjusted funding target attainment percentage for the Plan Year is:

(a) Less than 60 percent; or

(b) 60 percent or more, but would be less than 60 percent if the adjusted funding target attainment percentage were redetermined applying an actuarial assumption that the likelihood of occurrence of the unpredictable contingent event during the Plan Year is 100 percent.

(iii) Benefit Accruals Frozen. Benefit accruals under the Plan shall cease as of the applicable Section 436 measurement date. In addition, if the Plan is required to cease benefit accruals under this Section 15.6.2(iii), then the Plan is not permitted to be amended in a manner that would increase the liabilities of the Plan by reason of an increase in benefits or establishment of new benefits.

15.6.3 Limitations Applicable If the Plan Sponsor Is In Bankruptcy. Notwithstanding any other provisions of the Plan, a Participant is not permitted to elect, and the Plan shall not pay, a single sum payment or other optional form of benefit that includes a prohibited payment with an annuity starting date that occurs during any period in which the Plan sponsor is a debtor in a case under title 11, United States Code, or similar Federal or State law, except for payments made within a Plan Year with an annuity starting date that occurs on or after the date on which the Plan's enrolled actuary certifies that the Plan's adjusted funding target attainment percentage for that Plan Year is not less than 100 percent. In addition, during such period in which the Plan sponsor is a debtor, the Plan shall not make any payment for the purchase of an irrevocable commitment from an insurer to pay benefits or any other payment or transfer that is a prohibited payment, except for payments that occur on a date within a Plan Year that is on or after the date on which the Plan's enrolled actuary certifies that the Plan's adjusted funding target attainment percentage for that Plan Year is not less than 100 percent. The limitation set forth in this Section 15.6.3 does not apply to any payment of a benefit which under Section 411(a)(11) of the Code may be immediately distributed without the consent of the Participant.

15.6.4 Provisions Applicable After Limitations Cease to Apply.

(i) Resumption of Prohibited Payments. If a limitation on prohibited payments under Section 15.6.1(i), Section 15.6.2(i), or Section 15.6.3 applied to the Plan as of a Section 436 measurement date, but that limit no longer applies to the Plan as of a later Section 436 measurement date, then that limitation does not apply to benefits with annuity starting dates that are on or after that later Section 436 measurement date.

(ii) Resumption of Benefit Accruals. If a limitation on benefit accruals under Section 15.6.2(iii) applied to the Plan as of a Section 436 measurement date, but that limitation no longer applies to the Plan as of a later Section 436 measurement date, then benefit accruals shall resume prospectively and that limitation does not apply to benefit accruals that are based on or after that later Section 436 measurement date, except as otherwise provided under the Plan. The Plan shall comply with the rules relating to partial years of participation and the prohibition on double proration under Department of Labor Regulation Sections 2530.204-2(c) and (d).

(iii) Shutdown and Other Unpredictable Contingent Event Benefits. If an unpredictable contingent event benefit with respect to an unpredictable contingent event that occurs during the Plan Year is not permitted to be paid after the occurrence of the event because of the limitation of Section 15.6.2(ii), but is permitted to be paid later in the same Plan Year (as a result of additional contributions or pursuant to the enrolled actuary's certification of the adjusted funding target attainment percentage for the Plan Year that meets the requirements of Section 1.436-1(g)(5)(ii)(B) of the Treasury Regulations), then that unpredictable contingent event benefit shall be paid, retroactive to the period that benefit would have been payable under the terms of the Plan (determined without regard to Section 15.6.2(ii)). If the unpredictable contingent event benefit does not become payable during the Plan Year in accordance with the preceding sentence, then the Plan is treated as if it does not provide for that benefit.

(iv) Treatment of Plan Amendments That Do Not Take Effect. If a Plan amendment does not take effect as of the effective date of the amendment because of the limitation of Section 15.6.1(ii) or Section 15.6.2(iii), but is permitted to take effect later in the same Plan Year (as a result of additional contributions or pursuant to the enrolled actuary's certification of the adjusted funding target attainment percentage for the Plan

Year that meets the requirements of Section 1.436-l(g)(5)(ii)(C) of the Treasury Regulations), then the Plan amendment must automatically take effect as of the first day of the Plan Year (or, if later, the original effective date of the amendment). If the Plan amendment cannot take effect during the same Plan Year, then it shall be treated as if it were never adopted, unless the Plan amendment provides otherwise.

15.6.5 Notice Requirement. See Section 101(j) of ERISA for rules requiring the plan administrator of a single employer defined benefit pension plan to provide a written notice to Participants within 30 days after certain specified dates if the Plan has become subject to a limitation described in Section 15.6.l(i), Section 15.6.2, or Section 15.6.3.

15.6.6 Methods to Avoid or Terminate Benefit Limitations. See Sections 436(b)(2), (c)(2), (e)(2), and (f) of the Code and Section 1.436-1(f) of the Treasury Regulations for rules relating to employer contributions and other methods to avoid or terminate the application of the limitations set forth in Sections 15.6.1 through 15.6.3 for a Plan Year. In general, the methods a plan sponsor may use to avoid or terminate one or more of the benefit limitations under Sections 15.6.1 through 15.6.3 for a Plan Year include employer contributions and elections to increase the amount of plan assets which are taken into account in determining the adjusted funding target attainment percentage, making an employer contribution that is specifically designated as a current year contribution that is made to avoid or terminate application of certain of the benefit limitations, or providing security to the Plan.

15.6.7 Special Rules.

(i) Rules of Operation for Periods Prior to and After Certification of Plan's Adjusted Funding Target Attainment Percentage.

(a) In General. Section 436(h) of the Code and Section 1.436-l(h) of the Treasury Regulations set forth a series of presumptions that apply (1) before the Plan's enrolled actuary issues a certification of the Plan's adjusted funding target attainment percentage for the Plan Year and (2) if the Plan's enrolled actuary does not issue a certification of the Plan's adjusted funding target attainment percentage for the Plan Year before the first day of the 10th month of the Plan Year (or if the Plan's enrolled actuary issues a range certification for the Plan Year pursuant to Section 1.436-l(h)(4)(ii) of the Treasury Regulations but does not issue a certification of the specific adjusted funding target attainment percentage for the Plan by the last day of the Plan Year). For any period during which a presumption under Section 436(h) of the Code and Section 1.436-l(h) of the Treasury Regulations applies to the Plan, the limitations under Sections 15.6.1 through 15.6.3 are applied to the Plan as if the adjusted funding target attainment percentage for the Plan Year were the presumed adjusted funding target attainment percentage determined under the rules of Section 436(h) of the Code and Sections 1.436- l(h)(l), (2), or (3) of the Treasury Regulations. These presumptions are set forth in Sections 15.6.7(i)(b) through (d).

(b) Presumption of Continued Underfunding Beginning First Day of Plan Year. If a limitation under Section 15.6.1, 15.6.2, or 15.6.3 applied to the Plan on the last day of the preceding Plan Year, then, commencing on the first day of the current Plan Year and continuing until the Plan's enrolled actuary issues a certification of the adjusted funding target attainment percentage for the Plan for the current Plan Year, or, if earlier, the date Section 15.6.7(i)(c) or Section 15.6.7(i)(d) applies to the Plan:

(1) The adjusted funding target attainment percentage of the Plan for the current Plan Year is presumed to be the adjusted funding target attainment percentage in effect on the last day of the preceding Plan Year; and

(2) The first day of the current Plan Year is a Section 436 measurement date.

(c) Presumption of Underfunding Beginning First Day of 4th Month. If the Plan's enrolled actuary has not issued a certification of the adjusted funding target attainment percentage for the Plan Year before the first day of the 4th month of the Plan Year and the Plan's adjusted funding target attainment percentage for the preceding Plan Year was either at least 60 percent but less than 70 percent or at least 80 percent but less than 90 percent, or is described in Section 1.436-1(h)(2)(ii) of the Treasury Regulations, then, commencing on the first day of the 4th month of the current Plan Year and continuing until the Plan's enrolled actuary issues a certification of the adjusted funding target attainment percentage for the Plan for the current Plan Year, or, if earlier, the date Section 15.6.7(i)(d) applies to the Plan:

(1) The adjusted funding target attainment percentage of the Plan for the current Plan Year is presumed to be the Plan's adjusted funding target attainment percentage for the preceding Plan Year reduced by 10 percentage points; and

(2) The first day of the 4th month of the current Plan Year is a Section 436 measurement date.

(d) Presumption of Underfunding On and After First Day of 10th Month. If the Plan's enrolled actuary has not issued a certification of the adjusted funding target attainment percentage for the Plan Year before the first day of the 10th month of the Plan Year (or if the Plan's enrolled actuary has issued a range certification for the Plan Year pursuant to Section 1.436-1(h)(4)(ii) of the Treasury Regulations but has not issued a certification of the specific adjusted funding target attainment percentage for the Plan by the last day of the Plan Year), then, commencing on the first day of the 10th month of the current Plan Year and continuing through the end of the Plan Year:

(1) The adjusted funding target attainment percentage of the Plan for the current Plan Year is presumed to be less than 60 percent; and

(2) The first day of the 10th month of the current Plan Year is a Section 436 measurement date.

(ii) New Plans, Plan Termination, Certain Frozen Plans, and Other Special Rules.

(a) First 5 Plan Years. The limitations in Section 15.6.1(ii), Section 15.6.2(ii), and Section 15.6.2(iii) do not apply to a new Plan for the first 5 Plan Years of the Plan, determined under the rules of Section 436(i) of the Code and Section 1.436-1(a)(3)(i) of the Treasury Regulations.

(b) Plan Termination. The limitations on prohibited payments in Section 15.6.1(i), Section 15.6.2(i), and Section 15.6.3 do not apply to prohibited payments that are made to carry out the termination of the Plan in accordance with applicable law. Any other limitations under this section of the Plan do not cease to apply as a result of termination of the Plan.

(c) Exception to Limitations on Prohibited Payments Under Certain Frozen Plans. The limitations on prohibited payments set forth in Sections 15.6.1(i), 15.6.2(i),

and 15.6.3 do not apply for a Plan Year if the terms of the Plan, as in effect for the period beginning on September 1, 2005, and continuing through the end of the Plan Year, provide for no benefit accruals with respect to any Participants. This Section 15.6.7(ii)(c) shall cease to apply as of the date any benefits accrue under the Plan or the date on which a Plan amendment that increases benefits takes effect.

(d) Special Rules Relating to Unpredictable Contingent Event Benefits and Plan Amendments Increasing Benefit Liability. During any period in which none of the presumptions under Section 15.6.7(i) apply to the Plan and the Plan's enrolled actuary has not yet issued a certification of the Plan's adjusted funding target attainment percentage for the Plan Year, the limitations under Section 15.6.1(ii) and Section 15.6.2(ii) shall be based on the inclusive presumed adjusted funding target attainment percentage for the Plan, calculated in accordance with the rules of Section 1.436-1(g)(2)(iii) of the Treasury Regulations.

(iii) Special Rules Under PRA 2010.

(a) Payments Under Social Security Leveling Options. For purposes of determining whether the limitations under Section 15.6.1(i) or 15.6.2(i) apply to payments under a social security leveling option, within the meaning of Section 436(j)(3)(C)(i) of the Code, the adjusted funding target attainment percentage for a Plan Year shall be determined in accordance with the "Special Rule for Certain Years" under Section 436(j)(3) of the Code and any Treasury Regulations or other published guidance thereunder issued by the Internal Revenue Service.

(b) Limitation on Benefit Accruals. For purposes of determining whether the accrual limitation under Section 15.6.2(iii) applies to the Plan, the adjusted funding target attainment percentage for a Plan Year shall be determined in accordance with the "Special Rule for Certain Years" under Section 436(j)(3) of the Code (except as provided under section 203(b) of the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010, if applicable).

(iv) Interpretation of Provisions. The limitations imposed by this section of the Plan shall be interpreted and administered in accordance with Section 436 of the Code and Section 1.436-1 of the Treasury Regulations.

15.6.8 Definitions. The definitions in the following Treasury Regulations apply for purposes of Sections 15.6.1.I.A through 15.6.7; Section 1.436-1(j)(1) defining adjusted funding target attainment percentage; Section 1.436-1(j)(2) defining annuity starting date; Section 1.436-1(j)(6) defining prohibited payment; Section 1.436-1(j)(8) defining Section 436 measurement date; and Section 1.436-1(j)(9) defining an unpredictable contingent event and an unpredictable contingent event benefit.

Participant shall include Beneficiary for the purpose of this Section 15.6 to the extent applicable under the terms of the Plan.

15.6.9 Effective Date. The rules in Sections 15.6.1 through 15.6.2 are effective for Plan Years beginning after December 31, 2007.

ARTICLE 16.
SERVICE AND TRANSFER RULES

16.1 Application of Provisions

Application of Provisions. Notwithstanding any provision to the contrary contained in the Plan, the provisions of this Article 16 shall apply to (a) any Member who ceases to be an Employee and who either (i) remains in the employ of the Company as other than an Employee or (ii) transfers to the employ of an Affiliated Company (as defined in Section 16.4), and (b) any individual either (i) in the employ of the Company other than as an Employee, or (ii) in the employ of an Affiliated Company (as defined in Section 16.4), who ceases such employment and simultaneously becomes an Employee.

16.2 Service Other Than as an Employee

Service Other Than as an Employee. All service rendered by an individual in the employ of the Company, or in the employ of an Affiliated Company (as defined in Section 16.4), which is rendered immediately prior to his transfer to employment as an Employee shall be included as Service under Section 1.34 for the purposes of Article 2 and Article 6 of the Plan, but shall not, be included as Credited Service for the purpose of computing the amount of any benefits pursuant to Articles 4 and 6 of the Plan.

16.3 Service Following Service as an Employee

Service Following Service as an Employee. Transfer of a Member from employment as an Employee to other employment with the Company, or to employment with an Affiliated Company (as defined in Section 16.4), shall not be deemed Termination of Employment with the Company for purposes of the Plan and shall not terminate such Employee's participation in the Plan; provided (i) that any such employment with the Company or with an Affiliated Company (as defined in Section 16.4) rendered on and after the date of such transfer shall be included as Service only for the purposes of Article 2 and Article 6 of the Plan and as Credited Service only for purposes of Section 6.3(ii) of the Plan, and (ii) that the benefits payable to such a Member under the Plan shall be computed under the terms of the Plan in effect on the date on which such Member's employment with the Company and all Affiliated Companies (as defined in Section 16.4) terminates, but only on the basis of the Member's accrued Credited Service and Compensation as an Employee.

16.4 "Affiliated Company"

"Affiliated Company," for purposes of Articles 16 and 19, shall mean any' other entity, whether or not incorporated, which is, together with the Company, a member of a "controlled group of corporations" or under "common control," as determined under sections 414(b) and (c) of the Code, or a member of an "affiliated service group" as defined in section 414(m) of the Code; and any other entity required to be aggregated with the Company pursuant to regulations that may be issued under section 414(0) of the Code, provided, however, that except as otherwise specifically provided herein, service with any such other entity shall be recognized for purposes of this Plan only for the period of such affiliation.

ARTICLE 17.

NON-ALIENATION OF BENEFITS

No benefit under the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt so to do shall be void,

except as specifically provided in the Plan, nor shall any such benefit be in any manner liable for or subject to garnishment, attachment, execution or levy, or liable for or subject to the debts, contracts, liabilities, engagements or torts of the person entitled to such benefit. Notwithstanding any provision of the Plan to the contrary, with respect to certain judgments, orders, decrees and/or settlements issued or entered into on or after August 5, 1997, this Article 17 shall not preclude any offset of a Member's Retirement Pension in an amount which a Member is required to pay to the Plan in accordance with section 401(a)(13)(C) of the Code.

This Article 17 shall also apply to the creation, assignment, or recognition of a right to any benefit payable with respect to a Member pursuant to a domestic relations order, unless such order is determined by the Committee to be a qualified domestic relations order, within the meaning of section 414(P) of the Code or such order was entered before January 1, 1985.

Upon written receipt of a domestic relations order, the Committee shall review this order, inform the Trustee, and gather such facts as it may deem appropriate. The Committee may consult with legal counsel for the Plan in such matters. The Committee shall reach a decision within eighteen (18) months of receipt of the order whether it is a Qualified Domestic Relations Order.

ARTICLE 18.

MISCELLANEOUS

18.1 Rights of Employees

Rights of Employees. Nothing herein contained shall be deemed to give any Employee the right to be retained in the employ of the Company or to interfere with the right of the Company to discharge such Employee at any time, nor shall it be deemed to give the Company the right to require the Employee to remain in its employ, nor shall it interfere with the Employee's right to terminate his employment at any time.

18.2 Return of Contributions

18.2.1 The obligation of the Company to make any contribution to the Plan hereby is conditioned upon the continued qualification of the Plan under section 401(a) of the Code and the exempt status of the Trust Fund under section 501(a) of the Code and upon the deductibility of such contribution under section 404(a) of the Code. To the extent any such deduction is disallowed, the Company shall, within one year following the disallowance of the deduction, demand repayment of such disallowed contribution and the Trustee shall return such contribution within one year following the disallowance. Earnings of the Plan attributable to the excess contribution may not be returned to the Company, but any losses attributable thereto must reduce the amount so returned.

18.2.2 Notwithstanding the provisions of Section 9.2 or any provision of the Plan, that portion of any Company contribution which is made by reason of a good faith mistake in determining the deductibility of such contribution or a good faith mistake of fact shall be returned to the Company, provided that the twelve-month period commencing on the date the deduction was disallowed or the date such contribution was made, whichever is applicable, has not expired. The amount which shall be returned to the Company pursuant to the preceding sentence shall be an amount equal to the excess of the amount actually contributed over the

amount that would have been contributed if the mistake had not been made; provided, however, that gains attributable to the returnable portion shall be retained in the Trust Fund; and provided, further, that the returnable portion shall be reduced by any losses attributable thereto.

18.3 Mergers

Mergers. This Plan shall not be merged into any other pension or retirement plan under circumstances resulting in a transfer of assets or liabilities from this Plan to any other Plan unless immediately after any such merger, consolidation, or transfer each Member would (if the Plan then terminated) receive a benefit which would be equal to or greater than the benefit he would have been entitled to receive immediately before such merger, consolidation, or transfer.

18.4 Monthly Benefits

Monthly Benefits. All monthly benefits shall be payable on the first date of each month.

18.5 Governing Law

Governing Law. Except to the extent preempted by federal law, the provisions of the Plan will be construed according to the laws of the State of New York.

18.6 Headings

Headings. The headings of this Plan are inserted for convenience of reference only and shall have no effect upon the meaning of the provisions hereof.

ARTICLE 19. TOP-HEAVY PLANS

19.1 Effects of Top-Heavy Status

Effects of Top-Heavy Status. In the event that the Plan shall be deemed to be a Top-Heavy Plan in accordance with the provisions of Section 19.2 at any time on or after July 1, 1985, the following provisions shall automatically become applicable and shall supersede any contrary provision of the Plan:

19.1.1 The vested portion of any Member's Accrued Benefit derived from Company contributions shall be a percentage of such Member's Accrued Benefit derived from Company contributions determined on the basis of the Member's years of Service, in accordance with the following tables:

- (i) For Plan Years commencing prior to July 1, 1989:

<u>Years of Service</u>	<u>Percentage</u>
2	20%
3	40%
4	60%
5	80%
6 or more	100%

- (ii) For Plan Years commencing on or after July 1, 1989:

<u>Years of Service</u>	<u>Percentage</u>
Less than 3	0%
3 or more	100%

In the event a Member's vested portion of his Accrued Benefit derived from Company contributions under the terms of the Plan determined without regard to this Subsection 19.1.1 at any time exceeds the percentage determined above, such Member shall be entitled to such greater percentage.

The vesting schedule under this Section 19.1.1 shall not apply if the Plan ceases to be Top-Heavy except to the extent that the Plan resumes Top-Heavy status or to the extent that Members with 5 or more years of Service (effective for Plan Years commencing after June 30, 1989, 3 or more years of Service) elect in accordance with section 411 (a)(10) of the Code to have it continue to determine the nonforfeitable percentage of their Accrued Benefit.

19.1.2 In any year in which the Plan is a Top-Heavy Plan, a Member who is not a Key Employee shall accrue a benefit derived from Company contributions which, when expressed as an Annual Retirement Benefit, shall not be less than the Applicable Percentage of the Member's Average Compensation.

19.1.3 The term "Annual Retirement Benefit" means a benefit in the form of an annuity for the Member's life (with no ancillary benefits) beginning at age 65.

19.1.4 A Member's "Applicable Percentage" means the lesser of (A) 2% multiplied by his number of years of Service, or (B) 20%. For purposes of the preceding sentence, years of Service shall be determined under the rules of paragraphs (4), (5) and (6) of section 411 (a) of the Code. Years of Service shall be disregarded to the extent that (i) they were completed within a Plan Year beginning prior to January 1, 1984 or (ii) the Plan was not a Top-Heavy Plan during the Plan Year ending within such year of Service. Notwithstanding the foregoing, if a Member is also a Member in one or more defined contribution plans maintained by the Company or an Affiliated Company, the percentage in (A) above shall be reduced by .4% for each 1% (and proportionately for fractions thereof) of the Member's compensation that is contributed by the Company or an Affiliated Company (including forfeitures and for plan years beginning on or after January 1, 1985, salary reduction contributions made by the Member under a plan qualifying under section 401(k) of the Code) to such plan on behalf of the Member.

19.1.5 A Member's "Average Compensation" means his average compensation during the period of consecutive years of Service (not exceeding five) during which his aggregate compensation from the Company and/or Prior Company is the greatest. Years of Service (and compensation paid to the Member during such periods) shall be excluded in computing a Member's Average Compensation if such years of Service are (A) completed prior to January 1, 1984 or (B) begin after the close of the last Plan Year in which the Plan was a Top- Heavy Plan.

19.1.6 Prior to January 1, 2000, the requirements of sections 415(e)(2)(B) and (3)(B) of the Code as set forth in Section 14.3 hereof shall be applied to the Plan by substituting "1.0" for " 1.25" wherever the latter appears therein.

19.1.7 For purposes of this Article 19, the term "compensation" shall have the same meaning as set forth in section 414(q) of the Code.

19.2 Definition of Top-Heavy Plan

Definition of Top-Heavy Plan. This Plan shall be a “Top-Heavy Plan” in any Plan Year if the present value of the cumulative accrued benefits (as that phrase is used in section 416(g) of the Code) under the Plan for Key Employees as of the Determination Date exceeds 60% of the present value of the cumulative accrued benefits under the Plan for all Members as of such date. In the event the Plan is part of an Aggregation Group, it shall be a “Top-Heavy Plan” in any Plan Year if the sum of the present value of the cumulative accrued benefits for Key Employees under all defined benefit plans which are part of the Aggregation Group plus the aggregate account balances of Key Employees under all defined contribution plans which are part of such group as of the Determination Date exceeds 60% of the sum of all benefits accrued by and the account balances of, participants in all such plans as of such date.

19.2.1 The term “Aggregation Group” includes all plans of the Company and any Affiliated Company in which a Key Employee participates, all other plans maintained by the Company and any Affiliated Company which enable a plan in which a Key Employee participates to comply with the requirements of sections 401(a)(4) or 410 of the Code and any other plans of the Company and any Affiliated Group which are designated as part of the Aggregation Group, provided that all such plans in such group would continue to satisfy the requirements of sections 401(a)(4) and 410 of the Code.

19.2.2 The term “Key Employee” means any Member or former Member (or beneficiary of such Member) who at any time during the Plan Year or any of the four preceding Plan Years is:

(i) an officer of the Company or any Affiliated Company having an annual compensation (as defined in section 414(q) of the Code) greater than: (a) for all Plan Years prior to January 1, 1989, 150% of the amount in effect under section 415(c)(1)(A) of the Code for any such Plan Year, and (b) for all Plan Years after December 31, 1988, 50% of the amount in effect under section 415(b)(1)(A) of the Code for any such Plan Year;

(ii) one of the ten employees having annual compensation (as defined in section 414(q) of the Code) from the Company or any Affiliated Company of more than the limitation in effect under section 415(c)(1)(A) of the Code and owning (or considered as owning within the meaning of section 318 of the Code) the largest interest in the Company or any Affiliated Company;

(iii) a 5% owner of the Company or any Affiliated Company; or

(iv) a 1 % owner of the Company or any Affiliated Company if his compensation (as defined in section 414(q) of the Code) from the Company or such Affiliated Company exceeds \$150,000.

For purposes of (i) above, the number of Members who shall be deemed officers (and therefore Key Employees) shall not exceed the lesser of (1) 50 or (2) the greater of 3 or 10% of the total number of employees of the Company and all Affiliated Companies. For the purpose of (ii) above, if two employees have the same interest in the Company or an Affiliated Company, the employee having greater annual compensation (as defined in section 414(q) of the Code) from the Company or Affiliated Company shall be treated as having a larger interest. For the purposes of (iii) and (iv) above, the terms “5% owner” and “1 % owner” shall have the meanings set forth in section 416(i)(1)(B) and (C) of the Code. For purposes of this Section 19.2.2, the term “compensation” shall have the same meaning as under section 414(q)(7) of the Code.

A “non-Key Employee” is any individual who is not a Key Employee.

Notwithstanding the foregoing, effective January 1, 2002, Key Employee means any Member or former Member (including any deceased employee) who at any time during the Plan Year that includes the determination date was an officer of the plan sponsor (or of any corporation required to be aggregated with the plan sponsor under section 414(b), (c), (m) or (o) of the Code) having annual compensation greater than \$130,000 (as adjusted under section 416(i)(1) of the Code for Plan Years beginning after December 31, 2002), a 5-percent owner of the plan sponsor, or a 1-percent owner of the plan sponsor having annual compensation of more than \$150,000. For this purpose, annual compensation means compensation within the meaning of section 415(c)(3) of the Code. The determination of who is a Key Employee will be made in accordance with section 416(i)(1) of the Code and the applicable regulations and other guidance of general applicability issued thereunder.

19.2.3 “Determination Date” means (i) the last day of the preceding Plan Year, or (ii) in the case of the first Plan Year, the last day of such Plan Year.

19.2.4 For purposes of this Article 19, the present value of the cumulative accrued benefits shall be determined in accordance with the actuarial factors set forth in Appendix A hereto. If the plans in the Aggregation Group use different actuarial assumptions for purposes of determining the present value of the cumulative accrued benefits for Key Employees under all defined benefit plans which are part of the Aggregation Group, (i) for Key Employees, the actuarial funding assumptions used to maintain the funding standard account under a selected plan in the Aggregation Group, shall be used, and (ii) for Members who are non-Key Employees, such benefit shall accrue not more rapidly than the slowest accrual rate permitted under section 411(b)(1)(C) of the Code.

19.3 Exception to Combined Limit Rule

Exception to Combined Limit Rule. Prior to January 1, 2000, the requirements of Section 19.1.6 shall not apply notwithstanding the fact that the Plan may be a Top-Heavy Plan in the event that (i) the present value of the cumulative accrued benefits under the Plan for Key Employees as of the Determination Date does not exceed 90% of the present value of the cumulative accrued benefits for all Members as of such date, and (ii) the definition of Applicable Percentage is modified, in Plan Years for which a Key Employee exceeds the limits of Section 19.1.4, by substituting “3%” for “2%,” and increasing the 20% limit by 1 % (up to a maximum of 10%) for each Plan Year in which the Plan is a Top-Heavy Plan.

19.4 Miscellaneous Rules

19.4.1 Effective January 1, 2002, for purposes of determining the present value of accrued benefits and the amounts of account balances for any Member as of the Determination Date, such present value shall be increased by the aggregate distributions made with respect to such individual from the Plan and any plan aggregated with the Plan under section 416(g)(2) of the Code during the one-year period ending on the Determination Date (even if such Plan had been terminated), and, in the case of a distribution made for a reason other than severance from employment, death, or disability, this provision shall be applied by substituting “five-year period” for “one-year period.”

19.4.2 Except to the extent provided by Treasury Regulations, the actuarial value of the cumulative accrued benefit for any Member shall not include any rollover contributions made by the Member into the Plan from a plan that was not maintained by the Company or an Affiliated Company if initiated by the Member and occurring after December 31, 1983.

19.4.3 If a Member is a non-Key Employee with respect to a Plan Year but was a Key Employee with respect to any prior Plan Year, the accrued benefit of such Member (and the account of such Member) shall not be taken into account for purposes of determining whether the Plan is a Top-Heavy Plan.

19.4.4 The determination of whether the benefit and vesting requirements of Section 19.1 have been met when the Plan is a Top-Heavy Plan shall be made without taking into account any benefits or contributions under chapters 2 or 21 of Title II of the Social Security Act or any other federal or state law. Effective January 1, 2002, the accrued benefits and accounts of any individual who has not performed services for the for the Company or any Affiliated Company during the one-year period ending on the Determination Date shall not be taken into account.

19.4.5 Notwithstanding anything contained in this Article 19 to contrary, effective January 1, 2002, for purposes of satisfying the minimum benefit requirements of section 416(c)(1) of the Code and the Plan, in determining years of service with the Company or any Affiliated Company, any service with the Company or any Affiliated Company shall be disregarded to the extent that such service occurs during a Plan Year when the Plan benefits (within the meaning of section 410(b) of the Code) no Key Employee or former Key Employee.

IN WITNESS WHEREOF, and as evidence of the adoption of this Plan by the Company, it has caused the same to be signed by its officers thereunto duly authorized, and its corporate seal to be affixed thereto, this day of , 2015.

ATTEST

AVIS RENT A CAR SYSTEM, LLC

By: __

Name: __

Title: __

[Corporate Seal]

AVIS BUDGET RENTAL CAR FUNDING (AESOP) LLC,
as Issuer

AVIS BUDGET CAR RENTAL, LLC,
as Administrator

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

CERTAIN NON-CONDUIT PURCHASERS,

CERTAIN CP CONDUIT PURCHASERS,

CERTAIN COMMITTED NOTE PURCHASERS,

CERTAIN FUNDING AGENTS,

CERTAIN APA BANKS

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee and Series 2010-6 Agent

THIRD AMENDED AND RESTATED SERIES 2010-6 SUPPLEMENT
dated as of August 16, 2018

to

SECOND AMENDED AND RESTATED BASE INDENTURE
dated as of June 3, 2004

THIRD AMENDED AND RESTATED SERIES 2010-6 SUPPLEMENT, dated as of August 16, 2018 (this "Supplement"), among AVIS BUDGET RENTAL CAR FUNDING (AESOP) LLC, a special purpose limited liability company established under the laws of Delaware ("ABRCF"), AVIS BUDGET CAR RENTAL, LLC, a limited liability company established under the laws of Delaware ("ABCR"), as administrator (the "Administrator"), JPMORGAN CHASE BANK, N.A. ("JPMorgan Chase"), in its capacity as administrative agent for the Purchaser Groups (the "Administrative Agent"), the NON-CONDUIT PURCHASERS from time to time party hereto, the COMMITTED NOTE PURCHASERS from time to time party hereto, the CP CONDUIT PURCHASER GROUPS from time to time party hereto, the FUNDING AGENTS for the CP Conduit Purchaser Groups from time to time party hereto and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. (as successor in interest to The Bank of New York), a national banking association, as trustee (in such capacity, the "Trustee") and as agent for the benefit of the Series 2010-6 Noteholders (in such capacity, the "Series 2010-6 Agent"), to the Second Amended and Restated Base Indenture, dated as of June 3, 2004, between ABRCF and the Trustee (as amended, modified or supplemented from time to time, exclusive of Supplements creating a new Series of Notes, the "Base Indenture").

PRELIMINARY STATEMENT

WHEREAS, ABRCF, the Administrator, the Administrative Agent, certain CP Conduit Purchasers, APA Banks, Funding Agents and Non-Conduit Purchasers, the Trustee and the Series 2010-6 Agent entered into the Series 2010-6 Supplement, dated as of October 22, 2010 (the "Original Series 2010-6 Supplement"), pursuant to which the Series 2010-6 Notes were issued;

WHEREAS, ABRCF, the Administrator, the Administrative Agent, certain CP Conduit Purchasers, APA Banks, Funding Agents and Non-Conduit Purchasers, the Trustee and the Series 2010-6 Agent entered into the Amended and Restated Series 2010-6 Supplement, dated as of October 14, 2011 (as amended, the "First A&R Series 2010-6 Supplement"), pursuant to which ABRCF amended and restated the Original Series 2010-6 Supplement in its entirety, with the consent of the Requisite Noteholders;

WHEREAS, ABRCF, the Administrator, the Administrative Agent, certain CP Conduit Purchasers, APA Banks, Funding Agents and Non-Conduit Purchasers, the Trustee and the Series 2010-6 Agent entered into the Second Amended and Restated Series 2010-6 Supplement, dated as of November 5, 2013 (as amended, the "Second A&R Series 2010-6 Supplement"), pursuant to which ABRCF amended and restated the First A&R Series 2010-6 Supplement in its entirety, with the consent of the Requisite Noteholders;

WHEREAS, pursuant to Section 12.2 of the Base Indenture, any Supplement may be amended with the consent of ABRCF, the Trustee, any applicable Enhancement Provider and the Required Noteholders of a Series of Notes;

WHEREAS, pursuant to Section 11.11 of the Second A&R Series 2010-6 Supplement, the requirement contained in Section 12.2 of the Base Indenture shall be satisfied upon attaining the consent of the Requisite Noteholders; and

WHEREAS, ABRCF desires to amend and restate the Second A&R Series 2010-6 Supplement.

NOW, THEREFORE, the parties hereto agree as follows:

DESIGNATION

A Series of Notes was created and issued pursuant to the Base Indenture and the Original Series 2010-6 Supplement and such Series of Notes was designated generally as "Variable Funding Rental Car Asset Backed Notes, Series 2010-6." As of the date hereof, the Series 2010-6 Notes shall be issued in two Classes, the first of which shall be known as the "Class A Notes" and the second of which shall be known as the "Class R Notes."

On the date hereof, ABRCF shall issue (i) one tranche of Class A Notes, which shall be designated as the "Series 2010-6 Variable Funding Rental Car Asset Backed Notes, Class A" and (ii) one tranche of Class R Notes, which shall be designated as the "Series 2010-6 Variable Funding Rental Car Asset Backed Notes, Class R." The Class A Notes and the Class R Notes constitute the Series 2010-6 Notes. The Class R Notes shall be subordinated in right of payment to the Class A Notes, to the extent set forth herein.

The proceeds from the initial sale of the Series 2010-6 Notes were deposited in the Collection Account and were paid to ABRCF and used to make Loans under the Loan Agreements to the extent that the Borrowers had requested Loans thereunder and Eligible Vehicles were available for acquisition or refinancing thereunder on the date of the Original Series 2010-6 Supplement. Any such portion of proceeds not so used to make Loans shall be deemed to be Principal Collections.

The Series 2010-6 Notes are a non-Segregated Series of Notes (as more fully described in the Base Indenture). Accordingly, all references in this Supplement to "all" Series of Notes (and all references in this Supplement to terms defined in the Base Indenture that contain references to "all" Series of Notes) shall refer to all Series of Notes other than Segregated Series of Notes.

ARTICLE I

DEFINITIONS

(a) All capitalized terms not otherwise defined herein are defined in the Definitions List attached to the Base Indenture as Schedule I thereto. All Article, Section, Subsection, Exhibit or Schedule references herein shall refer to Articles, Sections, Subsections, Exhibits or Schedules of this Supplement, except as otherwise provided herein. Unless otherwise stated herein, as the context otherwise requires or if such term is otherwise defined in the Base Indenture, each capitalized term used or defined herein shall relate only to the Series 2010-6 Notes and not to any other Series of Notes issued by ABRCF. In the event that a term used herein shall be defined both herein and in the Base Indenture, the definition of such term herein shall govern.

(b) The following words and phrases shall have the following meanings with respect to the Series 2010-6 Notes and the definitions of such terms are applicable to the singular as well as the plural form of such terms and to the masculine as well as the feminine and neuter genders of such terms:

“A&R Documents” is defined in Section 6.2.

“A&R Effective Date” is defined in Section 6.2.

“ABCR” is defined in the recitals hereto.

“ABG” means Avis Budget Group, Inc.

“ABRCF” is defined in the recitals hereto.

“Accounts” means the Series 2010-6 Accrued Interest Account, the Series 2010-6 Cash Collateral Account, the Series 2010-6 Collection Account, the Series 2010-6 Distribution Account, the Series 2010-6 Excess Collection Account and the Series 2010-6 Reserve Account.

“Acquiring APA Bank” is defined in Section 11.1(c).

“Acquiring Purchaser Group” is defined in Section 11.1(e).

“Additional CP Conduit Purchaser” is defined in Section 2.6(e).

“Additional Funding Agent” is defined in Section 2.6(e).

“Additional Non-Conduit Purchaser” is defined in Section 2.6(e).

“Adjusted LIBO Rate” means, with respect to each day during each Eurodollar Period, pertaining to a portion of the Purchaser Group Invested Amount with respect to any CP Conduit Purchaser Group allocated to a Eurodollar Tranche, an interest rate per annum (rounded upwards, if necessary, to the nearest 1/16th of 1%) equal to the LIBO Rate for such Eurodollar Period multiplied by the Statutory Reserve Rate.

“Adjusted Net Book Value” means, as of any date of determination, with respect to each Adjusted Program Vehicle as of such date, the product of 0.965 and the Net Book Value of such Adjusted Program Vehicle as of such date.

“Administrative Agent” is defined in the recitals hereto.

“Administrator” is defined in the recitals hereto.

“AESOP II DBRS Excluded Manufacturer Amount” means, as of any date of determination, an amount equal to the excess, if any, of (x) the sum of the following amounts with respect to each DBRS Non-Investment Grade Manufacturer as of such date: the product of (1) to the extent such amounts are included in the calculation of the AESOP II Loan Agreement Borrowing

Base as of such date, all amounts receivable, as of such date, by AESOP Leasing II from such DBRS Non-Investment Grade Manufacturer and (2) the DBRS Excluded Manufacturer Receivable Specified Percentage for such DBRS Non-Investment Grade Manufacturer as of such date over (y) the sum of the following amounts with respect to each DBRS Non-Investment Grade Manufacturer as of such date: the product of (i) the aggregate Net Book Value of any Vehicles subject to a Manufacturer Program from such Manufacturer that have had a Turnback Date but for which (A) AESOP Leasing II or its Permitted Nominee continues to be named as the owner of the Vehicle on the Certificate of Title for such Vehicle and (B) AESOP Leasing II or its agent continues to hold the Certificate of Title for such Vehicle and (ii) the DBRS Turnback Vehicle Specified Percentage for such DBRS Non-Investment Grade Manufacturer as of such date.

“Affected Party” means any Non-Conduit Purchaser, CP Conduit Purchaser and any Program Support Provider with respect to any CP Conduit Purchaser.

“Alternate Base Rate” means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus ½ of 1% and (c) the LIBO Rate in effect on such date plus 1%. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the LIBO Rate shall be effective from and including the effective day of such change in the Prime Rate, the Federal Funds Effective Rate or the LIBO Rate, respectively.

“Anti-Corruption Laws” means all laws, rules, and regulations of any jurisdiction applicable to ABCR or its Affiliates from time to time concerning or relating to bribery or corruption.

“APA Bank” means, with respect to a CP Conduit Purchaser, each bank or other Person set forth opposite the name of such CP Conduit Purchaser on Schedule I or in the Purchaser Group Supplement pursuant to which such CP Conduit Purchaser became a party to this Supplement and any assignee thereof, to the extent such assignee has assumed all or a portion of the Commitments of an APA Bank pursuant to a Transfer Supplement entered into in accordance with Section 11.1(c).

“APA Bank Funded Amount” means, with respect to any CP Conduit Purchaser Group for any day, the excess, if any, of the Purchaser Group Invested Amount with respect to such CP Conduit Purchaser Group over the CP Conduit Funded Amount with respect to such CP Conduit Purchaser Group for such day.

“APA Bank Participants” is defined in Section 11.1(d).

“APA Bank Percentage” means, with respect to any APA Bank, the percentage set forth opposite the name of such APA Bank on Schedule I or the Transfer Supplement or the Purchaser Group Supplement pursuant to which such APA Bank became a party to this Supplement.

“Applicable Margin” is defined in the Fee Letter.

“ARAC” means Avis Rent A Car System, LLC.

3.4. “Article VII Costs” means any amounts due pursuant to Article VII and any interest accrued on such amounts pursuant to Section 3.4.

“Asset Purchase Agreement” means, with respect to any CP Conduit Purchaser, the asset purchase agreement, liquidity agreement or other agreement among such CP Conduit Purchaser, the Funding Agent with respect to such CP Conduit Purchaser and the APA Bank with respect to such CP Conduit Purchaser, as amended, modified or supplemented from time to time.

“Available APA Bank Funding Amount” means, with respect to any CP Conduit Purchaser Group for any Business Day, the sum of (i) the portion of such CP Conduit Purchaser Group’s Commitment Percentage of the Class A Initial Invested Amount not to be funded by such CP Conduit Purchaser Group by issuing Commercial Paper if such Business Day is the Series 2010-6 Closing Date, (ii) the portion of the APA Bank Funded Amount with respect to such CP Conduit Purchaser Group not allocated to a Eurodollar Tranche on such Business Day, (iii) the portion of the APA Bank Funded Amount with respect to such CP Conduit Purchaser Group allocated to any Eurodollar Tranche the Eurodollar Period in respect of which expires on such Business Day and (iv) the portion of such CP Conduit Purchaser Group’s Purchaser Group Increase Amount for such Business Day not to be funded by such CP Conduit Purchaser Group by issuing Commercial Paper.

“Available CP Funding Amount” means, with respect to any CP Conduit Purchaser Group for any Business Day, the sum of (i) the portion of such CP Conduit Purchaser Group’s Commitment Percentage of the Class A Initial Invested Amount to be funded by such CP Conduit Purchaser Group by issuing Commercial Paper if such Business Day is the Series 2010-6 Closing Date, (ii) the portion of the CP Conduit Funded Amount with respect to such CP Conduit Purchaser Group allocated to any CP Tranche, the CP Rate Period in respect of which expires on such Business Day and (iii) the portion of such CP Conduit Purchaser Group’s Purchaser Group Increase Amount for such Business Day to be funded by such CP Conduit Purchaser Group by issuing Commercial Paper.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

“Bail-In Legislation” means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

“Bank Accounts” is defined in Section 11.16(f).

“Basel II” means the revised Basel Accord prepared by the Basel Committee on Banking Supervision as set out in the publication entitled “International Convergence of Capital Measurements and Capital Standards: a Revised Framework,” as updated from time to time, and any rules, regulations, guidance, requests, interpretations or directives from any Official Body relating thereto (whether or not having the force of law).

“Basel III” means the revised Basel Accord prepared by the Basel Committee on Banking Supervision as set out in the publication entitled “A Global Regulatory Framework for More Resilient Banks and Banking Systems,” as updated from time to time, and any rules, regulations, guidance, requests, interpretations or directives from any Official Body relating thereto (whether or not having the force of law).

“Benefited Purchaser Group” is defined in Section 11.3(a).

“Board” means the Board of Governors of the Federal Reserve System or any successor thereto.

“BRAC” means Budget Rent A Car System, Inc.

“Business Day” means any day other than (a) a Saturday or a Sunday or (b) a day on which banking institutions in New York, New York, Charlotte, North Carolina, Chicago, Illinois or the city in which the corporate trust office of the Trustee is located are authorized or obligated by law or executive order to close.

“Certificate of Lease Deficit Demand” means a certificate substantially in the form of Annex A to any Series 2010-6 Letter of Credit.

“Certificate of Termination Date Demand” means a certificate substantially in the form of Annex D to any Series 2010-6 Letter of Credit.

“Certificate of Termination Demand” means a certificate substantially in the form of Annex C to any Series 2010-6 Letter of Credit.

“Certificate of Unpaid Demand Note Demand” means a certificate substantially in the form of Annex B to any Series 2010-6 Letter of Credit.

“Change in Control” means (a) ABG shall at any time cease to own or control, directly or indirectly, greater than 50% of the Voting Stock of ABCR, ARAC or BRAC or (b) either ABRCF or AESOP Leasing is no longer indirectly wholly-owned by ABCR.

“Change in Law” means (a) any law, rule or regulation or any change therein or in the interpretation or application thereof (whether or not having the force of law), in each case, adopted, issued or occurring after February 15, 2008, (b) any request, guideline or directive (whether or not having the force of law) from any government or political subdivision or agency, authority, bureau, central bank, commission, department or instrumentality thereof, or any court, tribunal, grand jury or arbitrator, or any accounting board or authority (whether or not part of government) which is responsible for the establishment or interpretation of national or international accounting principles, in each case, whether foreign or domestic (each an “Official Body”) charged with the administration, interpretation or application thereof, or the compliance with any request or directive of any Official Body (whether or not having the force of law) made, issued or occurring after the Series 2010-6 Closing Date or (c) the compliance with, or application or implementation of, any

of the foregoing or Basel II and/or Basel III by an Affected Party after the Series 2010-6 Closing Date.

“Claim” is defined in Section 2.8.

“Class” means a class of the Series 2010-6 Notes, which may be the Class A Notes or the Class R Notes.

“Class A Controlled Distribution Amount” means, with respect to any Related Month during the Series 2010-6 Controlled Amortization Period, an amount equal to the excess of (x) one-third of the Class A Invested Amount on the Scheduled Expiry Date (after giving effect to any Increase or Decrease on the Scheduled Expiry Date) over (y) the aggregate amount of any Decreases made during such Related Month pursuant to Section 2.5.

“Class A Initial Invested Amount” has the meaning specified in Section 2.3(a).

“Class A Invested Amount” means, on any date of determination, the sum of the Purchaser Group Invested Amounts with respect to each of the Purchaser Groups on such date.

“Class A Maximum Invested Amount” means, on any date of determination, the sum of the Maximum Purchaser Group Invested Amounts with respect to each of the Purchaser Groups on such date. The Class A Maximum Invested Amount shall be reduced by the Maximum Purchaser Group Invested Amount of each Non-Extending Purchaser Group on the Scheduled Expiry Date with respect to such Purchaser Group.

“Class A Note” means any one of the Series 2010-6 Variable Funding Rental Car Asset Backed Notes, Class A, executed by ABCRF and authenticated by or on behalf of the Trustee, substantially in the form of Exhibit A-1.

“Class A Noteholder” means a Person in whose name a Class A Note is registered in the Note Register.

“Class A Senior Monthly Interest” means, with respect to any Series 2010-6 Interest Period, an amount equal to the product of (a) the average daily Class A Invested Amount during such Series 2010-6 Interest Period, (b) the Class A Senior Note Rate for such Series 2010-6 Interest Period and (c) the number of days in such Series 2010-6 Interest Rate Period divided by 360.

“Class A Senior Monthly Interest Shortfall” has the meaning specified in Section 3.3(f).

“Class A Senior Note Rate” means for any Series 2010-6 Interest Period, the interest rate equal to the product of (a) the percentage equivalent of a fraction, the numerator of which is equal to the sum of the Senior Monthly Funding Costs with respect to each Purchaser Group for such Series 2010-6 Interest Period and the denominator of which is equal to the average daily Class A Invested Amount during such Series 2010-6 Interest Period and (b) a fraction, the numerator of which is 360 and the denominator of which is the number of days in such Series 2010-6 Interest

Period; provided, however, that the Class A Senior Note Rate will in no event be higher than the maximum rate permitted by applicable law.

“Class R Controlled Distribution Amount” means, with respect to any Related Month during the Series 2010-6 Controlled Amortization Period, an amount equal to (1) if the Class A Invested Amount is greater than \$0 as of the Distribution Date with respect to such Related Month, \$0 and (2) if the Class A Invested Amount has been reduced to \$0 as of the Distribution Date with respect to such Related Month, the Class R Invested Amount as of the last day of such Related Month.

“Class R Initial Invested Amount” has the meaning specified in Section 2.3(a).

“Class R Invested Amount” means, as of any date of determination, (a) when used with respect to the A&R Effective Date, the Class R Initial Invested Amount and (b) when used with respect to any other date, an amount equal to (i) the Class R Invested Amount on the immediately preceding Business Day plus (ii) the Increase Amount with respect to the Class R Notes on such date minus (iii) the amount of principal payments made on the Class R Notes pursuant to Section 3.5(e)(ii) or Section 3.5(f) on such date.

“Class R Maximum Invested Amount” means, with respect to any Committed Note Purchaser, the amount set forth opposite the name of such Committed Note Purchaser on Schedule I or in the Class R Supplement pursuant to which such Committed Note Purchaser became a party to this Supplement, as such amount may be increased from time to time as provided in Section 2.6.

“Class R Monthly Interest” means, with respect to any Series 2010-6 Interest Period, an amount equal to the product of (a) the average daily Class R Invested Amount during such Series 2010-6 Interest Period, (b) the Class R Note Rate for such Series 2010-6 Interest Period and (c) the number of days in such Series 2010-6 Interest Rate Period (assuming a 360-day year consisting of twelve 30-day months) divided by 360.

“Class R Monthly Interest Shortfall” is defined in Section 3.3(j).

“Class R Note” means any one of the Series 2010-6 Variable Funding Rental Car Asset Backed Notes, Class R, executed by ABRCF and authenticated by or on behalf of the Trustee, substantially in the form of Exhibit A-2.

“Class R Note Rate” means 5.85%.

“Class R Noteholder” means a Person in whose name a Class R Note is registered in the Note Register.

“Class R Supplement” is defined in Section 11.1(a).

“Commercial Paper” means, with respect to any CP Conduit Purchaser, the promissory notes issued by, or for the benefit of, such CP Conduit Purchaser in the commercial paper market.

“Committed Note Purchasers” means each entity listed as such on Schedule I or in the Class R Supplement pursuant to which such entity became a party to this Supplement.

“Commitment” means, with respect to (a) the APA Banks included in any CP Conduit Purchaser Group, the obligation of such APA Banks to purchase a Class A Note on the A&R Effective Date and, thereafter, to maintain and, subject to certain conditions, increase the Purchaser Group Invested Amount with respect to such CP Conduit Purchaser Group, in each case, in an amount up to the Maximum Purchaser Group Invested Amount with respect to such CP Conduit Purchaser Group, (b) any Non-Conduit Purchaser Group, the obligation of the Related Non-Conduit Purchaser to purchase a Class A Note on the A&R Effective Date and, thereafter, to maintain and, subject to certain conditions, increase the Purchaser Group Invested Amount with respect to such Non-Conduit Purchaser Group, in each case, in an amount up to the Maximum Purchaser Group Invested Amount with respect to such Non-Conduit Purchaser Group or (c) any Committed Note Purchaser, the obligation of the Committed Note Purchaser to purchase a Class R Note on the A&R Effective Date in an amount equal to \$93,775,000 and, thereafter, to maintain and, subject to certain conditions, increase the Class R Invested Amount with respect to such Committed Note Purchaser, in each case, in an amount that satisfies the Retention Test on the applicable Increase Date, up to the Class R Maximum Invested Amount with respect to such Committed Note Purchaser.

“Commitment Amount” means, (A) with respect to the APA Banks included in any CP Conduit Purchaser Group, an amount equal to 102% of the Maximum Purchaser Group Invested Amount with respect to such CP Conduit Purchaser Group or (B) with respect to any Non-Conduit Purchaser, an amount equal to the Maximum Purchaser Group Invested Amount with respect to such Non-Conduit Purchaser.

“Commitment Fee” is defined in Section 2.7(e).

“Commitment Fee Rate” is defined in the Fee Letter.

“Commitment Percentage” means, on any date of determination, with respect to any Purchaser Group, the ratio, expressed as a percentage, which such Purchaser Group’s Maximum Purchaser Group Invested Amount bears to the Class A Maximum Invested Amount on such date.

“Company indemnified person” is defined in Section 2.8.

“Conduit Assignee” means, with respect to any CP Conduit Purchaser, any commercial paper conduit administered by the Funding Agent with respect to such CP Conduit Purchaser and designated by such Funding Agent to accept an assignment from such CP Conduit Purchaser of the Purchaser Group Invested Amount or a portion thereof with respect to such CP Conduit Purchaser pursuant to Section 11.1(b).

“Confirmation Condition” means, with respect to any Bankrupt Manufacturer which is a debtor in Chapter 11 Proceedings, a condition that shall be satisfied upon the bankruptcy court having competent jurisdiction over such Chapter 11 Proceedings issuing an order that remains in effect approving (i) the assumption of such Bankrupt Manufacturer’s Manufacturer Program (and the related Assignment Agreements) by such Bankrupt Manufacturer or the trustee in bankruptcy

of such Bankrupt Manufacturer under Section 365 of the Bankruptcy Code and at the time of such assumption, the payment of all amounts due and payable by such Bankrupt Manufacturer under such Manufacturer Program and the curing of all other defaults by the Bankrupt Manufacturer thereunder or (ii) the execution, delivery and performance by such Bankrupt Manufacturer of a new post-petition Manufacturer Program (and the related assignment agreements) on the same terms and covering the same Vehicles as such Bankrupt Manufacturer's Manufacturer Program (and the related Assignment Agreements) in effect on the date such Bankrupt Manufacturer became subject to such Chapter 11 Proceedings and, at the time of the execution and delivery of such new post-petition Manufacturer Program, the payment of all amounts due and payable by such Bankrupt Manufacturer under such Manufacturer Program and the curing of all other defaults by the Bankrupt Manufacturer thereunder; provided that notwithstanding the foregoing, the Confirmation Condition shall be deemed satisfied until the 90th calendar day following the initial filing in respect of such Chapter 11 Proceedings.

“Consent” is defined in Article V.

“Consent Period Expiration Date” is defined in Article V.

“Contingent Monthly Funding Costs” means, with respect to each Series 2010-6 Interest Period and any Purchaser Group, the excess, if any, of (i) the Monthly Funding Costs of such Purchaser Group for such Series 2010-6 Interest Period over (ii) an amount equal to the sum for each day during such Series 2010-6 Interest Period of the product of (x) the Purchaser Group Invested Amount with respect to such Purchaser Group on such day and (y) the sum of the Applicable Margin with respect to the Floating Tranche on any date that an Amortization Event shall have occurred and be continuing and the rate appearing on Reuters Screen LIBOR01 Page (or any successor or substitute page of such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent or any Purchaser Group from time to time in accordance with its customary practices for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) for a term of thirty (30) days at approximately 11:00 a.m. (London time) on such day, or if such day is not a London Banking Day, the immediately preceding London Banking Day, divided by 360.

“Contingent Monthly Funding Costs Shortfall” is defined in Section 3.3(h).

“CP Conduit Funded Amount” means, with respect to any CP Conduit Purchaser Group for any day, the portion of the Purchaser Group Invested Amount with respect to such CP Conduit Purchaser Group funded by such CP Conduit Purchaser Group through the issuance of Commercial Paper outstanding on such day.

“CP Conduit Purchaser” means each commercial paper conduit listed on Schedule I or party to a Purchaser Group Supplement pursuant to which such commercial paper conduit became a party to this Supplement

“CP Conduit Purchaser Group” means, collectively, a CP Conduit Purchaser and the APA Banks with respect to such CP Conduit Purchaser.

“CP Rate Period” means, with respect to any CP Tranche, a period of days not to exceed 270 days commencing on a Business Day selected in accordance with Section 2.7(b); provided that (x) if a CP Rate Period would end on a day that is not a Business Day, such CP Rate Period shall end on the next succeeding Business Day and (y) during the Series 2010-6 Controlled Amortization Period and the Series 2010-6 Rapid Amortization Period, each CP Rate Period shall end on or prior to the next succeeding Distribution Date.

“CP Tranche” means, with respect to a Match Funding CP Conduit Purchaser, a portion of the CP Conduit Funded Amount with respect to such Match Funding CP Conduit Purchaser for which the Monthly Funding Costs with respect to such Match Funding CP Conduit Purchaser is calculated by reference to a particular Discount and a particular CP Rate Period.

“Credit Agreement” means the Fifth Amended and Restated Credit Agreement, dated as of February 13, 2018, among Avis Budget Holdings, LLC, as Borrower, ABCR, as Borrower, the subsidiary borrowers referred to therein, the several lenders referred to therein, JPMorgan Chase, as Administrative Agent, Deutsche Bank Securities Inc., as Syndication Agent, each of Citibank, N.A., Bank of America, N.A., Barclays Bank PLC and Credit Agricole Corporate and Investment Bank, as Co-Documentation Agents, as amended, restated, modified, supplemented or waived from time to time in accordance with its terms.

“CRR” means Articles 404-410 of the Capital Requirements Regulation No. 575/2013 of the European Parliament and of the Council of 26 June 2013 and any related guidelines and regulatory technical standards or implementing technical standards published by the European Banking Authority and adopted by the European Commission.

“DBRS” means DBRS, Inc.

“DBRS Equivalent Rating” means, with respect to any Person not rated by DBRS, (i) if such Person is rated by all three of Moody’s, Standard & Poor’s and Fitch Ratings, Ltd. (together, the “Equivalent Rating Agencies”), either (A) if at least two Equivalent Rating Agencies have provided equivalent long-term senior unsecured debt ratings with respect to such Person, the DBRS equivalent of such equivalent ratings (regardless of any rating from the other Equivalent Rating Agency) or (B) otherwise, the median of the DBRS equivalents of the long-term senior unsecured debt ratings for such Person provided by each of the three Equivalent Rating Agencies, (ii) if such Person is rated by any two of the Equivalent Rating Agencies, the DBRS equivalent of the lower of the long-term senior unsecured debt ratings for such Person provided by the relevant Equivalent Rating Agencies or (iii) if such Person is rated by only one of the Equivalent Rating Agencies, the DBRS equivalent of the long-term senior unsecured debt rating for such Person provided by such Equivalent Rating Agency.

“DBRS Excluded Manufacturer Amount” means, as of any date of determination, an amount equal to the excess, if any, of (x) the sum of the following amounts with respect to each DBRS Non-Investment Grade Manufacturer as of such date: the product of (i) to the extent such amounts are included in the calculation of AESOP I Operating Lease Loan Agreement Borrowing Base as of such date, all amounts receivable as of such date by AESOP Leasing or the Intermediary from such DBRS Non-Investment Grade Manufacturer and (ii) the DBRS Excluded Manufacturer

Receivable Specified Percentage for such DBRS Non-Investment Grade Manufacturer as of such date over (y) the sum of the following amounts with respect to each DBRS Non-Investment Grade Manufacturer as of such date: the product of (i) the aggregate Net Book Value of any Vehicles subject to a Manufacturer Program from such Manufacturer that have had a Turnback Date but for which (A) AESOP Leasing or its Permitted Nominee continues to be named as the owner of the Vehicle on the Certificate of Title for such Vehicle and (B) AESOP Leasing or its agent continues to hold the Certificate of Title for such Vehicle and (ii) the DBRS Turnback Vehicle Specified Percentage for such DBRS Non-Investment Grade Manufacturer as of such date.

“DBRS Excluded Manufacturer Receivable Specified Percentage” means, as of any date of determination, with respect to each DBRS Non-Investment Grade Manufacturer as of such date, the percentage (not to exceed 100%) most recently specified in writing by DBRS to ABRCF and the Trustee and consented to by the Requisite Noteholders with respect to such DBRS Non-Investment Grade Manufacturer; provided, however, that as of the A&R Effective Date the DBRS Excluded Manufacturer Receivable Specified Percentage for each DBRS Non-Investment Grade Manufacturer shall be 100%; provided, further, that the initial DBRS Excluded Manufacturer Receivable Specified Percentage with respect to any Manufacturer that becomes a DBRS Non-Investment Grade Manufacturer after the A&R Effective Date shall be 100%.

“DBRS Non-Investment Grade Manufacturer” means, as of any date of determination, any Manufacturer that (i) is not a Bankrupt Manufacturer and (ii) does not have a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) of at least “BBB (low)”; provided that any Manufacturer whose long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, its DBRS Equivalent Rating) is downgraded from at least “BBB (low)” to below “BBB (low)” after the A&R Effective Date shall not be deemed a DBRS Non-Investment Grade Manufacturer until the thirtieth (30th) calendar day following such downgrade.

“DBRS Turnback Vehicle Specified Percentage” means, as of any date of determination: (i) with respect to each Manufacturer that has a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) on such date of determination of at least “BB (low)” but less than “BBB (low)”, 65%; (ii) with respect to each Manufacturer that has a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) on such date of determination of at least “B (low)” but less than “BB (low)”, 25%; and (iii) with respect to each Manufacturer that has a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) on such date of determination of “CCC (high)” or below (or is not rated by DBRS or any Equivalent Rating Agency on such date of determination), 0%; provided that any Manufacturer whose long-term senior unsecured debt rating from DBRS is downgraded after the A&R Effective Date (or, if such Manufacturer is not rated by DBRS, its DBRS Equivalent Rating is lowered as a result of such Manufacturer being downgraded by an Equivalent Rating Agency after the A&R Effective Date) shall be deemed to retain its long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, its DBRS Equivalent Rating) in effect immediately prior to such downgrade until the thirtieth (30th) calendar day following such downgrade.

“Decrease” is defined in Section 2.5(a).

“Deferrable Increase Notice” means a notice of Increase that provides that a Delayed Funding Notice may be provided by any Purchaser Group with respect to such Increase in accordance with Section 2.3(e).

“Delayed Amount” is defined in Section 2.3(e).

“Delayed Funding Date” is defined in Section 2.3(e).

“Delayed Funding Notice” is defined in Section 2.3(e).

“Delayed Funding Purchaser Group” is defined in Section 2.3(e).

“Delayed Funding Reimbursement Amount” means, with respect to any Delayed Amount of a Delayed Funding Purchaser Group funded by Non-Delayed Funding Purchaser Groups on an Increase Date, an amount equal to the excess, if any, of (a) such Delayed Amount over (b) the amount, if any, by which the portion of any principal payment made by ABRCF to such Non-Delayed Funding Purchaser Group pursuant to Section 2.5, Section 2.6 or Section 3.5 on any date during the period from and including such Increase Date to but excluding the Delayed Funding Date for such Delayed Amount, was greater than what it would have been had such Delayed Amount been funded by such Delayed Funding Purchaser Group on such Increase Date.

“Demand Note Issuer” means each issuer of a Series 2010-6 Demand Note.

“Demand Note Preference Payment Amount” means, as of any day, (i) the aggregate amount of all proceeds of demands made on the Series 2010-6 Demand Notes pursuant to Section 3.5(c)(iii) or 3.5(d)(ii) that were deposited into the Series 2010-6 Distribution Account and paid to the Series 2010-6 Noteholders during the one-year period ending on such day; provided, however, that if an Event of Bankruptcy (or the occurrence of an event described in clause (a) of the definition thereof, without the lapse of a period of 60 consecutive days) with respect to a Demand Note Issuer shall have occurred during such one-year period, the Demand Note Preference Payment Amount as of such day shall equal the Demand Note Preference Payment Amount as if it were calculated as of the date of such occurrence minus (ii) the aggregate amount withdrawn from the Series 2010-6 Reserve Account or the Series 2010-6 Cash Collateral Account and paid to a Funding Agent pursuant to Section 3.7(e) on account of a Preference Amount.

“Designated Amounts” is defined in Article V.

“Disbursement” means any Lease Deficit Disbursement, any Unpaid Demand Note Disbursement, any Termination Date Disbursement or any Termination Disbursement under a Series 2010-6 Letter of Credit, or any combination thereof, as the context may require.

“Discount” means, (a) with respect to any Match Funding CP Conduit Purchaser, the interest or discount component of the Commercial Paper issued by, or for the benefit of, such Match Funding CP Conduit Purchaser to fund or maintain the CP Conduit Funded Amount with respect to such Match Funding CP Conduit Purchaser, including an amount equal to the portion of

the face amount of the outstanding Commercial Paper issued to fund or maintain the CP Conduit Funded Amount with respect to such CP Conduit Purchaser that corresponds to the portion of the proceeds of such Commercial Paper that was used to pay the interest or discount component of maturing Commercial Paper issued to fund or maintain such CP Conduit Funded Amount, to the extent that such CP Conduit Purchaser has not received payments of interest in respect of such interest component prior to the maturity date of such maturing Commercial Paper, and including the portion of such interest or discount component constituting dealer or placement agent commissions and (b) with respect to any Pooled Funding CP Conduit Purchaser, the amount of interest or discount to accrue on or in respect of the Commercial Paper issued by, or for the benefit of, such Pooled Funding CP Conduit Purchaser allocated, in whole or in part, by the Funding Agent with respect to such Pooled Funding CP Conduit Purchaser, to fund the purchase or maintenance of the CP Conduit Funded Amount with respect to such Pooled Funding CP Conduit Purchaser (including, without limitation, any interest attributable to the commissions of placement agents and dealers in respect of such Commercial Paper and any costs associated with funding small or odd-lot amounts, to the extent that such commissions or costs are allocated, in whole or in part, to such Commercial Paper by such Funding Agent).

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Effective Date” is defined in Section 6.1.

“Eligible Assignee” means a financial institution having short-term debt ratings of at least “A-1” from Standard & Poor’s and “P-1” from Moody’s.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

“Eurodollar Period” means, with respect to any Eurodollar Tranche and any CP Conduit Purchaser Group:

(a) initially, the period commencing on the Series 2010-6 Closing Date, the Increase Date or a conversion date, as the case may be, with respect to such Eurodollar Tranche and ending one month thereafter (or such other period which is acceptable to the

Funding Agent with respect to such CP Conduit Purchaser Group and which in no event will be less than 7 days); and

(b) thereafter, each period commencing on the last day of the immediately preceding Eurodollar Period applicable to such Eurodollar Tranche and ending one month thereafter (or such other period which is acceptable to the Funding Agent with respect to such CP Conduit Purchaser Group and which in no event will be less than 7 days);

provided that all Eurodollar Periods must end on the next Distribution Date and all of the foregoing provisions relating to Eurodollar Periods are subject to the following:

(i) if any Eurodollar Period would otherwise end on a day that is not a Business Day, such Eurodollar Period shall be extended to the next succeeding Business Day unless the result of such extension would be to carry such Eurodollar Period into another calendar month, in which event such Eurodollar Period shall end on the immediately preceding Business Day; and

(ii) any Eurodollar Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Eurodollar Period) shall end on the last Business Day of the calendar month at the end of such Eurodollar Period.

“Eurodollar Tranche” means, with respect to any CP Conduit Purchaser Group, a portion of the APA Bank Funded Amount with respect to such CP Conduit Purchaser Group allocated to a particular Eurodollar Period and an Adjusted LIBO Rate determined by reference thereto.

“Excess Collections” is defined in Section 3.3(e)(i).

“Excluded Taxes” means, with respect to the Administrative Agent, any Non-Conduit Purchaser, any CP Conduit Purchaser, any Committed Note Purchaser, any APA Bank, any Funding Agent, any Program Support Provider or any other recipient of any payment to be made by or on account of any obligation of ABRCF hereunder, (a) income or franchise taxes imposed on (or measured by) its net income by the United States of America or by any other Governmental Authority, in each case, as a result of a present or former connection between the United States of America or the jurisdiction of such Governmental Authority imposing such tax, as the case may be, and the Administrative Agent, such Non-Conduit Purchaser, such CP Conduit Purchaser, such Committed Note Purchaser, such APA Bank, such Funding Agent, such Program Support Provider or any other such recipient (except a connection arising solely from the Administrative Agent’s, such Non-Conduit Purchaser’s, such CP Conduit Purchaser’s, such Committed Note Purchaser’s, such APA Bank’s, such Program Support Provider’s or such recipient’s having executed, delivered or performed its obligations hereunder, receiving a payment hereunder or enforcing the Series 2010-6 Notes) and (b) any branch profits tax imposed by the United States of America or any similar tax imposed by any other jurisdiction in which ABRCF is located (except any such branch profits or similar tax imposed as a result of a connection with the United States of America or other jurisdiction as a result of a connection arising solely from the Administrative

Agent's, such Non-Conduit Purchaser's, such CP Conduit Purchaser's, such Committed Note Purchaser's, such APA Bank's, such Program Support Provider's or such recipient's having executed, delivered or performed its obligations hereunder, receiving a payment hereunder or enforcing the Series 2010-6 Notes).

"Expiry Date" means, with respect to any Purchaser Group, the earlier of (a) the Scheduled Expiry Date with respect to such Purchaser Group and (b) the date on which an Amortization Event with respect to the Series 2010-6 Notes shall have been declared or automatically occurred.

"Extending Purchaser Group" means a Purchaser Group other than a Non-Extending Purchaser Group.

"FATCA" shall mean The Foreign Account Tax Compliance Act as contained in Sections 1471 through 1474 of the Code, as amended, along with any regulations or official interpretations thereof and any agreement (including any intergovernmental agreement or any law implementing such intergovernmental agreement) entered into in connection therewith.

"Federal Funds Effective Rate" means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day of such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

"Fee Letter" means the letter dated the A&R Effective Date, from ABRCF addressed to the Administrative Agent, each Non-Conduit Purchaser and each of the CP Conduit Purchasers, the Funding Agents and the APA Banks, setting forth certain fees payable from time to time to the Purchaser Groups, as such letter may be amended or replaced from time to time.

"Finance Guide" means the Black Book Official Finance/Lease Guide.

"Fitch" means Fitch Ratings, Inc.

"Floating Tranche" means, with respect to any CP Conduit Purchaser Group, the portion of the APA Bank Funded Amount with respect to such CP Conduit Purchaser Group not allocated to a Eurodollar Tranche.

"Funding Agent" means, with respect to each CP Conduit Purchaser and its CP Conduit Purchaser Group, the agent bank set forth opposite the name of such CP Conduit Purchaser on Schedule I or in the Purchaser Group Supplement pursuant to which such CP Conduit Purchaser became a party to this Supplement.

"Inclusion Date" means, with respect to any Vehicle, the date that is three months after the earlier of (i) the date such Vehicle became a Redesignated Vehicle and (ii) if the

Manufacturer of such Vehicle is a Bankrupt Manufacturer, the date upon which the Event of Bankruptcy which caused such Manufacturer to become a Bankrupt Manufacturer first occurred.

“Increase” is defined in Section 2.3(a).

“Increase Amount” is defined in Section 2.3(a).

“Increase Date” is defined in Section 2.3(a).

“Indemnified Taxes” means Taxes other than Excluded Taxes.

“Interest Rate Cap Counterparty” means ABRCF’s counterparty under a Series 2010-6 Interest Rate Cap.

“JPMorgan Chase” is defined in the recitals hereto.

“Lease Deficit Disbursement” means an amount drawn under a Series 2010-6 Letter of Credit pursuant to a Certificate of Lease Deficit Demand.

“LIBO Rate” means, (i) the greater of 0% and (ii) (a) with respect to each day during each Eurodollar Period pertaining to a Eurodollar Tranche, the rate appearing on Reuters Screen LIBOR01 Page (or on any successor or substitute page of such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent from time to time in accordance with its customary practices for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) at approximately 11:00 a.m. (London time) on the second London Banking Day prior to the commencement of such Eurodollar Period, as the rate for dollar deposits with a maturity comparable to the Eurodollar Period applicable to such Eurodollar Tranche, (b) other than with respect to a LIBOR Funding CP Conduit Purchaser, with respect to each day during a Series 2010-6 Interest Period the rate appearing on Reuters Screen LIBOR01 Page (or on any successor or substitute page of such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent or any Funding Agent with respect to any Non-Conduit Purchaser, as applicable, from time to time in accordance with its customary practices for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) for a term of thirty (30) days at approximately 11:00 a.m. (London time) on such day, or if such day is not a London Banking Day, the immediately preceding London Banking Day or (c) with respect to a LIBOR Funding CP Conduit Purchaser and each day during a Series 2010-6 Interest Period the rate appearing on Reuters Screen LIBOR01 Page (or on any successor or substitute page of such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by such LIBOR Funding CP Conduit Purchaser, from time to time in accordance with its customary practices for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) for a term of three months at approximately 11:00 a.m. (London time) on such day, or if such day is not a London Banking Day, the immediately preceding London Banking Day; provided, however, that a Non-Conduit Purchaser may in its sole discretion, but only to the extent it is in accordance with its customary practices, determine the daily LIBO Rate for a period not to exceed seven days on the first day of such period

(or, if such day is not a London Banking Day, the immediately preceding London Banking Day) in accordance with the procedure set forth above; provided further that if a Funding Agent with respect to a LIBOR Funding CP Conduit Purchaser is for any reason unable to determine the LIBO Rate in the foregoing manner, the LIBO Rate for such day shall be the Alternate Base Rate for such day.

“LIBOR Funding CP Conduit Purchaser” means each CP Conduit Purchaser that is designated as such on Schedule I or in the Purchaser Group Supplement pursuant to which such CP Conduit Purchaser became a party to this Supplement.

“LOC Pro Rata Share” means, with respect to any Series 2010-6 Letter of Credit Provider as of any date, the fraction (expressed as a percentage) obtained by dividing (A) the available amount under such Series 2010-6 Letter of Credit Provider’s Series 2010-6 Letter of Credit as of such date by (B) an amount equal to the aggregate available amount under all Series 2010-6 Letters of Credit as of such date; provided that only for purposes of calculating the LOC Pro Rata Share with respect to any Series 2010-6 Letter of Credit Provider as of any date, if such Series 2010-6 Letter of Credit Provider has not complied with its obligation to pay the Trustee the amount of any draw under its Series 2010-6 Letter of Credit made prior to such date, the available amount under such Series 2010-6 Letter of Credit Provider’s Series 2010-6 Letter of Credit as of such date shall be treated as reduced (for calculation purposes only) by the amount of such unpaid demand and shall not be reinstated for purposes of such calculation unless and until the date as of which such Series 2010-6 Letter of Credit Provider has paid such amount to the Trustee and been reimbursed by the Lessee or the applicable Demand Note Issuer, as the case may be, for such amount (provided that the foregoing calculation shall not in any manner reduce the undersigned’s actual liability in respect of any failure to pay any demand under its Series 2010-6 Letter of Credit).

“London Banking Day.” means any business day on which dealings in deposits in United States dollars are transacted in the London interbank market.

“Market Value Average” means, as of any day, the percentage equivalent of a fraction, the numerator of which is the average of the Selected Fleet Market Value as of the preceding Determination Date and the two Determination Dates precedent thereto and the denominator of which is the sum of (a) the average of the aggregate Net Book Value of all Non-Program Vehicles (excluding (i) any Unaccepted Program Vehicles, (ii) any Excluded Redesignated Vehicles and (iii) any other Non-Program Vehicles that are subject to a Manufacturer Program with an Eligible Non-Program Manufacturer with respect to which no Manufacturer Event of Default has occurred and is continuing) and (b) the average of the aggregate Adjusted Net Book Value of all Adjusted Program Vehicles, in the case of each of clause (a) and (b) leased under the AESOP I Operating Lease and the Finance Lease as of the preceding Determination Date and the two Determination Dates precedent thereto.

“Match Funding CP Conduit Purchaser” means each CP Conduit Purchaser that is designated as such on Schedule I (or in the Purchaser Group Supplement pursuant to which such CP Conduit Purchaser became a party to this Supplement) or that, after the Series 2010-6 Closing Date, notifies ABRCF and the Administrative Agent in accordance with Section 2.7(d) in writing that it is funding its CP Conduit Funded Amount with Commercial Paper issued by it, or for its benefit, in specified CP Tranches selected in accordance with Sections 2.7(b) and (c) and that, in

each case, has not subsequently notified ABRCF and the Administrative Agent in writing that ABRCF will no longer be permitted to select CP Tranches in accordance with Sections 2.7(b) and (c) in respect of the CP Conduit Funded Amount with respect to such CP Conduit Purchaser.

“Maximum Purchaser Group Invested Amount” means, with respect to (a) any CP Conduit Purchaser Group, the amount set forth opposite the name of the CP Conduit Purchaser included in such CP Conduit Purchaser Group on Schedule I or in the Purchaser Group Supplement pursuant to which such CP Conduit Purchaser Group became a party to this Supplement or (b) any Non-Conduit Purchaser Group, the amount set forth opposite the name of such Non-Conduit Purchaser Group on Schedule I or in the Purchaser Group Supplement pursuant to which such Non-Conduit Purchaser Group became a party to this Supplement, in each case, as such amount may be increased or reduced from time to time as provided in Section 2.6. The Maximum Purchaser Group Invested Amount with respect to each Non-Extending Purchaser Group shall be reduced to zero on the Scheduled Expiry Date with respect to such Purchaser Group.

“Monthly Funding Costs” means, with respect to each Series 2010-6 Interest Period and:

(a) any CP Conduit Purchaser Group, the sum of:

(i) for each day during such Series 2010-6 Interest Period, (A) with respect to a Match Funding CP Conduit Purchaser, the aggregate amount of Discount accruing on all outstanding Commercial Paper issued by, or for the benefit of, such Match Funding CP Conduit Purchaser to fund the CP Conduit Funded Amount with respect to such Match Funding CP Conduit Purchaser on such day, (B) with respect to a Pooled Funding CP Conduit Purchaser, the aggregate amount of Discount accruing on or otherwise in respect of the Commercial Paper issued by, or for the benefit of, such Pooled Funding CP Conduit Purchaser allocated, in whole or in part, by the Funding Agent with respect to such Pooled Funding CP Conduit Purchaser, to fund the purchase or maintenance of the CP Conduit Funded Amount with respect to such Pooled Funding CP Conduit Purchaser or (C) with respect to a LIBOR Funding CP Conduit Purchaser, the product of (x) the CP Conduit Funded Amount with respect to such CP Conduit Purchaser Group on such day *times* (y) the LIBO Rate for such day, *divided* by (z) 360; *plus*

(ii) for each day during such Series 2010-6 Interest Period, the sum of:

(A) the product of (I) the portion of the APA Bank Funded Amount with respect to such CP Conduit Purchaser Group allocated to the Floating Tranche with respect to such CP Conduit Purchaser Group on such day *times* (II) the Alternate Base Rate *plus* the Applicable Margin on such day, *divided* by (III) 365 (or 366, as the case may be) *plus*

(B) the product of (I) the portion of the APA Bank Funded Amount with respect to such CP Conduit Purchaser Group allocated to Eurodollar Tranches with respect to such CP Conduit Purchaser Group on such day *times* (II) the weighted average Adjusted LIBO Rate with respect to such Eurodollar Tranches *plus* the

Applicable Margin on such day in effect with respect thereto *divided* by (III) 360; *plus*

(iii) for each day during such Series 2010-6 Interest Period, the product of (A) the CP Conduit Funded Amount with respect to such CP Conduit Purchaser Group on such day *times* (B) the Program Fee Rate on such day *divided* by (C) 360; or

(b) any Non-Conduit Purchaser Group, the sum for each day during such Series 2010-6 Interest Period of the product of (i) the Purchaser Group Invested Amount with respect to such Non-Conduit Purchaser Group on such day *times* (ii) the sum of (A) the LIBO Rate with respect to such day and (B) either (1) the Program Fee Rate on such day or (2) in accordance with the terms of Section 2.7(h), the Applicable Margin with respect to any Eurodollar Tranche on such day, as applicable, *divided* by (iii) 360; provided, however, that if (x) any Change in Law shall make it unlawful for any Non-Conduit Purchaser Group to fund its Purchaser Group Invested Amount at the LIBO Rate, (y) the Administrative Agent or any Non-Conduit Purchaser determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the LIBO Rate or (z) any Non-Conduit Purchaser determines that the LIBO Rate will not adequately and fairly reflect the cost to such Non-Conduit Purchaser of funding the Purchaser Group Invested Amount with respect to its Related Purchaser Group, and in each such case such Non-Conduit Purchaser Group shall have notified the Administrative Agent in writing thereof (and not subsequently notified the Administrative Agent such circumstances no longer exist), the amount of Monthly Funding Costs for each day with respect to such Non-Conduit Purchaser Group will be calculated using the sum of (1) the Alternate Base Rate and (2) the Program Fee Rate or, if the Applicable Margin with respect to any Eurodollar Tranche would otherwise be used in clause (ii) above in this clause (b), the Applicable Margin with respect to any Floating Tranche, on such day in such clause (ii) (rather than the sum of (1) the LIBO Rate and (2) the Program Fee Rate or the Applicable Margin with respect to any Eurodollar Tranche, as applicable); provided further that, notwithstanding anything herein to the contrary, on any day on which an Amortization Event shall have occurred and be continuing, the amount of Monthly Funding Costs for such day with respect to such Non-Conduit Purchaser will be calculated using the sum of (1) the Alternate Base Rate for such day and (2) the Applicable Margin with respect to any Floating Tranche on such day (rather than the sum of (1) the LIBO Rate and (2) the Program Fee Rate or the Applicable Margin with respect to any Eurodollar Tranche, as applicable).”

“Monthly Total Principal Allocation” means for any Related Month the sum of all Series 2010-6 Principal Allocations with respect to such Related Month.

“Moody’s” means Moody’s Investors Service, Inc.

“Non-Conduit Purchaser” means each financial institution or other entity (other than a commercial paper conduit, APA Bank or Funding Agent) listed on Schedule I or party to a Purchaser Group Supplement pursuant to which such financial institution or entity became a party to this Supplement.

“Non-Conduit Purchaser Group” means a Non-Conduit Purchaser.

“Non-Conduit Purchaser Participants” is defined in Section 11.1(f).

“Non-Deferrable Draw Amount” means, with respect to any Purchaser Group as of any Increase Date, an amount equal to the lesser of (i) the excess, if any, of (x) 10% of the Maximum Purchaser Group Invested Amount with respect to such Purchaser Group over (y) the portion of any Increase Amounts funded by such Purchaser Group during the preceding thirty-five (35) days pursuant to a Non-Deferrable Increase Notice or, to the extent of any decrease pursuant to Section 2.3(e) in the Delayed Amount set forth in a Delayed Funding Notice delivered by such Purchaser Group, a Deferrable Increase Notice and (ii) the excess, if any, of (x) the Maximum Purchaser Group Invested Amount with respect to such Purchaser Group over (y) the sum of (1) the Purchaser Group Invested Amount with respect to such Purchaser Group and (2) any unfunded Delayed Amounts with respect to such Purchaser Group, in each case as of such Increase Date.

“Non-Deferrable Increase Notice” means a notice of Increase that provides that a Delayed Funding Notice may not be provided by any Purchaser Group with respect to such Increase in accordance with Section 2.3(e).

“Non-Delayed Funding Purchaser Group” is defined in Section 2.3(f).

“Non-Extending Purchaser Group” means any Purchaser Group who shall not have agreed to an extension of its Scheduled Expiry Date pursuant to Section 2.6(b).

“Optional Termination Date” is defined in Section 2.5(b).

“Optional Termination Notice” is defined in Section 2.5(b).

“Other Taxes” means any and all current or future stamp or documentary taxes or other excise or property taxes, charges or similar levies arising from any payment made under this Supplement, the Base Indenture, or any Related Documents or from the execution, delivery or enforcement of, or otherwise with respect to, this Supplement, the Base Indenture or any Related Document.

“Outstanding” means, with respect to the Series 2010-6 Notes, the Series 2010-6 Invested Amount shall not have been reduced to zero and all accrued interest and other amounts owing on the Series 2010-6 Notes and to the Administrative Agent, the Funding Agents, the CP Conduit Purchasers, the Committed Note Purchasers, the APA Banks and the Non-Conduit Purchasers hereunder shall not have been paid in full.

“Past Due Rent Payment” is defined in Section 3.2(g).

“Patriot Act” is defined in Section 11.26.

“Permitted Investments” means negotiable instruments or securities maturing on or before the Distribution Date next occurring after the investment therein, payable in Dollars, issued by an entity organized under the laws of the United States of America and represented by instruments in bearer or registered or in book-entry form which evidence (i) obligations the full and timely payment of which are to be made by or is fully guaranteed by the United States of America other

than financial contracts whose value depends on the values or indices of asset values; (ii) demand deposits of, time deposits in, or certificates of deposit issued by, any depository institution or trust company incorporated under the laws of the United States of America or any state thereof whose short-term debt is rated “P-1” by Moody’s and “A-1” or higher by Standard & Poor’s and subject to supervision and examination by Federal or state banking or depository institution authorities; provided, however, that at the earlier of (x) the time of the investment and (y) the time of the contractual commitment to invest therein, the certificates of deposit or short-term deposits, if any, or long-term unsecured debt obligations (other than such obligation whose rating is based on collateral or on the credit of a Person other than such institution or trust company) of such depository institution or trust company shall have a credit rating from Standard & Poor’s of “A-1+”, in the case of certificates of deposit or short-term deposits, or a rating from Standard & Poor’s not lower than “AA”, in the case of long-term unsecured debt obligations; (iii) commercial paper having, at the earlier of (x) the time of the investment and (y) the time of the contractual commitment to invest therein, a rating from Standard & Poor’s of “A-1+” and a rating from Moody’s of “P-1”; (iv) bankers’ acceptances issued by any depository institution or trust company described in clause (ii) above; (v) investments in money market funds (x) rated “AAm” by Standard & Poor’s or otherwise approved in writing by Standard & Poor’s and (y) rated “Aaa” by Moody’s or otherwise approved in writing by Moody’s; (vi) Eurodollar time deposits having a credit rating from Standard & Poor’s of “A-1+” and a credit rating from Moody’s of at least “A3” or “P-1”; (vii) repurchase agreements involving any of the Permitted Investments described in clauses (i) and (vi) above and the certificates of deposit described in clause (ii) above which are entered into with a depository institution or trust company, having a commercial paper or short-term certificate of deposit rating of “A-1+” by Standard & Poor’s and “P-1” by Moody’s or which otherwise is approved as to collateralization by the Rating Agencies; and (viii) any other instruments or securities, if the Rating Agencies confirm in writing that the investment in such instruments or securities will not adversely affect any rating with respect to the Series 2010-6 Notes and, so long as Standard & Poor’s and/or Moody’s rates the Commercial Paper issued by any CP Conduit Purchaser, Standard & Poor’s and/or Moody’s, as applicable, confirms in writing that the investment in such instruments or securities will not adversely affect any rating of the Commercial Paper issued by any CP Conduit Purchaser whose Commercial Paper is rated by Standard & Poor’s or Moody’s, as applicable, at such time.

“Pooled Funding CP Conduit Purchaser” means each CP Conduit Purchaser that is not (x) a Match Funding CP Conduit Purchaser (or that was a Match Funding Conduit Purchaser and that, after the Series 2010-6 Closing Date, notifies ABRCF and the Administrative Agent in accordance with Section 2.7(d) in writing that ABRCF may no longer be permitted to select CP Tranches in respect to the CP Conduit Funded Amount with respect to such CP Conduit Purchaser) or (y) a LIBOR Funding CP Conduit Purchaser.

“Preference Amount” means any amount previously distributed to a member or members of a Purchaser Group on or relating to a Series 2010-6 Note that is recoverable or that has been recovered as a voidable preference by the trustee in a bankruptcy proceeding of a Demand Note Issuer pursuant to the Bankruptcy Code in accordance with a final nonappealable order of a court having competent jurisdiction.

“Pre-Preference Period Demand Note Payments” means, as of any date of determination, the aggregate amount of all proceeds of demands made on the Series 2010-6 Demand Notes included in the Series 2010-6 Demand Note Payment Amount as of the Series 2010-6 Letter of Credit Termination Date that were paid by the Demand Note Issuers more than one year before such date of determination; provided, however, that if an Event of Bankruptcy (or the occurrence of an event described in clause (a) of the definition thereof, without the lapse of a period of 60 consecutive days) with respect to a Demand Note Issuer occurs during such one-year period, (x) the Pre-Preference Period Demand Note Payments as of any date during the period from and including the date of the occurrence of such Event of Bankruptcy to and including the conclusion or dismissal of the proceedings giving rise to such Event of Bankruptcy without continuing jurisdiction by the court in such proceedings shall equal the Pre-Preference Period Demand Note Payments as of the date of such occurrence and (y) the Pre-Preference Period Demand Note Payments as of any date after the conclusion or dismissal of such proceedings shall equal the Series 2010-6 Demand Note Payment Amount as of the date of the conclusion or dismissal of such proceedings.

“Pricing Increase Notice” is defined in Section 2.7(h).

“Pricing Increase Rescission” is defined in Section 2.7(h).

“Prime Rate” means the rate of interest per annum publicly announced from time to time by JPMorgan Chase as its prime rate in effect at its principal office in New York City. Each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective.

“Principal Deficit Amount” means, on any date of determination, the excess, if any, of (i) the Class A Invested Amount on such date (after giving effect to the distribution of the Monthly Total Principal Allocation for the Related Month if such date is a Distribution Date) over (ii) the sum of (a) the Series 2010-6 AESOP I Operating Lease Loan Agreement Borrowing Base and (b) the Series 2010-6 VFN Percentage of the excess, if any, of (1) the AESOP II Loan Agreement Borrowing Base over (2) the AESOP II DBRS Excluded Manufacturer Amount on such date.

“Pro Rata Share” means, with respect to any Purchaser Group, on any date, the ratio, expressed as a percentage, which the Purchaser Group Invested Amount with respect to such Purchaser Group bears to the Class A Invested Amount on such date.

“Program Fee Rate” is defined in the Fee Letter.

“Program Support Provider” means, with respect to any CP Conduit Purchaser, the APA Bank with respect to such CP Conduit Purchaser and any other or additional Person now or hereafter extending credit, or having a commitment to extend credit to or for the account of, or to make purchases from, such CP Conduit Purchaser or issuing a letter of credit, surety bond or other instrument to support any obligations arising under or in connection with such CP Conduit Purchaser’s securitization program.

“Purchase Effective Date” is defined in Section 2.6(d).

“Purchaser Group” means a CP Conduit Purchaser Group or a Non-Conduit Purchaser Group.

“Purchaser Group Addition Date” is defined in Section 2.6(e).

“Purchaser Group Increase Amount” means, with respect to any Purchaser Group, for any Business Day, such Purchaser Group’s Commitment Percentage of the Increase Amount with respect to the Class A Notes, if any, on such Business Day.

“Purchaser Group Invested Amount” means, with respect to any Purchaser Group, (a) when used with respect to the A&R Effective Date, such Purchaser Group’s Commitment Percentage of the Class A Initial Invested Amount and (b) when used with respect to any other date, an amount equal to (i) the Purchaser Group Invested Amount with respect to such Purchaser Group on the immediately preceding Business Day plus (ii) the Purchaser Group Increase Amount with respect to such Purchaser Group on such date minus (iii) the amount of principal payments made to such Purchaser Group pursuant to Section 3.5(f) on such date plus (iv) the amount of principal payments recovered from such Purchaser Group by a trustee as a preference payment in a bankruptcy proceeding of a Demand Note Issuer or otherwise. For the avoidance of doubt, (x) so long as any Purchaser Group has failed to fund any portion of its Purchaser Group Increase Amount with respect to any Increase Date (including any Delayed Amount), such unfunded amount shall not be included in the Purchaser Group Invested Amount for such Purchaser Group unless and until such amount has been funded (including by Funding any Delayed Funding Reimbursement Amount, if applicable) and (y) any Delayed Amounts funded on an Increase Date by a Non-Delayed Funding Purchaser Group shall be included in the Purchaser Group Invested Amount for such Non-Delayed Funding Purchaser Group until the related Delayed Funding Reimbursement Amount has been funded.

“Purchaser Group Supplement” is defined in Section 11.1(e).

“Qualified Interest Rate Cap Counterparty” means a counterparty to a Series 2010-6 Interest Rate Cap that is a bank, other financial institution or Person which has, or has all of its obligations under its Series 2010-6 Interest Rate Cap guaranteed by a Person that has a long-term senior, unsecured debt, deposit, claims paying or credit (as the case may be) rating of at least “BBB” from DBRS, a long-term senior unsecured debt, deposit, claims paying or credit (as the case may be) rating of at least “Baa2” from Moody’s or a long-term senior unsecured debt, deposit, claims paying or credit (as the case may be) rating of at least “BBB” from Standard & Poor’s.

“Record Date” means, with respect to each Distribution Date, the immediately preceding Business Day.

“Reference Banks” means four major banks in the London interbank market selected by the Administrative Agent.

“Related Additional APA Banks” is defined in Section 2.6(e).

“Related Non-Conduit Purchaser” means, with respect to any Non-Conduit Purchaser Group, the Non-Conduit Purchaser that constitutes such Non-Conduit Purchaser Group.

“Related Purchaser Group” means, with respect to (a) any Funding Agent, the CP Conduit Purchaser identified next to such Funding Agent on Schedule I and each APA Bank identified on Schedule I next to such CP Conduit Purchaser or the CP Conduit Purchaser and APA Bank party to the Purchaser Group Supplement pursuant to which such Funding Agent became a party to this Supplement, (b) any CP Conduit Purchaser, the CP Conduit Purchaser Group of which such CP Conduit Purchaser is a member and (c) any Non-Conduit Purchaser, the Non-Conduit Purchaser Group that such Non-Conduit Purchaser constitutes.

“Replacement Credit Agreement” means any credit agreement or similar facility entered into by Avis Budget Holdings, LLC, ABCR and/or any affiliate of either entity, that refinances or replaces the Credit Agreement, as such Replacement Credit Agreement may be amended, restated, modified, supplemented or waived from time to time in accordance with its terms.

“Requisite Noteholders” means Purchaser Groups having Commitment Percentages aggregating more than 50% (or if all Commitments have terminated, Purchaser Groups whose aggregate Purchaser Group Invested Amounts exceed 50% of the Series 2010-6 Invested Amount); provided, however, that on any date on which there are fewer than three Purchaser Groups (solely for the purposes of this proviso, Purchaser Groups members of which are Affiliates of members of another Purchaser Group shall be deemed to be one Purchaser Group), “Requisite Noteholders” shall mean all Purchaser Groups, collectively.

“Retained Interest” means a material net economic interest, initially held in the form of a first loss position represented by the Administrator’s indirect ownership of 100% of the outstanding membership interests in ABRCF, AESOP Leasing and AESOP Leasing II and the associated indirect rights to residual cash flow under Section 3.2(f), in an initial amount of not less than 5% of the sum of (x) the AESOP I Operating Lease Loan Agreement Borrowing Base and (y) the AESOP II Loan Agreement Borrowing Base in accordance with the CRR.

“Retention Test” means a test that will be satisfied if as of (x) the A&R Effective Date, the Class R Initial Invested Amount equals or exceeds 5.21% of the Series 2010-6 Invested Amount (after giving effect to the funding of the Class A Notes and the Class R Notes on the Series 2010-6 Closing Date) and (y) any Increase Date, the Class R Invested Amount equals or exceeds the higher of (1) 5.21% of the Series 2010-6 Invested Amount (after giving effect to the funding of Class A Notes and Class R Notes on such Increase Date) and (2) the amount determined by the Administrator that is required to maintain compliance with the U.S. Risk Retention Rules.

“Sanctions” means all economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, or (b) the United Nations Security Council, the European Union, any European Union member state, Her Majesty’s Treasury of the United Kingdom or other relevant sanctions authority.

“Sanctioned Country” means at any time, a country, region or territory which is itself the subject or target of any Sanctions (including, as of August 16, 2018, Crimea, Cuba, Iran, North Korea and Syria).

“Sanctioned Person” means at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, or by the United Nations Security Council, the European Union, any European Union member state, Her Majesty’s Treasury of the United Kingdom or other relevant sanctions authority, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b).

“Scheduled Expiry Date” means, with respect to any Purchaser Group, November 30, 2020, as such date may be extended in accordance with Section 2.6(b).

“Selected Fleet Market Value” means, with respect to all Adjusted Program Vehicles and all Non-Program Vehicles (excluding (i) any Unaccepted Program Vehicles, (ii) any Excluded Redesignated Vehicles and (iii) any other Non-Program Vehicles that are subject to a Manufacturer Program with an Eligible Non-Program Manufacturer with respect to which no Manufacturer Event of Default has occurred and is continuing) as of any date of determination, the sum of the respective Market Values of each such Adjusted Program Vehicle and each such Non-Program Vehicle, in each case subject to the AESOP I Operating Lease or the Finance Lease as of such date. For purposes of computing the Selected Fleet Market Value, the “Market Value” of an Adjusted Program Vehicle or a Non-Program Vehicle means the market value of such Vehicle as specified in the most recently published NADA Guide for the model class and model year of such Vehicle based on the average equipment and the average mileage of each Vehicle of such model class and model year then leased under the AESOP I Operating Lease and the Finance Lease; *provided*, that if the NADA Guide is not being published or the NADA Guide is being published but such Vehicle is not included therein, the Market Value of such Vehicle shall be based on the market value specified in the most recently published Finance Guide for the model class and model year of such Vehicle based on the average equipment and the average mileage of each Vehicle of such model class and model year then leased under the AESOP I Operating Lease or the Finance Lease; *provided, further*, that if the Finance Guide is being published but such Vehicle is not included therein, the Market Value of such Vehicle shall mean (x) in the case of an Adjusted Program Vehicle, the Adjusted Net Book Value of such Adjusted Program Vehicle and (y) in the case of a Non-Program Vehicle, the Net Book Value of such Non-Program Vehicle *provided, further*, that if the Finance Guide is not being published, the Market Value of such Vehicle shall be based on an independent third-party data source selected by the Administrator and approved by each Rating Agency that is rating any Series of Notes at the request of ABRCF based on the average equipment and average mileage of each Vehicle of such model class and model year then leased under the AESOP I Operating Lease or the Finance Lease; *provided, further*, that if no such third-party data source or methodology shall have been so approved or any such third-party data source or methodology is not available, the Market Value of such Vehicle shall be equal to a reasonable estimate of the wholesale market value of such Vehicle as determined by the Administrator, based on the Net Book Value of such Vehicle and any other factors deemed relevant by the Administrator.

“Senior Monthly Funding Costs” means, with respect to each Series 2010-6 Interest Period and any Purchaser Group, the excess of (a) the Monthly Funding Costs over (b) the Contingent Monthly Funding Costs, in each case, with respect to such Series 2010-6 Interest Period and such Purchaser Group.

“Series 2010-6 Accrued Interest Account” is defined in Section 3.1(b).

“Series 2010-6 AESOP I Operating Lease Loan Agreement Borrowing Base” means, as of any date of determination, the product of (a) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage as of such date and (b) the excess of (i) the AESOP I Operating Lease Loan Agreement Borrowing Base as of such date over (ii) the DBRS Excluded Manufacturer Amount as of such date.

“Series 2010-6 AESOP I Operating Lease Vehicle Percentage” means, as of any date of determination, a fraction, expressed as a percentage (which percentage shall never exceed 100%), the numerator of which is the Series 2010-6 Required AESOP I Operating Lease Vehicle Amount as of such date and the denominator of which is the sum of the Required AESOP I Operating Lease Vehicle Amounts for all Series of Notes as of such date.

“Series 2010-6 Agent” is defined in the recitals hereto.

“Series 2010-6 Available Cash Collateral Account Amount” means, as of any date of determination, the amount on deposit in the Series 2010-6 Cash Collateral Account (after giving effect to any deposits thereto and withdrawals and releases therefrom on such date).

“Series 2010-6 Available Reserve Account Amount” means, as of any date of determination, the amount on deposit in the Series 2010-6 Reserve Account (after giving effect to any deposits thereto and withdrawals and releases therefrom on such date).

“Series 2010-6 Cash Collateral Account” is defined in Section 3.8(e).

“Series 2010-6 Cash Collateral Account Collateral” is defined in Section 3.8(a).

“Series 2010-6 Cash Collateral Account Surplus” means, with respect to any Distribution Date, the lesser of (a) the Series 2010-6 Available Cash Collateral Account Amount and (b) the lesser of (A) the excess, if any, of the Series 2010-6 Liquidity Amount (after giving effect to any withdrawal from the Series 2010-6 Reserve Account on such Distribution Date) over the Series 2010-6 Required Liquidity Amount on such Distribution Date and (B) the excess, if any, of the Series 2010-6 Enhancement Amount (after giving effect to any withdrawal from the Series 2010-6 Reserve Account on such Distribution Date) over the Series 2010-6 Required Enhancement Amount on such Distribution Date; provided, however, that, on any date after the Series 2010-6 Letter of Credit Termination Date, the Series 2010-6 Cash Collateral Account Surplus shall mean the excess, if any, of (x) the Series 2010-6 Available Cash Collateral Account Amount over (y) the Series 2010-6 Demand Note Payment Amount minus the Pre-Preference Period Demand Note Payments as of such date.

“Series 2010-6 Cash Collateral Percentage” means, as of any date of determination, the percentage equivalent of a fraction, the numerator of which is the Series 2010-6 Available Cash Collateral Amount as of such date and the denominator of which is the Series 2010-6 Letter of Credit Liquidity Amount as of such date.

“Series 2010-6 Closing Date” means October 22, 2010.

“Series 2010-6 Collateral” means the Collateral, each Series 2010-6 Letter of Credit, each Series 2010-6 Demand Note, the Series 2010-6 Interest Rate Cap Collateral, the Series 2010-6 Distribution Account Collateral, the Series 2010-6 Cash Collateral Account Collateral and the Series 2010-6 Reserve Account Collateral.

“Series 2010-6 Collection Account” is defined in Section 3.1(b).

“Series 2010-6 Controlled Amortization Period” means the period commencing at the close of business on the Business Day immediately preceding the date on which the Scheduled Expiry Date with respect to each Purchaser Group shall have occurred and continuing to the earliest of (i) the commencement of the Series 2010-6 Rapid Amortization Period, (ii) the date on which the Series 2010-6 Notes are fully paid and (iii) the termination of the Indenture.

“Series 2010-6 Controlled Distribution Amount” means, with respect to any Related Month during the Series 2010-6 Controlled Amortization Period, the sum of the Class A Controlled Distribution Amount and the Class R Controlled Distribution Amount with respect to such Related Month.

“Series 2010-6 DBRS Below Investment Grade Non-Program Enhancement Rate” means, as of any date of determination, the sum of (a) 36.25% and (b) the highest, for any calendar month within the preceding twelve calendar months, of the greater of (x) an amount (not less than zero) equal to 100% minus the Measurement Month Average for the immediately preceding Measurement Month and (y) an amount (not less than zero) equal to 100% minus the Market Value Average as of the Determination Date within such calendar month (excluding the Market Value Average for any Determination Date which has not yet occurred).

“Series 2010-6 DBRS Below Investment Grade Non-Program Vehicle Percentage” means as of any date of determination, a fraction, expressed as a percentage, (a) the numerator of which is the excess of (x) the aggregate Net Book Value of all Non-Program Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease that were manufactured by a Manufacturer that does not have a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) of at least “BBB (low)” over (y) the aggregate Net Book Value of all the Non-Program Vehicles included in the numerator of the Series 2010-6 DBRS Below Investment Grade Program Vehicle Percentage as of such date of determination (b) the denominator of which is the aggregate Net Book Value of all Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease as of such date.

“Series 2010-6 DBRS Below Investment Grade Program Enhancement Rate” means, as of any date of determination, 36.25%.

“Series 2010-6 DBRS Below Investment Grade Program Vehicle Percentage” means, as of any date of determination, a fraction, expressed as a percentage, (a) the numerator of which is the sum, without duplication, of (1) the aggregate Net Book Value of all Program Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease that were manufactured by an Eligible Program Manufacturer that does not have a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) of at least “BBB (low)” and (2) so long as no Manufacturer Event of Default has occurred and is continuing with respect to such Eligible Non-Program Manufacturer, the aggregate Net Book Value of all Non-Program Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease that (i) were manufactured by an Eligible Non-Program Manufacturer that does not have a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) of at least “BBB (low)” and (ii) are subject to a Manufacturer Program and remain eligible for repurchase thereunder as of such date and (b) the denominator of which is the aggregate Net Book Value of all Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease as of such date.

“Series 2010-6 DBRS Investment Grade Non-Program Enhancement Rate” means, as of any date of determination, the sum of (a) 27.25% and (b) the highest, for any calendar month within the preceding twelve calendar months, of the greater of (x) an amount (not less than zero) equal to 100% minus the Measurement Month Average for the immediately preceding Measurement Month and (y) an amount (not less than zero) equal to 100% minus the Market Value Average as of the Determination Date within such calendar month (excluding the Market Value Average for any Determination Date which has not yet occurred).

“Series 2010-6 DBRS Investment Grade Non-Program Vehicle Percentage” means as of any date of determination, a fraction, expressed as a percentage, (a) the numerator of which is the excess of (x) the aggregate Net Book Value of all Non-Program Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease that were manufactured by a Manufacturer that has a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) of “BBB (low)” or higher over (y) the aggregate Net Book Value of all the Non-Program Vehicles included in the numerator of the Series 2010-6 DBRS Investment Grade Program Vehicle Percentage as of such date of determination and (b) the denominator of which is the aggregate Net Book Value of all Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease as of such date.

“Series 2010-6 DBRS Investment Grade Program Enhancement Rate” means, as of any date of determination, 13.25%.

“Series 2010-6 DBRS Investment Grade Program Vehicle Percentage” means, as of any date of determination, a fraction, expressed as a percentage, (a) the numerator of which is the sum, without duplication, of (1) the aggregate Net Book Value of all Program Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease that were manufactured by an Eligible Program Manufacturer that has a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) of “BBB (low)” or higher and (2) so long as no Manufacturer Event of Default has occurred and is continuing with

respect to such Eligible Non-Program Manufacturer, the aggregate Net Book Value of all Non-Program Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease that (i) were manufactured by an Eligible Non-Program Manufacturer that has a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) of “BBB (low)” or higher and (ii) are subject to a Manufacturer Program and remain eligible for repurchase thereunder as of such date and (b) the denominator of which is the aggregate Net Book Value of all Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease as of such date.

“Series 2010-6 DBRS Required Enhancement Percentage” means, as of any date of determination, the sum of (i) the product of (A) the Series 2010-6 DBRS Investment Grade Program Enhancement Rate as of such date and (B) the Series 2010-6 DBRS Investment Grade Program Vehicle Percentage as of such date, (ii) the product of (A) the Series 2010-6 DBRS Investment Grade Non-Program Enhancement Rate as of such date and (B) the Series 2010-6 DBRS Investment Grade Non-Program Vehicle Percentage as of such date, (iii) the product of (A) the Series 2010-6 DBRS Below Investment Grade Program Enhancement Rate as of such date and (B) the Series 2010-6 Below Investment Grade Program Vehicle Percentage as of such date, and (iv) the product of (A) the Series 2010-6 DBRS Below Investment Grade Non-Program Enhancement Rate as of such date and (B) the Series 2010-6 DBRS Below Investment Grade Non-Program Vehicle Percentage as of such date.

“Series 2010-6 Demand Note” means each demand note made by a Demand Note Issuer, substantially in the form of Exhibit D as amended, modified or restated from time to time.

“Series 2010-6 Demand Note Payment Amount” means, as of the Series 2010-6 Letter of Credit Termination Date, the aggregate amount of all proceeds of demands made on the Series 2010-6 Demand Notes pursuant to Section 3.5(c)(iii) or 3.5(d)(ii) that were deposited into the Series 2010-6 Distribution Account and paid to the Series 2010-6 Noteholders during the one-year period ending on the Series 2010-6 Letter of Credit Termination Date; provided, however, that if an Event of Bankruptcy (or the occurrence of an event described in clause (a) of the definition thereof, without the lapse of a period of 60 consecutive days) with respect to a Demand Note Issuer shall have occurred during such one-year period, the Series 2010-6 Demand Note Payment Amount as of the Series 2010-6 Letter of Credit Termination Date shall equal the Series 2010-6 Demand Note Payment Amount as if it were calculated as of the date of such occurrence.

“Series 2010-6 Deposit Date” is defined in Section 3.2.

“Series 2010-6 Distribution Account” is defined in Section 3.9(a).

“Series 2010-6 Distribution Account Collateral” is defined in Section 3.9(d).

“Series 2010-6 Documents” means each of this Supplement, the Series 2010-6 Notes, the Series 2010-6 Interest Rate Cap, the Fee Letter, the Series 2010-6 Demand Notes, the Series 2010-6 Letter of Credit and any other related documents executed in connection with an issuance of the Series 2010-6 Notes or activities related thereto.

“Series 2010-6 Eligible Letter of Credit Provider” means a Person satisfactory to ABCR and the Demand Note Issuers and having, at the time of the issuance of the related Series 2010-6 Letter of Credit, a long-term senior unsecured debt, deposit, claims paying or credit (as the case may be) rating of at least “BBB” from DBRS; provided, however, that if such Person is not rated by DBRS it will qualify as a Series 2010-6 Letter of Credit Provider so long as it has a long-term senior unsecured debt, deposit, claims paying or credit (as the case may be) rating of at least “Baa2” from Moody’s or a long-term senior unsecured debt, deposit, claims paying or credit (as the case may be) rating of at least “BBB” from Standard & Poor’s; provided that if a Person is not a Series 2010-6 Letter of Credit Provider (or a letter of credit provider under the Supplement for any other Series of Notes), then such Person shall not be a Series 2010-6 Eligible Letter of Credit Provider until ABCR has provided 10 days’ prior notice to the Rating Agencies, Standard & Poor’s, Moody’s and the Administrative Agent that such a Person has been proposed as a Series 2010-6 Letter of Credit Provider.

“Series 2010-6 Enhancement” means the Series 2010-6 Cash Collateral Account Collateral, the Series 2010-6 Letters of Credit, the Series 2010-6 Demand Notes, the Series 2010-6 Overcollateralization Amount and the Series 2010-6 Reserve Account Amount.

“Series 2010-6 Enhancement Amount” means, as of any date of determination, the sum of (i) the Series 2010-6 Overcollateralization Amount as of such date, (ii) the Series 2010-6 Letter of Credit Amount as of such date, (iii) the Series 2010-6 Available Reserve Account Amount as of such date and (iv) the amount of cash and Permitted Investments on deposit in the Series 2010-6 Collection Account (not including amounts allocable to the Series 2010-6 Accrued Interest Account) and the Series 2010-6 Excess Collection Account as of such date.

“Series 2010-6 Enhancement Deficiency” means, on any date of determination, the amount by which the Series 2010-6 Enhancement Amount is less than the Series 2010-6 Required Enhancement Amount as of such date.

“Series 2010-6 Excess Collection Account” is defined in Section 3.1(b).

“Series 2010-6 Expected Final Distribution Date” means the Distribution Date falling in the fourth calendar month after the calendar month in which the Series 2010-6 Revolving Period ends.

“Series 2010-6 Incremental Enhancement Amount” means, as of any date of determination, the sum of:

- (i) the greater of (x) the Series 2010-6 Percentage of the excess, if any, of the Non-Program Vehicle Amount as of the immediately preceding Business Day over the Series 2010-6 Maximum Non-Program Vehicle Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Non-Program Vehicles (other than (i) Unaccepted Program Vehicles and (ii) Vehicles subject to a Manufacturer Program with a Specified Eligible Non-Program Manufacturer) leased under the AESOP I Operating Lease as of the immediately preceding Business Day over (B) the Series 2010-6 Maximum Non-

Program Vehicle Percentage of the sum of (1) the Series 2010-6 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day;

(ii) the greater of (x) the Series 2010-6 Percentage of the excess, if any, of the aggregate Net Book Value of all Vehicles manufactured by Mitsubishi and leased under the Leases as of the immediately preceding Business Day over the Series 2010-6 Maximum Mitsubishi Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the sum of (1) the Series 2010-6 VFN Percentage of the aggregate Net Book Value of all Vehicles manufactured by Mitsubishi and leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles manufactured by Mitsubishi and leased under the AESOP I Operating Lease as of the immediately preceding Business Day over (B) 10% of the sum of (1) the Series 2010-6 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day;

(iii) the greater of (x) the Series 2010-6 Percentage of the excess, if any, of the aggregate Net Book Value of all Vehicles manufactured by Isuzu or Subaru, individually, and leased under the Leases as of the immediately preceding Business Day over the Series 2010-6 Maximum Individual Isuzu/Subaru Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the sum of (1) the Series 2010-6 VFN Percentage of the aggregate Net Book Value of all Vehicles manufactured by Isuzu or Subaru, individually, and leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles manufactured by Isuzu or Subaru, individually, and leased under the AESOP I Operating Lease as of the immediately preceding Business Day over (B) 5% of the sum of (1) the Series 2010-6 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day;

(iv) the greater of (x) the Series 2010-6 Percentage of the excess, if any, of the aggregate Net Book Value of all Vehicles manufactured by Hyundai and leased under the Leases as of the immediately preceding Business Day over the Series 2010-6 Maximum Hyundai Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the sum of (1) the Series 2010-6 VFN Percentage of the aggregate Net Book Value of all Vehicles manufactured by Hyundai and leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles manufactured by Hyundai

and leased under the AESOP I Operating Lease as of the immediately preceding Business Day over (B) 20% of the sum of (1) the Series 2010-6 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day;

(v) the greater of (x) the Series 2010-6 Percentage of the excess, if any, of the aggregate Net Book Value of all Vehicles manufactured by Suzuki and leased under the Leases as of the immediately preceding Business Day over the Series 2010-6 Maximum Suzuki Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the sum of (1) the Series 2010-6 VFN Percentage of the aggregate Net Book Value of all Vehicles manufactured by Suzuki and leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles manufactured by Suzuki and leased under the AESOP I Operating Lease as of the immediately preceding Business Day over (B) 7.5% of the sum of (1) the Series 2010-6 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day;

(vi) the greater of (x) the Series 2010-6 Percentage of the excess, if any, of the aggregate Net Book Value of all Vehicles manufactured by Kia and leased under the Leases as of the immediately preceding Business Day over the Series 2010-6 Maximum Kia Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the sum of (1) the Series 2010-6 VFN Percentage of the aggregate Net Book Value of all Vehicles manufactured by Kia and leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles manufactured by Kia and leased under the AESOP I Operating Lease as of the immediately preceding Business Day over (B) 10% of the sum of (1) the Series 2010-6 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day;

(vii) the greater of (x) the Series 2010-6 Percentage of the excess, if any, of the Specified States Amount as of the immediately preceding Business Day over the Series 2010-6 Maximum Specified States Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the sum of (1) the Series 2010-6 VFN Percentage of the Net Book Value of all Vehicles titled in the States of Ohio, Oklahoma, and Nebraska and leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles titled in the States of Ohio, Oklahoma and Nebraska and leased

under the AESOP I Operating Lease as of the immediately preceding Business Day over (B) 7.5% of the sum of (1) the Series 2010-6 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day;

(viii) the greater of (x) the Series 2010-6 Percentage of the excess, if any, of the Non-Eligible Manufacturer Amount as of the immediately preceding Business Day over the Series 2010-6 Maximum Non-Eligible Manufacturer Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles manufactured by Manufacturers other than Eligible Non-Program Manufacturers and leased under the AESOP I Operating Lease as of the immediately preceding Business Day over (B) 3% of the sum of (1) the Series 2010-6 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day; and

(ix) the greater of (x) the Series 2010-6 Percentage of the excess, if any, of the aggregate Net Book Value of all Vehicles leased under the Leases as of the immediately preceding Business Day that were used vehicles at the time of their acquisition over the Series 2010-6 Maximum Used Vehicle Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the sum of (1) the Series 2010-6 VFN Percentage of the aggregate Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day that were used vehicles at the time of their acquisition and (2) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day that were used vehicles at the time of their acquisition over (B) 5% of the sum of (1) the Series 2010-6 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day;

“Series 2010-6 Interest Period” means a period commencing on and including a Distribution Date and ending on and including the day preceding the next succeeding Distribution Date; provided, however, that (x) the initial Series 2010-6 Interest Period shall commence on and include the Series 2010-6 Closing Date and end on and include November 21, 2010 and (y) the initial Series 2010-6 Interest Period with respect to the Class R Notes shall commence on and include the A&R Effective Date and end on and include September 20, 2018.

“Series 2010-6 Interest Rate Cap” has the meaning specified in Section 3.11(a).

“Series 2010-6 Interest Rate Cap Collateral” has the meaning specified in Section 3.11(c).

“Series 2010-6 Interest Rate Cap Proceeds” means the amounts received by the Trustee from an Interest Rate Cap Counterparty from time to time in respect of a Series 2010-6 Interest Rate Cap (including amounts received from a guarantor or from collateral).

“Series 2010-6 Invested Amount” means, on any date of determination, the sum of (i) the Class A Invested Amount and (ii) the Class R Invested Amount on such date.

“Series 2010-6 Invested Percentage” means as of any date of determination:

(a) when used with respect to Principal Collections, the percentage equivalent (which percentage shall never exceed 100%) of a fraction the numerator of which shall be equal to the sum of the Series 2010-6 Invested Amount and the Series 2010-6 Overcollateralization Amount, determined during the Series 2010-6 Revolving Period as of the end of the immediately preceding Business Day, or, during the Series 2010-6 Rapid Amortization Period or the Series 2010-6 Controlled Amortization Period, as of the end of the Series 2010-6 Revolving Period and the denominator of which shall be the greater as of the end of the immediately preceding Business Day of (I) the Aggregate Asset Amount and (II) the sum of the numerators used to determine the invested percentages for allocations with respect to Principal Collections (for all Series of Notes and all classes of such Series of Notes); and

(b) when used with respect to Interest Collections, the percentage equivalent (which percentage shall never exceed 100%) of a fraction the numerator of which shall be the Accrued Amounts with respect to the Series 2010-6 Notes on such date of determination, and the denominator of which shall be the aggregate Accrued Amounts with respect to all Series of Notes on such date of determination

“Series 2010-6 Lease Interest Payment Deficit” means on any Distribution Date an amount equal to the excess, if any of (1) the excess, if any, of (a) the aggregate amount of Interest Collections which pursuant to Section 3.2(a), (b), (c) or (d) would have been allocated to the Series 2010-6 Accrued Interest Account if all payments of Monthly Base Rent required to have been made under the Leases from and excluding the preceding Distribution Date to and including such Distribution Date were made in full over (b) the aggregate amount of Interest Collections which pursuant to Section 3.2(a), (b), (c) or (d) have been allocated to the Series 2010-6 Accrued Interest Account (excluding any amounts paid into the Series 2010-6 Accrued Interest Account pursuant to the proviso in Sections 3.2(c)(ii) and 3.2(d)(ii)) from and excluding the preceding Distribution Date to and including such Distribution Date over (2) the Class R Monthly Interest with respect to the Series 2010-6 Interest Period ended on the day preceding such Distribution Date.

“Series 2010-6 Lease Payment Deficit” means either a Series 2010-6 Lease Interest Payment Deficit or a Series 2010-6 Lease Principal Payment Deficit.

“Series 2010-6 Lease Principal Payment Carryover Deficit” means (a) for the initial Distribution Date, zero and (b) for any other Distribution Date, the excess of (x) the Series 2010-6 Lease Principal Payment Deficit, if any, on the preceding Distribution Date over (y) the amount deposited in the Distribution Account on such preceding Distribution Date pursuant to Section 3.5(c) on account of such Series 2010-6 Lease Principal Payment Deficit.

“Series 2010-6 Lease Principal Payment Deficit” means on any Distribution Date the sum of (a) the Series 2010-6 Monthly Lease Principal Payment Deficit for such Distribution Date and (b) the Series 2010-6 Lease Principal Payment Carryover Deficit for such Distribution Date.

“Series 2010-6 Letter of Credit” means an irrevocable letter of credit, if any, substantially in the form of Exhibit E issued by a Series 2010-6 Eligible Letter of Credit Provider in favor of the Trustee for the benefit of the Class A Noteholders.

“Series 2010-6 Letter of Credit Amount” means, as of any date of determination, the lesser of (a) the sum of (i) the aggregate amount available to be drawn on such date under each Series 2010-6 Letter of Credit on which no draw has been made pursuant to Section 3.8(c), as specified therein, and (ii) if the Series 2010-6 Cash Collateral Account has been established and funded pursuant to Section 3.8, the Series 2010-6 Available Cash Collateral Account Amount on such date and (b) the aggregate outstanding principal amount of the Series 2010-6 Demand Notes on such date.

“Series 2010-6 Letter of Credit Expiration Date” means, with respect to any Series 2010-6 Letter of Credit, the expiration date set forth in such Series 2010-6 Letter of Credit, as such date may be extended in accordance with the terms of such Series 2010-6 Letter of Credit.

“Series 2010-6 Letter of Credit Liquidity Amount” means, as of any date of determination, the sum of (a) the aggregate amount available to be drawn on such date under each Series 2010-6 Letter of Credit on which no draw has been made pursuant to Section 3.8(c), as specified therein, and (b) if the Series 2010-6 Cash Collateral Account has been established and funded pursuant to Section 3.8, the Series 2010-6 Available Cash Collateral Account Amount on such date.

“Series 2010-6 Letter of Credit Provider” means the issuer of a Series 2010-6 Letter of Credit.

“Series 2010-6 Letter of Credit Termination Date” means the first to occur of (a) the date on which the Series 2010-6 Notes are fully paid and (b) the Series 2010-6 Termination Date.

“Series 2010-6 Limited Liquidation Event of Default” means, so long as such event or condition continues, any event or condition of the type specified in clauses (a) through (i) of Article IV; provided, however, that any event or condition of the type specified in clauses (a) through (i) of Article IV shall not constitute a Series 2010-6 Limited Liquidation Event of Default if the Trustee shall have received the written consent of each of the Series 2010-6 Noteholders waiving the occurrence of such Series 2010-6 Limited Liquidation Event of Default.

“Series 2010-6 Liquidity Amount” means, as of any date of determination, the sum of (a) the Series 2010-6 Letter of Credit Liquidity Amount on such date and (b) the Series 2010-6 Available Reserve Account Amount on such date.

“Series 2010-6 Maximum Amount” means any of the Series 2010-6 Maximum Manufacturer Amounts, the Series 2010-6 Maximum Non-Eligible Manufacturer Amount, the Series 2010-6 Maximum Non-Program Vehicle Amount, the Series 2010-6 Maximum Specified States Amount or the Series 2010-6 Maximum Used Vehicle Amount.

“Series 2010-6 Maximum Hyundai Amount” means, as of any day, an amount equal to 20% of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2010-6 Maximum Individual Isuzu/Subaru Amount” means, as of any day, with respect to Isuzu or Subaru individually, an amount equal to 5% of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2010-6 Maximum Invested Amount” means, on any date of determination, the sum of (i) the Class A Maximum Purchaser Group Invested Amount and (ii) the Class R Maximum Invested Amount on such date.

“Series 2010-6 Maximum Kia Amount” means, as of any day, an amount equal to 10% of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2010-6 Maximum Manufacturer Amount” means, as of any day, any of the Series 2010-6 Maximum Mitsubishi Amount, the Series 2010-6 Maximum Individual Isuzu/Subaru Amount, the Series 2010-6 Maximum Hyundai Amount, the Series 2010-6 Maximum Kia Amount or the Series 2010-6 Maximum Suzuki Amount.

“Series 2010-6 Maximum Mitsubishi Amount” means, as of any day, an amount equal to 10% of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2010-6 Maximum Non-Eligible Manufacturer Amount” means, as of any day, an amount equal to 3% of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2010-6 Maximum Non-Program Vehicle Amount” means, as of any day, an amount equal to the Series 2010-6 Maximum Non-Program Vehicle Percentage of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2010-6 Maximum Non-Program Vehicle Percentage” means, as of any date of determination, the sum of (a) 85% and (b) a fraction, expressed as a percentage, the numerator of which is the aggregate Net Book Value of all Redesignated Vehicles manufactured by a Bankrupt Manufacturer or a Manufacturer with respect to which a Manufacturer Event of Default has occurred, and in each case leased under the AESOP I Operating Lease or the Finance Lease as of such date, and the denominator of which is the aggregate Net Book Value of all Vehicles leased under the Leases as of such date.

“Series 2010-6 Maximum Specified States Amount” means, as of any day, an amount equal to 7.5% of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2010-6 Maximum Suzuki Amount” means, as of any day, an amount equal to 7.5% of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2010-6 Maximum Used Vehicle Amount” means, as of any day, an amount equal to 25% of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2010-6 Monthly Lease Principal Payment Deficit” means on any Distribution Date an amount equal to the excess, if any, of (1) the excess, if any, of (a) the aggregate amount of Principal Collections which pursuant to Section 3.2(a), (b) or (c) would have been allocated to the Series 2010-6 Collection Account if all payments required to have been made under the Leases from and excluding the preceding Distribution Date to and including such Distribution Date were made in full over (b) the aggregate amount of Principal Collections which pursuant to Section 3.2(a), (b) or (c) have been allocated to the Series 2010-6 Collection Account (without giving effect to any amounts paid into the Series 2010-6 Accrued Interest Account pursuant to the proviso in Sections 3.2(b)(ii) and/or 3.2(c)(ii)) from and excluding the preceding Distribution Date to and including such Distribution Date over (2) the principal due and payable with respect to the Class R Notes on such Distribution Date.

“Series 2010-6 Noteholder” means any Class A Noteholder or any Class R Noteholder.

“Series 2010-6 Notes” means, collectively, the Class A Notes and the Class R Notes.

“Series 2010-6 Overcollateralization Amount” means the excess, if any, of (x) the sum of (a) the Series 2010-6 AESOP I Operating Lease Loan Agreement Borrowing Base as of such date and (b) the Series 2010-6 VFN Percentage of the excess, if any, of (1) the AESOP II Loan Agreement Borrowing Base over (2) the AESOP II DBRS Excluded Manufacturer Amount as of such date over (y) the Series 2010-6 Invested Amount as of such date.

“Series 2010-6 Past Due Rent Payment” is defined in Section 3.2(g).

“Series 2010-6 Percentage” means, as of any date of determination, a fraction, expressed as a percentage, the numerator of which is the Series 2010-6 Invested Amount as of such date and the denominator of which is the sum of the Invested Amount of each Series of Notes outstanding as of such date.

“Series 2010-6 Principal Allocation” is defined in Section 3.2(a)(ii).

“Series 2010-6 Rapid Amortization Period” means the period beginning at the earlier to occur of (a) the close of business on the Business Day immediately preceding the day on which an Amortization Event is deemed to have occurred with respect to the Series 2010-6 Notes and (b) the close of business on the Optional Termination Date and ending upon the earliest to occur of (i)

the date on which the Series 2010-6 Notes are fully paid, (ii) the Series 2010-6 Termination Date and (iii) termination of the Indenture.

“Series 2010-6 Reimbursement Agreement” means any and each agreement providing for the reimbursement of a Series 2010-6 Letter of Credit Provider for draws under its Series 2010-6 Letter of Credit as the same may be amended, supplemented, restated or otherwise modified from time to time.

“Series 2010-6 Required AESOP I Operating Lease Vehicle Amount” means, as of any date of determination, the sum of (A) the excess, if any, of (x) the sum of the Series 2010-6 Required Overcollateralization Amount and the Series 2010-6 Invested Amount as of such date over (y) the Series 2010-6 VFN Percentage of the excess, if any, of (i) the AESOP II Loan Agreement Borrowing Base as of such date over (ii) the AESOP II DBRS Excluded Manufacturer Amount as of such date and (B) if an Event of Bankruptcy with respect to ABCR, any other Lessee or any Permitted Sublessee (other than a third-party Permitted Sublessee) has occurred on or prior to such date, the Contingent Monthly Funding Costs Shortfall as of the immediately preceding Distribution Date.

“Series 2010-6 Required Enhancement Amount” means, as of any date of determination, the sum of (i) the product of (x) the Series 2010-6 DBRS Required Enhancement Percentage as of such date and (y) the Class A Invested Amount as of such date and (ii) the Series 2010-6 Incremental Enhancement Amount as of such date.

“Series 2010-6 Required Liquidity Amount” means, with respect to any Distribution Date, an amount equal to 2.00% of the Class A Invested Amount on such Distribution Date (after giving effect to any payments of principal to be made on the Series 2010-6 Notes on such Distribution Date).

“Series 2010-6 Required Overcollateralization Amount” means, as of any date of determination, the excess, if any, of the Series 2010-6 Required Enhancement Amount over the sum of (i) the Series 2010-6 Letter of Credit Amount as of such date, (ii) the Series 2010-6 Available Reserve Account Amount on such date and (iii) the amount of cash and Permitted Investments on deposit in the Series 2010-6 Collection Account (not including amounts allocable to the Series 2010-6 Accrued Interest Account) and the Series 2010-6 Excess Collection Account on such date.

“Series 2010-6 Required Reserve Account Amount” means, with respect to any Distribution Date, an amount equal to the sum of (a) the greater of (i) the excess, if any, of the Series 2010-6 Required Liquidity Amount on such Distribution Date over the Series 2010-6 Letter of Credit Liquidity Amount on such Distribution Date (after giving effect to any payments of principal to be made on the Series 2010-6 Notes on such Distribution Date) and (ii) the excess, if any, of the Series 2010-6 Required Enhancement Amount over the Series 2010-6 Enhancement Amount (excluding therefrom the Series 2010-6 Available Reserve Account Amount and calculated after giving effect to any payments of principal to be made on the Series 2010-6 Notes) on such Distribution Date and (b) the Demand Note Preference Payment Amount.

“Series 2010-6 Reserve Account” is defined in Section 3.7(a).

“Series 2010-6 Reserve Account Collateral” is defined in Section 3.7(d).

“Series 2010-6 Reserve Account Surplus” means, with respect to any Distribution Date, the excess, if any, of the Series 2010-6 Available Reserve Account Amount over the sum of (x) the Series 2010-6 Required Reserve Account Amount on such Distribution Date and (y) the sum of (i) the aggregate Contingent Monthly Funding Costs with respect to all Purchaser Groups for the Series 2010-6 Interest Period ending on such date and (ii) any Contingent Monthly Funding Costs Shortfall as of such date (together with accrued interest thereon).

“Series 2010-6 Revolving Period” means the period from and including, the Series 2010-6 Closing Date to the earlier to occur of (x) the commencement of the Series 2010-6 Controlled Amortization Period and (y) the commencement of the Series 2010-6 Rapid Amortization Period.

“Series 2010-6 Termination Date” means the Distribution Date falling in the tenth calendar month after the calendar month in which the Series 2010-6 Revolving Period ends.

“Series 2010-6 Unpaid Demand Amount” means, with respect to any single draw pursuant to Section 3.5(c) or (d) on the Series 2010-6 Letters of Credit, the aggregate amount drawn by the Trustee on all Series 2010-6 Letters of Credit.

“Series 2010-6 VFN Percentage” means, as of any date, the percentage equivalent of a fraction the numerator of which is the sum of the Class A Invested Amount and the Series 2010-6 Overcollateralization Amount as of such date and the denominator of which is the sum of the Class A Invested Amount, the Series 2010-6 Overcollateralization Amount, the Series 2015-3 Class A Invested Amount and the Series 2015-3 Overcollateralization Amount as of such date.

“Series 2015-3 Class A Invested Amount” means the “Class A Invested Amount” as defined in the Series 2015-3 Supplement.

“Series 2015-3 Notes” has the meaning assigned thereto in the Series 2015-3 Supplement.

“Series 2015-3 Overcollateralization Amount” has the meaning assigned thereto in the Series 2015-3 Supplement.

“Series 2015-3 Supplement” means the Amended and Restated Series 2015-3 Supplement, dated as of August 16, 2018, among ABRCF, the Administrator, the Administrative Agent, the Non-Conduit Purchasers, CP Conduit Purchasers, APA Banks, Funding Agents and the Committed Note Purchasers party thereto, the Trustee and The Bank of New York Mellon Trust Company, N.A., as Series 2015-3 Agent, as amended, restated, modified or supplemented from time to time in accordance with its terms.

“Standard & Poor’s” means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc.

“Statutory Reserve Rate” means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one *minus* the aggregate

of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal (rounded up to the nearest 1/100th of 1%) established by the Board with respect to the Adjusted LIBO Rate, for eurocurrency funding (currently referred to as “Eurocurrency Liabilities” in Regulation D of the Board). Such reserve percentages shall include those imposed pursuant to Regulation D. Eurodollar Tranches shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time under such Regulation D or comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in the reserve percentage.

“Supplement” is defined in the recitals hereto.

“Taxes” means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority.

“Termination Date Disbursement” means an amount drawn under a Series 2010-6 Letter of Credit pursuant to a Certificate of Termination Date Demand.

“Termination Disbursement” means an amount drawn under a Series 2010-6 Letter of Credit pursuant to a Certificate of Termination Demand.

“Transfer Supplement” is defined in Section 11.1(c).

“Transferee” is defined in Section 11.1(g).

“Trustee” is defined in the recitals hereto.

“U.S. Risk Retention Rules” means the federal interagency credit risk retention rules, codified at 17 C.F.R. Part 246.

“Unpaid Demand Note Disbursement” means an amount drawn under a Series 2010-6 Letter of Credit pursuant to a Certificate of Unpaid Demand Note Demand.

“Volcker Rule” means Section 13 of the U.S. Bank Holding Company Act of 1956, as amended, and the applicable rules and regulations thereunder.

“Voting Stock” means, with respect to any Person, the common stock or membership interests of such Person and any other security of, or ownership interest in, such Person having ordinary voting power to elect a majority of the board of directors or a majority of the managers (or other Persons serving similar functions) of such Person.

“Waiver Event” means the occurrence of the delivery of a Waiver Request and the subsequent waiver of any Series 2010-6 Maximum Amount.

“Waiver Request” is defined in Article V.

“Write-Down and Conversion Powers” means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

ARTICLE II

PURCHASE AND SALE OF SERIES 2010-6 NOTES; INCREASES AND DECREASES OF SERIES 2010-6 INVESTED AMOUNT

Section 2.1. Purchases of the Series 2010-6 Notes.

(a) Initial Purchases.

(i) Subject to the terms and conditions of this Supplement, including delivery of notice in accordance with Section 2.3, (i) each Non-Conduit Purchaser shall purchase, and each CP Conduit Purchaser may, in its sole discretion, purchase a Class A Note in an amount equal to all or a portion of its Commitment Percentage of the Class A Initial Invested Amount on any Business Day during the period from the A&R Effective Date to and including the Expiry Date with respect to its Related Purchaser Group, and if any such CP Conduit Purchaser shall have notified the Administrative Agent and the Funding Agent with respect to such CP Conduit Purchaser that it has elected not to fund a Class A Note in an amount equal to its Commitment Percentage of the Class A Initial Invested Amount on the Series 2010-6 Closing Date, each APA Bank with respect to such CP Conduit Purchaser shall fund on the A&R Effective Date its APA Bank Percentage of that portion of such Class A Note not to be funded by such CP Conduit Purchaser and (ii) thereafter, (A) each Non-Conduit Purchaser shall maintain its Class A Note, subject to increase or decrease during the period from the A&R Effective Date to and including the Expiry Date with respect to its Related Purchaser Group, in accordance with the provisions of this Supplement, (B) if a CP Conduit Purchaser shall have purchased a Class A Note on the A&R Effective Date, such CP Conduit Purchaser may, in its sole discretion, maintain its Class A Note, subject to increase or decrease during the period from the A&R Effective Date to and including the Expiry Date with respect to its Related Purchaser Group, in accordance with the provisions of this Supplement and (C) the APA Banks shall maintain their respective APA Bank Percentages of the Class A Note with respect to its Related Purchaser Group, subject to increase or decrease during the period from the A&R Effective Date to and including the Expiry Date with respect to such Purchaser Group, in accordance with the provisions of this Supplement. Each Purchaser Group as of the A&R Effective Date shall be deemed to have satisfied its obligation to purchase a Class A Note under this Section 2.1(a) on such date by exchanging the Series 2010-6 Note held by it and outstanding on the day immediately preceding the A&R Effective Date for a Class A Note issued on the A&R Effective Date in accordance with Section 2.1(a)(iii).

(ii) Subject to the terms and conditions of this Supplement, including delivery of notice in accordance with Section 2.3, (i) each Committed Note Purchaser shall purchase a Class R Note in an amount equal to \$93,775,000 (the “Class R Initial Invested Amount”)

on the Series 2010-6 Closing Date and (ii) thereafter, each Committed Note Purchaser shall maintain its Class R Note, subject to increase or, prior to the Series 2010-6 Controlled Amortization Period, decrease during the period from the Series 2010-6 Closing Date to and including the Expiry Date, in accordance with the provisions of this Supplement.

(iii) Subject to the terms and conditions of this Supplement, including delivery of notice in accordance with Section 2.3, each Non-Conduit Purchaser and CP Conduit Purchaser shall deliver its Series 2010-6 Note on the A&R Effective Date to the Trustee for cancellation in accordance with Section 2.14 of the Base Indenture. In exchange for such Series 2010-6 Note, the Trustee shall deliver to each such Non-Conduit Purchaser and CP Conduit Purchaser, a Class A Note in an amount equal to the outstanding principal amount of the Series 2010-6 Note delivered by such Non-Conduit Purchaser or CP Conduit Purchaser, as applicable, in accordance with the terms and conditions of this Supplement. The aggregate outstanding principal amount of such Class A Notes on the A&R Effective Date shall be the "Class A Initial Invested Amount". The parties hereto agree that any amounts accrued and unpaid as of the A&R Effective Date with respect to the Series 2010-6 Notes under the Second A&R Series 2010-6 Supplement shall be deemed to have accrued with respect to the Class A Notes and shall be payable in accordance with the provisions hereof.

(b) Maximum Purchaser Group Invested Amounts. Notwithstanding anything to the contrary contained in this Supplement, at no time shall a Purchaser Group be required to make the initial purchase of a Class A Note or increase its Purchaser Group Invested Amount if the sum of (x) Purchaser Group Invested Amount with respect to such Purchaser Group, after giving effect to such purchase or increase and (y) the sum of any unfunded Delayed Amounts with respect to such Purchaser Group, would exceed the Maximum Purchaser Group Invested Amount with respect to such Purchaser Group at such time.

(c) Class R Maximum Invested Amounts. Notwithstanding anything to the contrary contained in this Supplement, at no time shall a Committed Note Purchaser be required to make the initial purchase of a Class R Note or increase its Class R Invested Amount if the Class R Invested Amount with respect to such Committed Note Purchaser, after giving effect to such purchase or increase would exceed the Class R Maximum Invested Amount with respect to such Committed Note Purchaser at such time.

(d) Form of Series 2010-6 Notes. The Series 2010-6 Notes shall be issued in fully registered form without interest coupons, substantially in the form set forth in Exhibit A.

Section 2.2. Delivery. (a) On the A&R Effective Date (or on any later date that any Purchaser Group becomes a party to this Supplement), ABRCF shall sign and shall direct the Trustee in writing pursuant to Section 2.2 of the Base Indenture to duly authenticate, and the Trustee, upon receiving such direction, shall so authenticate a Class A Note (i) in the case of a CP Conduit Purchaser Group, in the name of the Funding Agent with respect to such CP Conduit Purchaser Group (or as otherwise requested by such CP Conduit Purchaser Group and agreed to by ABRCF) in an amount equal to the Maximum Purchaser Group Invested Amount with respect to such CP Conduit Purchaser Group and deliver such Class A Note to such Funding Agent in accordance with

such written directions, or (ii) in the case of a Non-Conduit Purchaser Group, in the name of the Related Non-Conduit Purchaser in an amount equal to the Maximum Purchaser Group Invested Amount with respect to such Related Non-Conduit Purchaser Group and deliver such Class A Note to such Related Non-Conduit Purchaser in accordance with such written directions. On the A&R Effective Date (or on any later date that any Committed Note Purchaser becomes a party to this Supplement), ABRCF shall sign and shall direct the Trustee in writing pursuant to Section 2.2 of the Base Indenture to duly authenticate, and the Trustee, upon receiving such direction, shall so authenticate a Class R Note in an amount equal to the Class R Maximum Invested Amount with respect to such Committed Note Purchaser and deliver such Class R Note to such Committed Note Purchaser in accordance with such written directions.

(b) The Administrative Agent shall maintain a record of (i) the actual Purchaser Group Invested Amount outstanding with respect to each Purchaser Group, (ii) the Class R Invested Amount outstanding with respect to each Committed Note Purchaser and (iii) the actual Series 2010-6 Invested Amount outstanding on any date of determination, which, absent manifest error, shall constitute prima facie evidence of the outstanding Class A Invested Amounts, the outstanding Class R Invested Amount and the outstanding Series 2010-6 Invested Amount from time to time. Upon a written request from the Trustee, the Administrative Agent shall provide in writing the identity of the Purchaser Groups, the related Funding Agents for each CP Conduit Purchaser Group, the Purchaser Group Invested Amount for each Purchaser Group, the identity of the Committed Note Purchasers, the Class R Invested Amount for each Committed Note Purchaser, and the Commitment Percentage with respect to any Purchaser Group, to the Trustee.

Section 2.3. Procedure for Initial Issuance and for Increasing the Series 2010-6 Invested Amount. (a) Subject to Section 2.3(c), (i) on the A&R Effective Date, (A) each Non-Conduit Purchaser shall purchase, and each CP Conduit Purchaser and/or APA Bank agree to purchase, a Class A Note in accordance with Section 2.1 and (B) each Committed Note Purchaser shall purchase a Class R Note in accordance with Section 2.1 and (ii) on any Business Day during the period from the A&R Effective Date to and including the Expiry Date (A) with respect to a Purchaser Group, in the case of a Non-Conduit Purchaser Group, the Related Non-Conduit Purchaser hereby agrees, or in the case of a CP Conduit Purchaser Group, the CP Conduit Purchaser in such CP Conduit Purchaser Group may agree, in its sole discretion, and each APA Bank with respect to such CP Conduit Purchaser hereby agrees that the Purchaser Group Invested Amount with respect to such Purchaser Group may be increased by an amount equal to its APA Bank Percentage of the Commitment Percentage with respect to such Purchaser Group of the Increase Amount (an “Increase”), upon the request of ABRCF (each date on which an increase in the Series 2010-6 Invested Amount occurs hereunder being herein referred to as the “Increase Date” applicable to such Increase) and (B) as a result of such Increase with respect to the Class A Notes as requested by ABRCF, each Committed Note Purchaser hereby agrees that the Class R Invested Amount with respect to such Committed Note Purchaser shall be increased by the minimum amount necessary to cause the Retention Test to be satisfied; provided, however, that ABRCF shall have given the Administrative Agent and each Committed Note Purchaser (with a copy to the Trustee) irrevocable (other than as specified in Section 2.3(e)) written notice (effective upon receipt), by telecopy (receipt confirmed), substantially in the form of Exhibit B together with a calculation (including of the components thereof) in a form reasonably acceptable to the Administrative Agent of the sum of (i)

the Series 2010-6 AESOP I Operating Loan Agreement Borrowing Base and (ii) the Series 2010-6 VFN Percentage of the excess, if any, of (x) the AESOP II Loan Agreement Borrowing Base over (y) the AESOP II DBRS Excluded Manufacturer Amount on the date of such notice, of such request no later than 3:00 p.m. (New York City time) on (A) with respect to a Deferrable Increase Notice, the third Business Day prior to such Increase Date or (B) with respect to a Non-Deferrable Increase Notice, the second Business Day prior to such Increase Date, as the case may be. Such notice shall state (x) the Increase Date, (y) the proposed amount of the increase in the Class A Invested Amount and the Class R Invested Amount, as applicable (in each case, an “Increase Amount”), as the case may be, and (z) whether a Delayed Funding Notice may be delivered in connection with such Increase pursuant to Section 2.3(e). The Commitment Percentage with respect to any Purchaser Group of the Increase Amount with respect to the Class A Notes set forth in any Non-Deferrable Increase Notice shall not exceed such Purchaser Group’s Non-Deferrable Draw Amount as of the related Increase Date.

(b) If a CP Conduit Purchaser elects not to fund the full amount of its Purchaser Group Increase Amount, such CP Conduit Purchaser shall notify the Administrative Agent and the Funding Agent with respect to such CP Conduit Purchaser, and each APA Bank with respect to such CP Conduit Purchaser shall fund its APA Bank Percentage of the portion of the Commitment Percentage with respect to such Related Purchaser Group of such Increase, as the case may be, not funded by such CP Conduit Purchaser.

(c) No Purchaser Group shall be required to increase its Purchaser Group Invested Amount on any Increase Date hereunder unless:

(i) such Purchaser Group’s Purchaser Group Increase Amount is equal to (A) \$1,000,000 or an integral multiple of \$100,000 in excess thereof or (B) if less, the excess of the Maximum Purchaser Group Invested Amount with respect to such Purchaser Group over the Purchaser Group Invested Amount with respect to such Purchaser Group;

(ii) after giving effect to such Increase Amount, the sum of the (x) the Purchaser Group Invested Amount and (y) any unfunded Delayed Amounts with respect to such Purchaser Group would not exceed the Maximum Purchaser Group Invested Amount with respect to such Purchaser Group;

(iii) after giving effect to such Increase Amount, no AESOP I Operating Lease Vehicle Deficiency would occur and be continuing;

(iv) no Amortization Event or Potential Amortization Event (in each case, other than an Amortization Event or Potential Amortization Event in respect of another Series of Notes solely resulting from a Surety Default (as such term is defined in the Supplement pursuant to which such other Series of Notes was issued)) has occurred and is continuing on the Series 2010-6 Closing Date or such Increase Date, as applicable, or would occur and be continuing after giving effect to such Increase;

(v) not more than two Increases have occurred in the four Business Days immediately preceding the date of such Increase;

(vi) all of the representations and warranties made by each of ABRCF, the Lessees, the Lessors and the Administrator in the Base Indenture, this Supplement and the Related Documents to which each is a party are true and correct in all material respects on and as of such Increase Date, as if made on and as of such date (except to the extent such representations and warranties are expressly made as of another date); and

(vii) all conditions precedent to the making of any Loan under the applicable Loan Agreements would be satisfied.

ABRCF's acceptance of funds in connection with each Increase occurring on any Increase Date shall constitute a representation and warranty by ABRCF to the Purchaser Groups as of such Increase Date (except to the extent such representations and warranties are expressly made as of another date) that all of the conditions contained in this Section 2.3(c) have been satisfied.

(d) Upon receipt of any notice required by Section 2.3(a) or permitted by Section 2.3(e) from ABRCF, the Administrative Agent shall forward (by telecopy or electronic messaging system) a copy of such notice to each Non-Conduit Purchaser and the Funding Agent with respect to each CP Conduit Purchaser Group (or, with respect to any notice pursuant to Section 2.3(e) requiring a Delayed Funding Purchaser Group to decrease its Delayed Amount, the applicable Non-Conduit Purchaser or Funding Agent), no later than 5:00 p.m. (New York City time) on the day received. After receipt by any Funding Agent with respect to a CP Conduit Purchaser Group of such notice from the Administrative Agent, such Funding Agent shall, so long as the conditions set forth in Sections 2.3(a) and (c) are satisfied, promptly provide telephonic notice to the related CP Conduit Purchaser and the related APA Banks, of the Increase Date and of such CP Conduit Purchaser Group's Purchaser Group Increase Amount. Subject to Section 2.3(e), if such CP Conduit Purchaser elects to fund all or a portion of its Purchaser Group Increase Amount, such CP Conduit Purchaser shall pay in immediately available funds its Commitment Percentage (or any portion thereof) of the amount of such Increase with respect to the Class A Notes on the related Increase Date to the Funding Agent with respect to such CP Conduit Purchaser Group for remittance to the Trustee for deposit into the Series 2010-6 Collection Account. Subject to Section 2.3(e), if such CP Conduit Purchaser does not fund the full amount of such CP Conduit Purchaser Group's Purchaser Group Increase Amount and the related APA Banks are required to fund the portion thereof not funded by the CP Conduit Purchaser, each such APA Bank shall pay in immediately available funds its APA Bank Percentage of such portion on the related Increase Date to the Funding Agent with respect to such CP Conduit Purchaser Group for deposit in the Series 2010-6 Collection Account. Each Funding Agent shall remit the amounts received by it from its CP Conduit Purchaser or the related APA Banks pursuant to this Section 2.3(d) to the Trustee for deposit into the Series 2010-6 Collection Account. Subject to Section 2.3(e), so long as the conditions set forth in Sections 2.3(a) and (c) are satisfied, each Non-Conduit Purchaser shall pay in immediately available funds such Non-Conduit Purchaser's Purchaser Group Increase Amount on the related Increase Date to the Trustee for deposit into the Series 2010-6 Collection Account. So long as the conditions set forth in Sections 2.3(a) and (c) are satisfied, each Committed Note Purchaser shall pay in immediately available funds the Class R Initial Invested Amount on the Series 2010-6 Closing Date or the amount of such Increase Amount with respect to the Class R Notes on the related Increase Date to the Trustee for deposit into the Series 2010-6 Collection Account.

(e) Notwithstanding any of the foregoing, any APA Bank or Non-Conduit Purchaser who shall have previously notified ABRCF in writing that it or any related Program Support Provider has incurred charges under, or in anticipation of, Basel III (which may include external charges incurred by the APA Bank, Non-Conduit Purchaser or Program Support Provider or internal charges incurred by any of their businesses) in respect of its Commitment hereunder or any agreement to support such Commitment, or in respect of its interest in the Series 2010-6 Notes, based on its “liquidity coverage ratio” calculated under Basel III, may, upon receipt of any Deferrable Increase Notice pursuant to Section 2.3(a), notify ABRCF in writing (a “Delayed Funding Notice”) on or prior to 12:00 noon (New York City time) on the second Business Day preceding the related Increase Date, of its intent to fund an amount up to its APA Bank Percentage or its Commitment Percentage, as applicable, of the related Increase Amount with respect to the Class A Notes (such amount, subject to any adjustment described below, the “Delayed Amount”) on a Business Day that is on or before the thirty-fifth (35th) day following the Increase Date specified in such Deferrable Increase Notice (the “Delayed Funding Date”) rather than on such Increase Date. If any APA Bank or Non-Conduit Purchaser provides a Delayed Funding Notice to ABRCF following ABRCF’s delivery of a notice of an Increase pursuant to Section 2.3(a), ABRCF may with written notice to the Administrative Agent delivered prior to 3:00 pm on the second Business Day preceding such Increase Date, (x) decrease the Increase Amount with respect to the Class A Notes with respect to such Deferrable Increase Notice (or revoke such Deferrable Increase Notice by decreasing the Increase Amount to zero) and/or (y) require any APA Bank or Non-Conduit Purchaser who has provided a Delayed Funding Notice to reduce the Delayed Amount with respect to such Increase by an amount no greater than the Non-Deferrable Draw Amount with respect to such Purchaser Group as of the related Increase Date. In the event that the Increase Amount with respect to such Deferrable Increase Notice is reduced, but not to zero, then any Delayed Amount with respect to any Purchaser Group shall be reduced on a pro rata basis unless otherwise specified by ABRCF pursuant to clause (y) above. No Purchaser Group that has provided a Delayed Funding Notice in respect of an Increase (each a “Delayed Funding Purchaser Group”) shall be considered to be in default of its obligation to fund its Delayed Amount pursuant to this Section 2.3 unless and until it has failed to fund the Delayed Amount (and/or the Delayed Funding Reimbursement Amount with respect to such Delayed Amount) on or before the Delayed Funding Date.

(f) If (i) one or more Delayed Funding Purchaser Groups provides a Delayed Funding Notice to ABRCF in respect of any Increase Date and (ii) ABRCF shall not have decreased the related Increase Amount to zero or required each such Delayed Funding Purchaser Group to reduce the Delayed Amount with respect to such Increase to zero, in each case, pursuant to Section 2.3(e), the Administrative Agent shall, by no later than 12:00 noon (New York City time) on the Business Day preceding such Increase Date, direct each Purchaser Group that is not a Delayed Funding Purchaser Group with respect to such Increase Date (each a “Non-Delayed Funding Purchaser Group”) to fund an additional portion of such Increase Amount with respect to the Class A Notes on such Increase Date equal to such Non-Delayed Funding Purchaser Group’s proportionate share (based upon the Maximum Purchaser Group Invested Amount with respect to such Non-Delayed Funding Purchaser Group relative to the sum of the Maximum Purchaser Group Invested Amounts with respect to all Non-Delayed Funding Purchaser Groups) of the aggregate Delayed Amounts with respect to such Increase Date; provided that no Non-Delayed Funding Purchaser Group shall be required to fund any portion of the aggregate Delayed Amounts that would cause

its Purchaser Group Invested Amount to exceed its Maximum Purchaser Group Invested Amount. Subject to Section 2.3(a), in the case of a Non-Delayed Funding Purchaser Group that is a Non-Conduit Purchaser, such Non-Conduit Purchaser hereby agrees, or, in the case of a Non-Delayed Funding Purchaser Group that is a CP Conduit Purchaser Group, the CP Conduit in such CP Conduit Purchaser Group may agree, in its sole discretion, and the APA Banks in such CP Conduit Purchaser Group hereby agree, to fund such portion of the Increase Amount with respect to the Class A Notes on such Increase Date.

(g) After the Non-Delayed Funding Purchaser Groups fund a Delayed Amount on any Increase Date in accordance with Section 2.3(f), the Delayed Funding Purchaser Group in respect of such Delayed Amount will be obligated to fund the Delayed Funding Reimbursement Amount with respect to such Delayed Amount on or before its Delayed Funding Date, irrespective of whether the Scheduled Expiry Date with respect to such Delayed Funding Purchaser Group shall have occurred on or prior to such Delayed Funding Date or ABRCF would be able to satisfy the conditions set forth in Section 2.3(a) to an Increase with respect to the Class A Notes in an amount equal to such Delayed Funding Reimbursement Amount on such Delayed Funding Date. Such Delayed Funding Purchaser Group shall fund such Delayed Funding Reimbursement Amount on such Delayed Funding Date by paying such amount to the Administrative Agent in immediately available funds, and the Administrative Agent shall distribute such funds to each such Non-Delayed Funding Purchaser Group, pro rata based on the relative amount of such Delayed Amount funded by such Non-Delayed Funding Purchaser Group on such Increase Date pursuant to Section 2.3(f).

Section 2.4. Sales by CP Conduit Purchasers of Class A Notes to APA Banks. Notwithstanding any limitation to the contrary contained herein, each CP Conduit Purchaser may, in its own discretion, at any time, sell or assign all or any portion of its interest in its Class A Note to any Conduit Assignee or to the APA Banks with respect to such CP Conduit Purchaser pursuant to, and subject to the terms and conditions of, the Asset Purchase Agreement with respect to such CP Conduit Purchaser.

Section 2.5. Procedure for Decreasing the Series 2010-6 Invested Amount; Optional Termination. (a) Subject to the following sentence, on any Business Day prior to the occurrence of an Amortization Event, upon the written request of ABRCF or the Administrator on behalf of ABRCF, the Series 2010-6 Invested Amount or during the Series 2010-6 Controlled Amortization Period the Class A Invested Amount only, may be reduced (a "Decrease") by the Trustee's withdrawing (as set forth in such request) (x) funds on deposit in the Series 2010-6 Excess Collection Account on such Business Day in an amount not to exceed the amount of such funds on deposit therein on such Business Day (after giving effect to any application pursuant to clauses (i), (ii) and (iii) of Section 3.2(f)) and/or (y) if such Business Day is during the Series 2010-6 Controlled Amortization Period, funds on deposit in the Series 2010-6 Collection Account on such Business Day in an amount not to exceed the amount of such funds on deposit therein on such Business Day that were allocated to the Series 2010-6 Notes pursuant to Section 3.2(b)(ii) on or prior to such Business Day which have not previously been withdrawn therefrom pursuant to either this clause (y) to make a Decrease or pursuant to Section 3.5(a) to be paid to the holders of the Series 2010-6 Notes, and, in each case, depositing such funds into the Series 2010-6 Distribution Account and distributing such funds to the Administrative Agent on such Business Day in accordance with Section

3.5(b); provided that ABRCF shall have given the Administrative Agent and each Committed Note Purchaser (with a copy to the Trustee) irrevocable written notice (effective upon receipt) of the amount of such Decrease prior to 9:30 a.m. (New York City time) on the second Business Day prior to such Decrease; provided, further, that any such Decrease shall be in an amount equal to \$10,000,000 and integral multiples of \$500,000 in excess thereof (or if such Decrease will be used to reduce one or more Non-Extending Purchaser Group's Purchaser Group Invested Amounts, such Decrease may be in such amount as is necessary to reduce the Purchaser Group Invested Amounts of all such Non-Extending Purchaser Groups to zero). Notwithstanding the previous sentence, the Class R Notes shall not be subject to a Decrease during the Series 2010-6 Controlled Amortization Period. Upon each Decrease, the Administrative Agent shall indicate in its records such Decrease, the Purchaser Group Invested Amount outstanding with respect to each Purchaser Group after giving effect to such Decrease and the Class R Invested Amount outstanding with respect to each Committed Note Purchaser after giving effect to such Decrease. Upon receipt of any notice required by Section 2.5(a) from ABRCF, the Administrative Agent shall forward (by telecopy or electronic messaging system) a copy of such notice to each Non-Conduit Purchaser and the Funding Agent with respect to each CP Conduit Purchaser Group, no later than 1:00 p.m. (New York City time) on the Business Day received.

(b) On any Business Day, ABRCF shall have the right to deliver an irrevocable written notice (an "Optional Termination Notice") to the Administrative Agent, each Committed Note Purchaser, the Trustee, the Administrator, Standard & Poor's, Moody's and the Rating Agencies in which ABRCF declares that the Commitments shall terminate on the date (the "Optional Termination Date") set forth in such notice (which date, in any event, shall be a Distribution Date not less than twenty Business Days from the date on which such notice is delivered). Upon receipt of any Optional Termination Notice from ABRCF, the Administrative Agent shall promptly notify each Non-Conduit Purchaser and the Funding Agent with respect to each CP Conduit Purchaser Group thereof.

(c) From and after the Optional Termination Date, the Series 2010-6 Rapid Amortization Period shall commence for all purposes under this Supplement, the Base Indenture and the Related Documents.

(d) If there are Principal Collections on deposit in the Series 2010-6 Excess Collection Account on any Business Day on which the Purchaser Group Invested Amount with respect to any Non-Extending Purchaser Group shall not have been reduced to zero and ABRCF would be permitted under the terms of Section 2.5(a) to effect a Decrease with such funds, ABRCF shall request such a Decrease in accordance with Section 2.5(a) on the earliest possible date.

Section 2.6. Increases and Reductions of the Commitments; Extensions of the Commitments; Replacement of Purchaser Groups.

(a) ABRCF may from time to time request that any Purchaser Group agree to increase its Maximum Purchaser Group Invested Amount. An increase in such amount shall be effective hereunder if such Purchaser Group shall have agreed in its sole discretion to such increase. If any such Purchaser Group agrees to ABRCF's proposed increase, the Class R Maximum Invested Amount for each Committed Note Purchaser shall be automatically increased in an amount so that it maintains its proportional share of the Series 2010-6 Maximum

Invested Amount immediately prior to such increase. In addition to an increase to the Class R Maximum Invested Amount pursuant to the previous sentence, the Class R Maximum Invested Amount may be increased at any time with or without a corresponding increase to the Maximum Purchaser Group Invested Amount upon notice from ABRCF to the Committed Note Purchasers.

(b) If ABRCF desires to extend the Scheduled Expiry Date with respect to the Purchaser Groups, ABRCF shall notify the Administrative Agent and each Committed Note Purchaser at least 60 days prior to such Scheduled Expiry Date of its desire to extend the Scheduled Expiry Date with respect to the Purchaser Groups, whereupon the Administrative Agent shall notify each Non-Conduit Purchaser and the Funding Agent with respect to each CP Conduit Purchaser Group of ABRCF's desire to so extend the Scheduled Expiry Date. Each Non-Conduit Purchaser and each Funding Agent, on behalf of its CP Conduit Purchaser Group, shall notify the Administrative Agent and ABRCF in writing of whether its Related Purchaser Group agrees to an extension of the Scheduled Expiry Date with respect to such Purchaser Group; provided that failure by a Non-Conduit Purchaser or a Funding Agent to respond to such request shall not be construed as a consent by such Purchaser Group to such extension. The decision to extend or not extend shall be made by each Purchaser Group in its sole discretion. In the event that any Purchaser Group desires to extend its Scheduled Expiry Date for an amount that is less than its Maximum Purchaser Group Invested Amount prior to ABRCF's request for an extension, ABRCF, in its sole discretion, may accept such extension; provided, however, that such Purchaser Group (x) shall be deemed to be a Non-Extending Purchaser Group for purposes of Section 3.5 having a Purchaser Group Invested Amount equal to the excess of its Purchaser Group Invested Amount over a percentage of its Maximum Purchaser Group Invested Amount that will be available after the extension of its Scheduled Expiry Date equal to the percentage equivalent of a fraction, the numerator of which is the sum of the Purchaser Group Invested Amounts with respect to all Extending Purchaser Groups, other than such Purchaser Group and any other Purchaser Group reducing its Maximum Purchaser Group Invested Amount, and the denominator of which is the sum of the Maximum Purchaser Group Invested Amounts of all Extending Purchaser Groups, other than such Purchaser Group and any other Purchaser Group reducing its Maximum Purchaser Group Invested Amount and (y) shall be deemed to be an Extending Purchaser Group with a Maximum Purchaser Group Invested Amount equal to the portion of its Maximum Purchaser Group Invested Amount that will be available after the extension of its Scheduled Expiry Date. In connection with any request by ABRCF to extend the Scheduled Expiry Date pursuant to this Section 2.6(b), ABRCF shall provide (i) to the Administrative Agent, who shall provide to each Purchaser Group, on or prior to the effective date of any such extension, a certificate of the principal financial officer of ABRCF to the effect set forth in Schedule 8.3(d) of the Base Indenture and (ii) notice to the Rating Agencies, Standard & Poor's and Moody's of its request to extend the Scheduled Expiry Date.

(c) On any Business Day during the Series 2010-6 Revolving Period, ABRCF may, upon two (2) Business Days' prior written notice to the Administrative Agent (effective upon receipt) (with copies to the Administrator and the Trustee) reduce the Class A Maximum Invested Amount in an amount equal to \$10,000,000 or a whole multiple of \$1,000,000 in excess thereof; provided that no such termination or reduction shall be permitted if, after giving effect thereto and to any reduction in the Class A Invested Amount on such date, the Purchaser Group Invested Amount with respect to any Purchaser Group would exceed the Maximum Purchaser Group Invested Amount

with respect to such Purchaser Group then in effect. Any reduction in the Class A Maximum Invested Amount shall be made on a pro rata basis to the Maximum Purchaser Group Invested Amounts with respect to the Purchaser Groups, based on the Maximum Purchaser Group Invested Amount with respect to each Purchaser Group. Once reduced, the Maximum Purchaser Group Invested Amounts may not be subsequently reinstated without each such Purchaser Group's prior written consent, which consent shall be granted or not in the sole discretion of such Purchaser Group.

(d) If, (w) after receiving a request for extension of its Scheduled Expiry Date from ABRCF pursuant to Section 2.6(b), a Non-Conduit Purchaser Group or the Funding Agent with respect to a CP Conduit Purchaser Group notifies ABRCF in writing of its decision not to extend its Scheduled Expiry Date as requested or fails to respond to ABRCF's request within 30 days of its receipt of such request, (x) any Non-Conduit Purchaser Group or any CP Conduit Purchaser Group (or the Funding Agent with respect thereto, on behalf of such CP Conduit Purchaser Group) (a "Non-Consenting Purchaser Group") fails to give its consent for any amendment or waiver requiring the consent of 100% of the Series 2010-6 Noteholders (or Purchaser Groups having Commitment Percentages aggregating 100%) or the consent of all affected Series 2010-6 Noteholders or Purchaser Groups (and such Purchaser Group is affected) and for which Holders of Series 2010-6 Notes representing at least a majority of the required voting percentage have consented, (y) after receiving a notice of Increase in accordance with Section 2.3(a), any Purchaser Group fails to fund the full amount of its Commitment Percentage of the related Increase Amount on the Increase Date (a "Non-Funding Purchaser Group") or (z) any Affected Party with respect to any Non-Conduit Purchaser Group or any CP Conduit Purchaser Group (together with any Non-Extending Purchaser Group, Non-Consenting Purchaser Group or Non-Funding Purchaser Group, "Removed Purchaser Groups") requests payment for any Article VII Costs payable under Section 7.1(e), at the request of ABRCF such Non-Conduit Purchaser Group or such CP Conduit Purchaser Group shall on a Distribution Date thereafter selected by ABRCF (or such other date as may be agreed by ABRCF, the Administrative Agent and such Non-Conduit Purchaser or the Funding Agent with respect to such CP Conduit Purchaser Group) assign all or any portion of their respective rights and obligations under this Supplement and the Series 2010-6 Notes pursuant to Section 11.1 to a replacement Purchaser Group selected by ABRCF upon payment by the replacement Purchaser Group (or upon payment by ABRCF as agreed to by ABRCF, the assignor and the assignee) of an amount equal to the sum of (i) the Purchaser Group Invested Amount with respect to such Removed Purchaser Group, and (ii) (A) if such Purchaser Group includes a Match Funding CP Conduit Purchaser, the sum of (x) all accrued and unpaid Discount on all outstanding Commercial Paper issued by, or for the benefit of, such Match Funding CP Conduit Purchaser to fund the CP Funded Amount with respect to such Match Funding CP Conduit Purchaser from the issuance date(s) thereof to but excluding the date (the "Purchase Effective Date") of the assignment to the replacement Purchaser Group and (y) the aggregate Discount to accrue on all outstanding Commercial Paper issued by, or for the benefit of, such Match Funding CP Conduit Purchaser to fund the CP Funded Amount with respect to such Match Funding CP Conduit Purchaser from and including the Purchase Effective Date to and excluding the maturity date of each CP Tranche with respect to such Match Funding CP Conduit Purchaser or (B) if such Removed Purchaser Group includes a Pooled Funding CP Conduit Purchaser, the sum of (x) the aggregate amount of accrued and unpaid Discount on or in respect of the Commercial Paper issued by, or for the benefit of, such Pooled Funding CP Conduit Purchaser allocated, in whole or in part, by the Funding Agent with respect to such Pooled Funding

CP Conduit Purchaser, to fund the purchase or maintenance of the CP Funded Amount with respect to such Pooled Funding CP Conduit Purchaser as of the Purchase Effective Date and (y) the aggregate amount of Discount to accrue on or in respect of the Commercial Paper issued by, or for the benefit of, such Pooled Funding CP Conduit Purchaser allocated, in whole or in part, by the Funding Agent with respect to such Pooled Funding CP Conduit Purchaser, to fund the purchase or maintenance of the CP Funded Amount with respect to such Pooled Funding CP Conduit Purchaser from and including the Purchase Effective Date to and excluding the maturity dates of such Commercial Paper, and (iii) (A) if such Removed Purchaser Group is a Non-Conduit Purchaser Group, all accrued and unpaid interest on the Purchaser Group Invested Amount for such Non-Conduit Purchaser Group, calculated as the sum for each day from but excluding the last day of the Series 2010-6 Interest Period immediately preceding the Purchase Effective Date to but excluding the Purchase Effective Date of the product of (1) the Purchaser Group Invested Amount with respect to such Non-Conduit Purchaser on such day, times (2) the sum of the LIBO Rate with respect to each such day and the Program Fee Rate with respect to such Non-Conduit Purchaser Group divided by (3) 360, or (B) if such Removed Purchaser Group is a CP Conduit Purchaser Group, the sum of (1) all accrued and unpaid interest on the APA Bank Funded Amount with respect to such Purchaser Group, calculated at the Alternate Base Rate or the applicable Adjusted LIBO Rate plus the Applicable Margin as of the Purchase Effective Date and (2) if such CP Conduit Purchaser Group includes a LIBOR Funding CP Conduit Purchaser, all accrued and unpaid interest on the CP Conduit Funded Amount for such CP Conduit Purchaser Group, calculated as the sum for each day from but excluding the last day of the Series 2010-6 Interest Period immediately preceding the Purchase Effective Date to but excluding the Purchase Effective Date of the product of (x) the CP Conduit Funded Amount with respect to such CP Conduit Purchaser Group on each such day, times (y) the LIBO Rate with respect to each such day with respect to such CP Conduit Purchaser Group divided by (z) 360, and (iv) if such Removed Group is a Conduit Purchaser Group, for each day from but excluding the last day of the Series 2010-6 Interest Period immediately preceding the Purchase Effective Date to but excluding the Purchase Effective Date, an amount equal to (x) the CP Funded Amount with respect to such Removed Purchaser Group on such day times (y) the Program Fee Rate divided by (z) 360, and (v) for each day from but excluding the last day of the Series 2010-6 Interest Period immediately preceding the Purchase Effective Date to but excluding the Purchase Effective Date, an amount equal to (x) the excess, if any, of the Commitment Amount with respect to such Removed Purchaser Group over the Purchaser Group Invested Amount with respect to such Purchaser Group on such day times (y) the Commitment Fee Rate as of such date divided by (z) 360, and (vi) all Article VII Costs then due and payable to such Removed Purchaser Group and (vii) without duplication, any other amounts then due and payable to such Removed Purchaser Group pursuant to this Supplement.

(e) ABRCF may at any time add as a Class A Noteholder (A) a multi-seller commercial paper conduit as an additional CP Conduit Purchaser (an "Additional CP Conduit Purchaser") and one or more banks providing support to the Additional CP Conduit Purchaser as APA Banks with respect to the Additional CP Conduit Purchaser (the "Related Additional APA Banks") or (B) a financial institution or other entity (other than a commercial paper conduit) as an additional Non-Conduit Purchaser (an "Additional Non-Conduit Purchaser"), in each case with the prior written consent of the Administrative Agent (which consent shall not be unreasonably withheld), by providing at least ten Business Days written notice of (i) (A) the names of the Additional CP Conduit Purchaser, the Related Additional APA Banks and the funding agent with

respect to the Additional CP Conduit Purchaser and the Related Additional APA Banks (the “Additional Funding Agent”) or (B) the name of the Additional Non-Conduit Purchaser, as applicable, (ii) the date on which ABRCF desires to effect such addition (the “Purchaser Group Addition Date”), (iii) the proposed Maximum Purchaser Group Invested Amount with respect to the Additional CP Conduit Purchaser and the Related Additional APA Banks or the Additional Non-Conduit Purchaser, as applicable, and (iv) the Commitment Percentage of each Purchaser Group on the Purchaser Group Addition Date, after giving effect to the addition of the Additional CP Conduit Purchaser and the Related Additional APA Banks or the Additional Non-Conduit Purchaser, as applicable. On the Purchaser Group Addition Date, each Purchaser Group shall make an assignment and assumption to the Additional CP Conduit Purchaser, the Related Additional APA Banks and the Additional Funding Agent or the Additional Non-Conduit Purchaser, as applicable, pursuant to Section 11.1, as directed by the Administrative Agent, with the result that after giving effect thereto, the Purchaser Group Invested Amount with respect to each such Purchaser Group shall equal the product of (x) the Class A Invested Amount on the Purchaser Group Addition Date and (y) the Commitment Percentage of such Purchaser Group on the Purchaser Group Addition Date, after giving effect to the addition of the Additional CP Conduit Purchaser and the Related Additional APA Banks or the Additional Non-Conduit Purchaser, as applicable. No Purchaser Group shall be required to make any assignment unless such assigning Purchaser Group shall receive in cash an amount equal to the reduction in its Class A Invested Amount.

Section 2.7. Interest; Fees. (a) Interest shall be payable on the Series 2010-6 Notes on each Distribution Date pursuant to Section 3.3.

(b) On any Business Day, ABRCF may, subject to Section 2.7(c), elect to allocate all or any portion of the Available CP Funding Amount with respect to any Match Funding CP Conduit Purchaser, to one or more CP Tranches with CP Rate Periods commencing on such Business Day by giving the Administrative Agent and the Funding Agent with respect to such Match Funding CP Conduit Purchaser irrevocable written or telephonic (confirmed in writing) notice thereof, which notice must be received by such Funding Agent prior to 3:00 p.m. (New York City time) on the second Business Day prior to such Business Day. Such notice shall specify (i) the applicable Business Day, (ii) the CP Rate Period for each CP Tranche to which a portion of the Available CP Funding Amount with respect to such CP Conduit Purchaser Group is to be allocated and (iii) the portion of such Available CP Funding Amount being allocated to each such CP Tranche. On any Business Day, ABRCF may, subject to Sections 2.7(c) and 7.4, elect to allocate all or any portion of the Available APA Bank Funding Amount with respect to any CP Conduit Purchaser Group to one or more Eurodollar Tranches with Eurodollar Periods commencing on such Business Day by giving the Administrative Agent and the Funding Agent with respect to such CP Conduit Purchaser Group irrevocable written or telephonic (confirmed in writing) notice thereof, which notice must be received by such Funding Agent prior to 1:00 p.m. (New York City time) three Business Days prior to such Business Day. Such notice shall specify (i) the applicable Business Day, (ii) the Eurodollar Period for each Eurodollar Tranche to which a portion of the Available APA Bank Funding Amount with respect to such CP Conduit Purchaser Group is to be allocated and (iii) the portion of such Available APA Bank Funding Amount being allocated to each such Eurodollar Tranche. Upon receipt of any such notice, the Funding Agent with respect to a CP Conduit Purchaser Group shall

notify the CP Conduit Purchaser and the APA Bank with respect to such CP Conduit Purchaser Group of the contents of such notice promptly upon receipt thereof.

(c) Notwithstanding anything to the contrary contained in this Section 2.7, (i) (A) each Match Funding CP Conduit Purchaser shall approve the length of each CP Rate Period and the portion of the Available CP Funding Amount with respect to such Match Funding CP Conduit Purchaser allocated to such CP Rate Period, (B) such Match Funding CP Conduit Purchaser may select, in its sole discretion, any new CP Rate Period if (x) ABRCF does not provide notice of a new CP Rate Period on a timely basis or (y) the Funding Agent with respect to such Match Funding CP Conduit Purchaser, on behalf of such Match Funding CP Conduit Purchaser, determines, in its sole discretion, that the CP Rate Period requested by ABRCF is unavailable or for any reason commercially undesirable and (C) the portion of the Available CP Funding Amount with respect to such Match Funding CP Conduit Purchaser allocable to each CP Tranche must be in an amount equal to \$1,000,000 or an integral multiple of \$100,000 in excess thereof and (ii) (A) the portion of the Available APA Bank Funding Amount with respect to any CP Conduit Purchaser Group allocable to each Eurodollar Tranche must be in an amount equal to \$100,000 or an integral multiple of \$100,000 in excess thereof, (B) no more than 7 Eurodollar Tranches with respect to such CP Conduit Purchaser Group shall be outstanding at any one time, (C) after the occurrence and during the continuance of any Amortization Event or Potential Amortization Event, ABRCF may not elect to allocate any portion of the Available APA Bank Funding Amount with respect to any CP Conduit Purchaser Group to a Eurodollar Tranche and (D) during the Series 2010-6 Controlled Amortization Period or the Series 2010-6 Rapid Amortization Period, ABRCF may not select any Eurodollar Period that does not end on or prior to the next succeeding Distribution Date.

(d) On any Business Day, a Match Funding CP Conduit Purchaser may elect that ABRCF no longer be permitted to select CP Tranches in accordance with Sections 2.7(b) and (c) in respect of the CP Conduit Funded Amount with respect to such CP Conduit Purchaser by giving ABRCF and the Administrative Agent irrevocable written notice thereof, which notice must be received by ABRCF and the Administrative Agent at least one Business Day prior to such Business Day. On any Business Day, a Pooled Funding CP Conduit Purchaser may with the prior written consent of the Administrator (which consent shall not be unreasonably withheld) elect thereafter to allow ABRCF to select CP Tranches in accordance with Sections 2.7(b) and (c) in respect of the CP Conduit Funded Amount with respect to such CP Conduit Purchaser by giving ABRCF and the Administrative Agent irrevocable written notice thereof, which notice and consent must be received by ABRCF and the Administrative Agent at least one Business Day prior to such election. Any CP Conduit Purchaser making an election to change the manner in which its funding costs in respect of its Class A Note are allocated in accordance with this Section 2.7(d) will be both a Match Funding CP Conduit Purchaser and a Pooled Funding CP Conduit Purchaser during the period that its Class A Note is funded on both a “pooled” and “match funded” basis and its Monthly Funding Costs during that period will be calculated accordingly.

(e) ABRCF shall pay with funds available pursuant to Section 3.3(a) to the Administrative Agent, for the account of each Purchaser Group, on each Distribution Date, a commitment fee with respect to the Series 2010-6 Interest Period ending on the day preceding such Distribution Date (the “Commitment Fee”) during the period from the Series 2010-6 Closing Date

to and including the Expiry Date with respect to such Purchaser Group equal to the product of (x) the Commitment Fee Rate with respect to such Purchaser Group as of the last day of such Series 2010-6 Interest Period and (y) the excess of (i) the average daily Commitment Amount with respect to such Purchaser Group during such Series 2010-6 Interest Period over (ii) the average daily Purchaser Group Invested Amount with respect to such Purchaser Group during such Series 2010-6 Interest Period. The Commitment Fees shall be payable monthly in arrears on each Distribution Date and shall be considered interest on the Series 2010-6 Notes for purposes of calculating the Accrued Amounts with respect to the Series 2010-6 Notes.

(f) ABRCF shall pay with funds available pursuant to Section 3.3(g) to the Administrative Agent, for the account of each Purchaser Group, on each Distribution Date, the Contingent Monthly Funding Costs with respect to each Purchaser Group for the related Series 2010-6 Interest Period. The Contingent Monthly Funding Costs shall be payable monthly in arrears on each Distribution Date.

(g) With respect to the Class A Notes, calculations of per annum rates under this Supplement shall be made on the basis of a 360- (or 365-/366- in the case of interest on the Floating Tranche based on the Prime Rate) day year. With respect to the Class R Notes, calculations of per annum rates under this Supplement shall be made on the basis of a 360-day year consisting of twelve 30-day months. Calculations of Commitment Fees shall be made on the basis of a 360-day year. Each determination of the Adjusted LIBO Rate or LIBO Rate by the Administrative Agent or by any Non-Conduit Purchaser shall be conclusive and binding upon each of the parties hereto in the absence of manifest error.

(h) On any date prior to the occurrence of an Amortization Event on which more than 50% of the Class A Invested Amount as of such date is funded by one or more APA Banks, each Non-Conduit Purchaser may elect, in its sole discretion, by delivering written notice to ABRCF, the Administrator and the Administrative Agent (a "Pricing Increase Notice"), to have the Monthly Funding Costs with respect to such Non-Conduit Purchaser calculated for each day of a Series 2010-6 Interest Period that more than 50% of the Class A Invested Amount is funded by one or more APA Banks at a rate per annum equal to the sum of (A) the LIBO Rate with respect to such day and (B) the Applicable Margin with respect to any Eurodollar Tranche on such day (rather than the LIBO Rate with respect to such day and the Program Fee Rate on such day). At any time following delivery of a Pricing Increase Notice by a Non-Conduit Purchaser, such Non-Conduit Purchaser may, in its sole discretion, rescind such election by delivering written notice thereof to ABRCF and the Administrative Agent (a "Pricing Increase Rescission").

Section 2.8. Indemnification by ABRCF. ABRCF agrees to indemnify and hold harmless the Trustee, the Administrative Agent, each Funding Agent, each CP Conduit Purchaser, each APA Bank, each Non-Conduit Purchaser and each of their respective officers, directors, agents and employees (each, a "Company indemnified person") from and against any loss, liability, expense, damage or injury suffered or sustained by (a "Claim") such Company indemnified person by reason of (i) any acts, omissions or alleged acts or omissions arising out of, or relating to, activities of ABRCF pursuant to the Indenture or the other Related Documents to which it is a party, (ii) a breach of any representation or warranty made or deemed made by ABRCF (or any of its officers)

in the Indenture or other Related Document or (iii) a failure by ABRCF to comply with any applicable law or regulation or to perform its covenants, agreements, duties or obligations required to be performed or observed by it in accordance with the provisions of the Indenture or the other Related Documents, including, but not limited to, any judgment, award, settlement, reasonable attorneys' fees and other reasonable costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding or claim, except to the extent such loss, liability, expense, damage or injury resulted from the gross negligence, bad faith or willful misconduct of such Company indemnified person or its officers, directors, agents, principals, employees or employers or includes any Excluded Taxes; provided that any payments made by ABRCF pursuant to this Section 2.8 shall be made solely from funds available pursuant to Section 3.3(e), shall be non-recourse other than with respect to such funds, and shall not constitute a claim against ABRCF to the extent that such funds are insufficient to make such payment.

Section 2.9. Funding Agents. (a) The Funding Agent with respect to each CP Conduit Purchaser Group is hereby authorized to record on each Business Day the CP Funded Amount with respect to such CP Conduit Purchaser Group and the aggregate amount of Discount accruing with respect thereto on such Business Day and the APA Bank Funded Amount with respect to such CP Conduit Purchaser Group and the amount of interest accruing with respect thereto on such Business Day and, based on such recordations, to determine the Monthly Funding Costs with respect to each Series 2010-6 Interest Period and such CP Conduit Purchaser Group. Any such recordation by a Funding Agent, absent manifest error, shall constitute prima facie evidence of the accuracy of the information so recorded. Furthermore, the Funding Agent with respect to each CP Conduit Purchaser Group will maintain records sufficient to identify the percentage interest of the related CP Conduit Purchaser and each APA Bank with respect to such CP Conduit Purchaser Group holding an interest in the Series 2010-6 Note registered in the name of such Funding Agent and any amounts owing thereunder.

(b) Upon receipt of funds from the Administrative Agent on each Distribution Date and the date of any Decrease, each Funding Agent shall pay such funds to the related CP Conduit Purchaser and/or the related APA Bank owed such funds in accordance with the recordations maintained by it in accordance with Section 2.9(a) and the Asset Purchase Agreement with respect to such CP Conduit Purchaser. If a Funding Agent shall have paid to any CP Conduit Purchaser or APA Bank any funds that (i) must be returned for any reason (including bankruptcy) or (ii) exceeds that which such CP Conduit Purchaser or APA Bank was entitled to receive, such amount shall be promptly repaid to such Funding Agent by such CP Conduit Purchaser or APA Bank.

ARTICLE III

SERIES 2010-6 ALLOCATIONS

With respect to the Series 2010-6 Notes, the following shall apply:

Section 3.1. Establishment of Series 2010-6 Collection Account, Series 2010-6 Excess Collection Account and Series 2010-6 Accrued Interest Account. (a) All Collections allocable to the Series 2010-6 Notes shall be allocated to the Collection Account.

(b) The Trustee will create three administrative subaccounts within the Collection Account for the benefit of the Series 2010-6 Noteholders: the Series 2010-6 Collection Account (such sub-account, the "Series 2010-6 Collection Account"), the Series 2010-6 Excess Collection Account (such sub-account, the "Series 2010-6 Excess Collection Account") and the Series 2010-6 Accrued Interest Account (such sub-account, the "Series 2010-6 Accrued Interest Account").

(c) With respect to all Accounts created pursuant to this Supplement, the Trustee represents on the date hereof that it has an office in the United States which is not intended to be merely temporary and meets the description set forth in the second sentence of Article 4(1) of the Hague Convention on the Law Applicable to Certain Rights in Respect of Securities Held with an Intermediary, concluded 5 July 2006. The Law in force in the State of New York is applicable to all issues specified in Article 2(1) of the Hague Convention on the Law Applicable to Certain Rights in Respect of Securities Held with an Intermediary, concluded 5 July 2006.

Section 3.2. Allocations with Respect to the Series 2010-6 Notes. The net proceeds from the initial sale of the Series 2010-6 Notes and any Increase will be deposited into the Collection Account. On each Business Day on which Collections are deposited into the Collection Account (each such date, a "Series 2010-6 Deposit Date"), the Administrator will direct the Trustee in writing pursuant to the Administration Agreement to allocate all amounts deposited into the Collection Account in accordance with the provisions of this Section 3.2:

(a) Allocations of Collections During the Series 2010-6 Revolving Period. During the Series 2010-6 Revolving Period, the Administrator will direct the Trustee in writing pursuant to the Administration Agreement to allocate on each day, prior to 11:00 a.m. (New York City time) on each Series 2010-6 Deposit Date, all amounts deposited into the Collection Account as set forth below:

(i) allocate to the Series 2010-6 Collection Account an amount equal to the sum of (A) the Series 2010-6 Invested Percentage (as of such day) of the aggregate amount of Interest Collections on such day and (B) any Series 2010-6 Interest Rate Cap Proceeds received by the Trustee on such day. All such amounts allocated to the Series 2010-6 Collection Account shall be further allocated to the Series 2010-6 Accrued Interest Account; and

(ii) allocate to the Series 2010-6 Excess Collection Account the sum of (A) the Series 2010-6 Invested Percentage (as of such day) of the aggregate amount of Principal Collections on such day (for any such day, the "Series 2010-6 Principal Allocation") and (B) the proceeds from the initial issuance of the Series 2010-6

Notes and from any Increase; provided, however, if a Waiver Event shall have occurred, then such allocation shall be modified as provided in Article V.

(b) Allocations of Collections During the Series 2010-6 Controlled Amortization Period. With respect to the Series 2010-6 Controlled Amortization Period, the Administrator will direct the Trustee in writing pursuant to the Administration Agreement to allocate, prior to 11:00 a.m. (New York City time) on any Series 2010-6 Deposit Date, all amounts deposited into the Collection Account as set forth below:

(i) allocate to the Series 2010-6 Collection Account an amount determined as set forth in Section 3.2(a)(i) above for such day, which amount shall be further allocated to the Series 2010-6 Accrued Interest Account; and

(ii) allocate to the Series 2010-6 Collection Account an amount equal to the Series 2010-6 Principal Allocation for such day, which amount shall be used to make principal payments in respect of the Series 2010-6 Notes (A) in accordance with Section 3.5, (1) first, in respect of the Class A Notes in an amount equal to the Class A Controlled Distribution Amount with respect to the Related Month and (2) second, in respect of the Class R Notes, in an amount equal to the Class R Controlled Distribution Amount with respect to the Related Month or (B) to make a Decrease; provided, however, that if the Monthly Total Principal Allocation for any Related Month exceeds the Series 2010-6 Controlled Distribution Amount with respect to the Related Month, then the amount of such excess shall be allocated to the Series 2010-6 Excess Collection Account; and provided, further, that if a Waiver Event shall have occurred, then such allocation shall be modified as provided in Article V.

(c) Allocations of Collections During the Series 2010-6 Rapid Amortization Period. With respect to the Series 2010-6 Rapid Amortization Period, other than after the occurrence of an Event of Bankruptcy with respect to ABCR, any other Lessee or any Permitted Sublessee (other than a third-party Permitted Sublessee), the Administrator will direct the Trustee in writing pursuant to the Administration Agreement to allocate, prior to 11:00 a.m. (New York City time) on any Series 2010-6 Deposit Date, all amounts deposited into the Collection Account as set forth below:

(i) allocate to the Series 2010-6 Collection Account an amount determined as set forth in Section 3.2(a)(i) above for such day, which amount shall be further allocated to the Series 2010-6 Accrued Interest Account; and

(ii) allocate to the Series 2010-6 Collection Account an amount equal to the Series 2010-6 Principal Allocation for such day, which amount shall be used to make principal payments in respect of the Class A Notes until the Class A Invested Amount is paid in full, and then to make principal payments in respect of the Class R Notes until the Class R Invested Amount is paid in full; provided that if on any Determination Date (A) the Administrator determines that the amount anticipated to be available from Interest Collections allocable to the Series 2010-6 Notes, Series 2010-6 Interest Rate Cap Proceeds and other amounts available pursuant to Section

3.3 to pay Class A Senior Monthly Interest and the Commitment Fees on the next succeeding Distribution Date will be less than the Class A Senior Monthly Interest and Commitment Fees for the Series 2010-6 Interest Period ending on the day preceding such Distribution Date and (B) the Series 2010-6 Enhancement Amount is greater than zero, then the Administrator shall direct the Trustee in writing to reallocate a portion of the Principal Collections allocated to the Series 2010-6 Notes during the Related Month equal to the lesser of such insufficiency and the Series 2010-6 Enhancement Amount to the Series 2010-6 Accrued Interest Account to be treated as Interest Collections on such Distribution Date; provided further that if, after giving effect to any allocation on such Series 2010-6 Deposit Date, the Monthly Total Principal Allocation for the Related Month would exceed the sum of (x) the Series 2010-6 Invested Amount on such date and (y) any insufficiency described in the preceding proviso, then such excess shall be allocated to the Series 2010-6 Reserve Account.

(d) Allocations of Collections after the Occurrence of an Event of Bankruptcy. After the occurrence of an Event of Bankruptcy with respect to ABCR, any other Lessee or any Permitted Sublessee (other than a third-party Permitted Sublessee), the Administrator will direct the Trustee in writing pursuant to the Administration Agreement to allocate, prior to 11:00 a.m. (New York City time) on any Series 2010-6 Deposit Date, all amounts deposited into the Collection Account as set forth below:

(i) allocate to the Series 2010-6 Collection Account an amount equal to the sum of (A) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage as of the date of the occurrence of such Event of Bankruptcy of the aggregate amount of Interest Collections made under the AESOP I Operating Lease Loan Agreement, (B) the Series 2010-6 VFN Percentage of the aggregate amount of Interest Collections made under the AESOP II Loan Agreement and (C) any Series 2010-6 Interest Rate Cap Proceeds received by the Trustee on such day. All such amounts allocated to the Series 2010-6 Collection Account shall be further allocated to the Series 2010-6 Accrued Interest Account; and

(ii) allocate to the Series 2010-6 Collection Account an amount equal to the sum of (A) the Series 2010-6 AESOP I Operating Lease Vehicle Percentage as of the date of the occurrence of such Event of Bankruptcy of the aggregate amount of Principal Collections made under the AESOP I Operating Lease Loan Agreement and (B) the Series 2010-6 VFN Percentage of the aggregate amount of Principal Collections made under the AESOP II Loan Agreement, which amount shall be used to make principal payments in respect of the Class A Notes until the Class A Invested Amount is paid in full, and after the Class A Notes have been paid in full shall be used to make principal payments in respect of the Class R Notes until the Class R Invested Amount is paid in full; provided that if on any Determination Date (A) the Administrator determines that the amount anticipated to be available from Interest Collections allocable to the Series 2010-6 Notes, Series 2010-6 Interest Rate Cap Proceeds and other amounts available pursuant to Section 3.3 to pay Class A Senior

Monthly Interest and the Commitment Fees on the next succeeding Distribution Date will be less than the Class A Senior Monthly Interest and Commitment Fees for the Series 2010-6 Interest Period ending on the day preceding such Distribution Date and (B) the Series 2010-6 Enhancement Amount is greater than zero, then the Administrator shall direct the Trustee in writing to reallocate a portion of the Principal Collections allocated to the Series 2010-6 Notes during the Related Month equal to the lesser of such insufficiency and the Series 2010-6 Enhancement Amount to the Series 2010-6 Accrued Interest Account to be treated as Interest Collections on such Distribution Date; provided further that if, after giving effect to any allocation on such Series 2010-6 Deposit Date, the Monthly Total Principal Allocation for the Related Month would exceed the sum of (x) the Series 2010-6 Invested Amount on such date and (y) any insufficiency described in the preceding proviso, then such excess shall be allocated to the Series 2010-6 Reserve Account.

(e) Allocations From Other Series. Amounts allocated to other Series of Notes that have been reallocated by ABRCF to the Series 2010-6 Notes (i) during the Series 2010-6 Revolving Period shall be allocated to the Series 2010-6 Excess Collection Account and applied in accordance with Section 3.2(e) and (ii) during the Series 2010-6 Controlled Amortization Period or the Series 2010-6 Rapid Amortization Period shall be allocated to the Series 2010-6 Collection Account and applied in accordance with Section 3.2(b)(ii), 3.2(c)(ii) or 3.2(d)(ii), as the case may be, to make principal payments in respect of the Series 2010-6 Notes or to be allocated to the Series 2010-6 Reserve Account.

(f) Series 2010-6 Excess Collection Account. Amounts allocated to the Series 2010-6 Excess Collection Account on any Series 2010-6 Deposit Date will be (i) first, used to reduce the Purchaser Group Invested Amount with respect to any Non-Extending Purchaser Group to the extent required pursuant to Section 2.5(d), (ii) second, deposited in the Series 2010-6 Reserve Account in an amount up to the excess, if any, of the Series 2010-6 Required Reserve Account Amount for such date, after giving effect to any Increase or Decrease on such date, over the Series 2010-6 Available Reserve Account Amount for such date, (iii) third, to the extent directed by ABRCF used to pay the principal amount of other Series of Notes that are then required to be paid, (iv) fourth, to the extent directed in writing by the Administrator, used to make a voluntary Decrease in the Series 2010-6 Invested Amount, (v) fifth, to the extent directed in writing by the Administrator used to make a voluntary decrease in the Invested Amount of any other Series of Notes that may be reduced in accordance with the Indenture, (vi) sixth, released to AESOP Leasing in an amount equal to (A) the Loan Agreement's Share with respect to the AESOP I Operating Lease Loan Agreement as of such date times (B) 100% minus the Loan Payment Allocation Percentage with respect to the AESOP I Operating Lease Loan Agreement as of such date times (C) the amount of any remaining funds and (vii) seventh, paid to ABRCF for any use permitted under the Related Documents, including to make Loans under the Loan Agreements to the extent the Borrowers have requested Loans thereunder and Eligible Vehicles are available for financing thereunder; provided, in the case of clauses (v), (vi) and (vii), that no AESOP I Operating Lease Vehicle Deficiency would result therefrom or exist immediately thereafter. Upon the occurrence of an Amortization Event, funds on deposit in the Series 2010-6 Excess

Collection Account will be withdrawn by the Trustee, deposited in the Series 2010-6 Collection Account and allocated as Principal Collections to reduce the Series 2010-6 Invested Amount on the immediately succeeding Distribution Date or to be allocated to the Series 2010-6 Reserve Account.

(g) Past Due Rental Payments. Notwithstanding Section 3.2(a), if after the occurrence of a Series 2010-6 Lease Payment Deficit, the Lessees shall make payments of Monthly Base Rent or other amounts payable by the Lessees under the Leases on or prior to the fifth Business Day after the occurrence of such Series 2010-6 Lease Payment Deficit (a "Past Due Rent Payment"), the Administrator shall direct the Trustee in writing pursuant to the Administration Agreement to allocate to the Series 2010-6 Collection Account an amount equal to the Series 2010-6 Invested Percentage as of the date of the occurrence of such Series 2010-6 Lease Payment Deficit of the Collections attributable to such Past Due Rent Payment (the "Series 2010-6 Past Due Rent Payment"). The Administrator shall instruct the Trustee in writing pursuant to the Administration Agreement to withdraw from the Series 2010-6 Collection Account and apply the Series 2010-6 Past Due Rent Payment in the following order:

(i) if the occurrence of such Series 2010-6 Lease Payment Deficit resulted in a withdrawal being made from the Series 2010-6 Reserve Account pursuant to Section 3.3(b), deposit in the Series 2010-6 Reserve Account an amount equal to the lesser of (x) the Series 2010-6 Past Due Rent Payment and (y) the excess, if any, of the Series 2010-6 Required Reserve Account Amount over the Series 2010-6 Available Reserve Account Amount on such day;

(ii) if the occurrence of the related Series 2010-6 Lease Payment Deficit resulted in one or more Lease Deficit Disbursements being made under the Series 2010-6 Letters of Credit, pay to each Series 2010-6 Letter of Credit Provider who made such a Lease Deficit Disbursement for application in accordance with the provisions of the applicable Series 2010-6 Reimbursement Agreement an amount equal to the lesser of (x) the unreimbursed amount of such Series 2010-6 Letter of Credit Provider's Lease Deficit Disbursement and (y) such Series 2010-6 Letter of Credit Provider's pro rata share, calculated on the basis of the unreimbursed amount of each Series 2010-6 Letter of Credit Provider's Lease Deficit Disbursement, of the amount of the Series 2010-6 Past Due Rent Payment remaining after payment pursuant to clause (i) above;

(iii) if the occurrence of such Series 2010-6 Lease Payment Deficit resulted in a withdrawal being made from the Series 2010-6 Cash Collateral Account, deposit in the Series 2010-6 Cash Collateral Account an amount equal to the lesser of (x) the amount of the Series 2010-6 Past Due Rent Payment remaining after any payment pursuant to clauses (i) and (ii) above and (y) the amount withdrawn from the Series 2010-6 Cash Collateral Account on account of such Series 2010-6 Lease Payment Deficit;

(iv) allocate to the Series 2010-6 Accrued Interest Account the amount, if any, by which the Series 2010-6 Lease Interest Payment Deficit, if any, relating to such Series 2010-6 Lease Payment Deficit exceeds the amount of the Series 2010-6 Past Due Rent Payment applied pursuant to clauses (i), (ii) and (iii) above; and

(v) treat the remaining amount of the Series 2010-6 Past Due Rent Payment as Principal Collections allocated to the Series 2010-6 Notes in accordance with Section 3.2(a)(ii), 3.2(b)(ii) or 3.2(c)(ii), as the case may be.

Section 3.3. Payments to Noteholders. The Funding Agent with respect to each CP Conduit Purchaser Group and each Non-Conduit Purchaser shall provide written notice to the Administrative Agent (x) no later than two Business Days prior to each Determination Date, setting forth the Monthly Funding Costs with respect to its Related Purchaser Group with respect to the portion of the current Series 2010-6 Interest Period ending on such Business Day and a reasonable estimation of the Monthly Funding Costs with respect to such Purchaser Group for the remainder of such Series 2010-6 Interest Period and (y) within three Business Days after the end of each calendar month, setting forth the Monthly Funding Costs (calculated as if such calendar month was a Series 2010-6 Interest Period) with respect to such Purchaser Group for such calendar month. The Administrative Agent shall, within two Business Days following its receipt of such information from each Funding Agent and each Non-Conduit Purchaser, compile the information provided in such written notice pursuant to (x) or (y) above, as applicable, into one written notice for all Purchaser Groups and forward such notice to the Administrator. The Administrator shall determine the Senior Monthly Funding Costs, the Contingent Monthly Funding Costs and the Class A Senior Note Rate based on the information provided by the Funding Agents and the Non-Conduit Purchasers. If the actual amount of the Monthly Funding Costs with respect to any Purchaser Group for a Series 2010-6 Interest Period is less than or greater than the amount thereof estimated by the Funding Agent or the Non-Conduit Purchaser with respect to its Related Purchaser Group on a Determination Date, such Funding Agent or Non-Conduit Purchaser shall notify the Administrator and the Administrative Agent thereof on the next succeeding Determination Date and the Administrator will reduce or increase the Monthly Funding Costs with respect to such Purchaser Group for the next succeeding Series 2010-6 Interest Period accordingly. The Administrator shall determine the Senior Monthly Funding Costs, the Contingent Monthly Funding Costs and the Class A Senior Note Rate for the last Series 2010-6 Interest Period on the Determination Date immediately preceding the final Distribution Date based on the information provided by the Funding Agents and the Non-Conduit Purchasers. If a Funding Agent or Non-Conduit Purchaser determines that the actual Monthly Funding Costs with respect to its Related Purchaser Group for the last Series 2010-6 Interest Period will be more or less than the estimate thereof provided to the Administrator and informs the Administrator of such variance prior to the Distribution Date for such Series 2010-6 Interest Period, the Administrator will recalculate the Senior Monthly Funding Costs, the Contingent Monthly Funding Costs and the Class A Senior Note Rate with respect to such Purchaser Group for such Series 2010-6 Interest Period. On each Determination Date, as provided below, the Administrator shall instruct the Paying Agent in writing pursuant to the Administration Agreement to withdraw, and on the following Distribution Date the Paying Agent, acting in accordance with such instructions, shall withdraw the amounts required to be withdrawn from the Collection Account pursuant to Section 3.3(a) below in respect of all funds available from Series 2010-6 Interest Rate

(a) Class A Senior Note Interest and Commitment Fees with respect to the Class A Notes. On each Determination Date, the Administrator shall instruct the Trustee and the Paying Agent in writing pursuant to the Administration Agreement as to the amount to be withdrawn and paid pursuant to Section 3.4 from the Series 2010-6 Accrued Interest Account to the extent funds are anticipated to be available from Interest Collections allocable to the Series 2010-6 Notes and the Series 2010-6 Interest Rate Cap Proceeds processed from, but not including, the preceding Distribution Date through the succeeding Distribution Date in respect of (x) first, an amount equal to the Class A Senior Monthly Interest for the Series 2010-6 Interest Period ending on the day preceding the related Distribution Date, (y) second, an amount equal to the Commitment Fees for each Purchaser Group for the Series 2010-6 Interest Period ending on the day preceding the related Distribution Date, and (z) third, an amount equal to the amount of any unpaid Class A Senior Monthly Interest Shortfall as of the preceding Distribution Date (together with any accrued interest on such Class A Senior Monthly Interest Shortfall). On the following Distribution Date, the Trustee shall withdraw the amounts described in the first sentence of this Section 3.3(a) from the Series 2010-6 Accrued Interest Account and deposit such amounts in the Series 2010-6 Distribution Account.

(b) Withdrawals from Series 2010-6 Reserve Account. If the Administrator determines on any Distribution Date that the amounts available from the Series 2010-6 Accrued Interest Account are insufficient to pay the sum of the amounts described in clauses (x), (y) and (z) of Section 3.3(a) above on such Distribution Date, the Administrator shall instruct the Trustee in writing to withdraw from the Series 2010-6 Reserve Account and deposit in the Series 2010-6 Distribution Account on such Distribution Date an amount equal to the lesser of the Series 2010-6 Available Reserve Account Amount and such insufficiency. The Trustee shall withdraw such amount from the Series 2010-6 Reserve Account and deposit such amount in the Series 2010-6 Distribution Account.

(c) Lease Payment Deficit Notice. On or before 10:00 a.m. (New York City time) on each Distribution Date, the Administrator shall notify the Trustee of the amount of any Series 2010-6 Lease Payment Deficit, such notification to be in the form of Exhibit F (each a "Lease Payment Deficit Notice").

(d) Draws on Series 2010-6 Letters of Credit For Series 2010-6 Lease Interest Payment Deficits. If the Administrator determines on the Business Day immediately preceding any Distribution Date that on such Distribution Date there will exist a Series 2010-6 Lease Interest Payment Deficit, the Administrator shall, on or prior to 3:00 p.m. (New York City time) on such Business Day, instruct the Trustee in writing to draw on the Series 2010-6 Letters of Credit, if any, and, the Trustee shall, by 5:00 p.m. (New York City time) on such Business Day draw an amount (identified by the Administrator) equal to the least of (i) such Series 2010-6 Lease Interest Payment Deficit, (ii) the excess, if any, of the sum of the amounts described in clauses (x), (y) and (z) of Section 3.3(a) above for such

Distribution Date over the amounts available from the Series 2010-6 Accrued Interest Account on such Distribution Date plus the amount withdrawn from the Series 2010-6 Reserve Account pursuant to Section 3.3(b) and (iii) the Series 2010-6 Letter of Credit Liquidity Amount on the Series 2010-6 Letters of Credit by presenting to each Series 2010-6 Letter of Credit Provider a Certificate of Lease Deficit Demand and shall cause the Lease Deficit Disbursements to be deposited in the Series 2010-6 Distribution Account on such Distribution Date for distribution in accordance with Section 3.4; provided, however, that if the Series 2010-6 Cash Collateral Account has been established and funded, the Trustee shall withdraw from the Series 2010-6 Cash Collateral Account and deposit in the Series 2010-6 Distribution Account an amount equal to the lesser of (x) the Series 2010-6 Cash Collateral Percentage on such date of the least of the amounts described in clauses (i), (ii) and (iii) above and (y) the Series 2010-6 Available Cash Collateral Account Amount on such date and draw an amount equal to the remainder of such amount on the Series 2010-6 Letters of Credit.

(e) Balance. On or prior to the second Business Day preceding each Distribution Date, the Administrator shall instruct the Trustee and the Paying Agent in writing pursuant to the Administration Agreement to pay the balance (after making the payments required in Section 3.3(a)), if any, of the amounts available from the Series 2010-6 Accrued Interest Account as follows:

(i) on each Distribution Date during the Series 2010-6 Revolving Period or the Series 2010-6 Controlled Amortization Period, (1) first, to the Series 2010-6 Reserve Account, an amount equal to the sum of (x) the aggregate Contingent Monthly Funding Costs with respect to all Purchaser Groups for the Series 2010-6 Interest Period ended on the day preceding such Distribution Date and (y) any Contingent Monthly Funding Costs Shortfall as of the immediately preceding Distribution Date (together with accrued interest thereon), (2) second, to the Administrator, an amount equal to the Series 2010-6 Percentage as of the beginning of such Series 2010-6 Interest Period of the portion of the Monthly Administration Fee payable by ABRCF (as specified in clause (iii) of the definition thereof) for such Series 2010-6 Interest Period, (3) third, to the Trustee, an amount equal to the Series 2010-6 Percentage as of the beginning of such Series 2010-6 Interest Period of the Trustee's fees for such Series 2010-6 Interest Period, (4) fourth, to the Series 2010-6 Distribution Account to pay any Article VII Costs, (5) fifth, to pay any Carrying Charges (other than Carrying Charges provided for above) to the Persons to whom such amounts are owed, an amount equal to the Series 2010-6 Percentage as of the beginning of such Series 2010-6 Interest Period of such Carrying Charges (other than Carrying Charges provided for above) for such Series 2010-6 Interest Period, (6) sixth, to the Series 2010-6 Reserve Account, an amount equal to the sum of (x) the Class R Monthly Interest with respect to the Series 2010-6 Interest Period ended on the day preceding such Distribution Date and (y) the Class R Monthly Interest Shortfall as of the immediately preceding Distribution Date, and (7) seventh, the balance, if any ("Excess Collections"), shall be withdrawn by the Paying Agent from

the Series 2010-6 Collection Account and deposited in the Series 2010-6 Excess Collection Account; and

(ii) on each Distribution Date during the Series 2010-6 Rapid Amortization Period, (1) first, to the Trustee, an amount equal to the Series 2010-6 Percentage as of the beginning of such Series 2010-6 Interest Period of the Trustee's fees for such Series 2010-6 Interest Period, (2) second, to the Administrator, an amount equal to the Series 2010-6 Percentage as of the beginning of such Series 2010-6 Interest Period of the portion of the Monthly Administration Fee (as specified in clause (iii) of the definition thereof) payable by ABRCF for such Series 2010-6 Interest Period, (3) third, to the Series 2010-6 Distribution Account to pay any Article VII Costs, (4) fourth, to pay any Carrying Charges (other than Carrying Charges provided for above) to the Persons to whom such amounts are owed, an amount equal to the Series 2010-6 Percentage as of the beginning of such Series 2010-6 Interest Period of such Carrying Charges (other than Carrying Charges provided for above) for such Series 2010-6 Interest Period, (5) fifth, to the Series 2010-6 Reserve Account, an amount equal to the sum of (x) the Class R Monthly Interest with respect to the Series 2010-6 Interest Period ended on the day preceding such Distribution Date and (y) the Class R Monthly Interest Shortfall as of the immediately preceding Distribution Date, and (6) sixth, the balance, if any, shall be treated as Principal Collections.

(f) Class A Senior Note Interest and Commitment Fee Shortfalls. If the amounts described in Section 3.3(a), (b) and (d) are insufficient to pay the Class A Senior Monthly Interest and the Commitment Fees of the Purchaser Groups on any Distribution Date, payments of Class A Senior Monthly Interest to the Class A Noteholders and payments of Commitment Fees to the Purchaser Groups will be reduced on a pro rata basis by the amount of such deficiency. The aggregate amount, if any, of such deficiency on any Distribution Date, together with the aggregate unpaid amount of any such deficiencies with respect to all prior Distribution Dates, shall be referred to as the "Class A Senior Monthly Interest Shortfall." Interest shall accrue on the Class A Senior Monthly Interest Shortfall at the Alternate Base Rate plus 2% per annum.

(g) Contingent Monthly Funding Costs. On each Determination Date, the Administrator shall instruct the Trustee and the Paying Agent in writing pursuant to the Administration Agreement as to the amount to be withdrawn and paid pursuant to Section 3.4 from the Series 2010-6 Reserve Account in respect of (x) first, an amount equal to the aggregate Contingent Monthly Funding Costs with respect to all Purchaser Groups for the Series 2010-6 Interest Period ending on the day preceding the related Distribution Date and (y) second, the amount of any unpaid Contingent Monthly Funding Costs Shortfall as of the preceding Distribution Date (together with any accrued interest on such Contingent Monthly Funding Costs Shortfall). On the following Distribution Date, the Trustee shall withdraw the lesser of (x) the amounts described in the first sentence of this Section 3.3(g) and (y) the excess of the Series 2010-6 Available Reserve Account Amount (after giving effect to any withdrawals from the Series 2010-6 Reserve Account pursuant to Section 3.3(b), 3.5(c)

(i) and/or 3.5(d)(i) with respect to such Distribution Date) over the Series 2010-6 Required Reserve Account Amount on such Distribution Date, from the Series 2010-6 Reserve Account and deposit such amount in the Series 2010-6 Distribution Account.

(h) Contingent Monthly Funding Costs Shortfalls. If the amounts withdrawn from the Series 2010-6 Reserve Account pursuant to Section 3.3 (g) are insufficient to pay the aggregate Contingent Monthly Funding Costs with respect to the Purchaser Groups on any Distribution Date, payments of Contingent Monthly Funding Costs to the Purchaser Groups will be reduced on a pro rata basis by the amount of such deficiency. The aggregate amount, if any, of such deficiency as of any Distribution Date, together with the aggregate unpaid amount of any such deficiencies with respect to all prior Distribution Dates, shall be referred to as the “Contingent Monthly Funding Costs Shortfall.” Interest shall accrue on the Contingent Monthly Funding Costs Shortfall at the Alternate Base Rate plus 2% per annum.

(i) Class R Monthly Interest. On each Determination Date, the Administrator shall instruct the Trustee and the Paying Agent in writing pursuant to the Administration Agreement as to the amount to be withdrawn and paid pursuant to Section 3.4 from the Series 2010-6 Reserve Account in respect of (x) first, an amount equal to the aggregate Class R Monthly Interest for the Series 2010-6 Interest Period ending on the day preceding the related Distribution Date and (y) second, the amount of any unpaid Class R Monthly Interest Shortfall as of the preceding Distribution Date. On the following Distribution Date, the Trustee shall withdraw the lesser of (x) the amounts described in the first sentence of this Section 3.3(i) and (y) the excess of the Series 2010-6 Available Reserve Account Amount (after giving effect to any withdrawals from the Series 2010-6 Reserve Account pursuant to Section 3.3(b), 3.3(h), 3.5(c)(i) and/or 3.5(d)(i) with respect to such Distribution Date) over the Series 2010-6 Required Reserve Account Amount on such Distribution Date, from the Series 2010-6 Reserve Account and deposit such amount in the Series 2010-6 Distribution Account.

(j) Class R Monthly Interest Shortfalls. If the amounts withdrawn from the Series 2010-6 Reserve Account pursuant to Section 3.3(i) are insufficient to pay the Class R Monthly Interest on any Distribution Date, payments of Class R Monthly Interest will be reduced on a pro rata basis by the amount of such deficiency. The aggregate amount, if any, of such deficiency as of any Distribution Date, together with the aggregate unpaid amount of any such deficiencies with respect to all prior Distribution Dates, shall be referred to as the “Class R Monthly Interest Shortfall.” No interest shall accrue on the Class R Monthly Interest Shortfall.

Section 3.4. Payment of Class A Senior Note Interest, Commitment Fees, Contingent Monthly Funding Costs and Class R Monthly Note Interest. On each Distribution Date, subject to Section 9.8 of the Base Indenture, the Paying Agent shall, in accordance with Section 6.1 of the Base Indenture, pay from the Series 2010-6 Distribution Account the following amounts in the following order of priority from amounts deposited in the Series 2010-6 Distribution Account pursuant to Section 3.3:

(i) first, to the Administrative Agent for the accounts of the Purchaser Groups the Class A Senior Monthly Interest with respect to the Series 2010-6 Interest Period ended on the day preceding such Distribution Date, along with any Class A Senior Monthly Interest Shortfall as of the preceding Distribution Date (together with any accrued interest on such Class A Senior Monthly Interest Shortfall);

(ii) second, to the Administrative Agent for the accounts of the Purchaser Groups any accrued and unpaid Commitment Fees;

(iii) third, to the Administrative Agent for the accounts of the Purchaser Groups the Contingent Monthly Funding Costs with respect to the Series 2010-6 Interest Period ended on the day preceding such Distribution Date, along with any Contingent Monthly Funding Cost Shortfall as of the preceding Distribution Date (together with any accrued interest on such Contingent Monthly Funding Costs Shortfall); and

(iv) fourth, to the Class R Noteholders, the Class R Monthly Interest with respect to the Series 2010-6 Interest Period ended on the day preceding such Distribution Date, along with any Class R Monthly Interest Shortfall as of the preceding Distribution Date.

Upon the receipt of funds from the Paying Agent on each Distribution Date on account of Class A Senior Monthly Interest, the Administrative Agent shall pay to each Non-Conduit Purchaser and each Funding Agent with respect to a CP Conduit Purchaser Group an amount equal to the Senior Monthly Funding Costs with respect to its Related Purchaser Group with respect to the Series 2010-6 Interest Period ending on the day preceding such Distribution Date plus the amount of any unpaid Class A Senior Monthly Interest Shortfalls relating to unpaid Class A Senior Monthly Interest payable to such Purchaser Group as of the preceding Distribution Date, together with any interest thereon at the Alternate Base Rate plus 2% per annum. If the amount paid to the Administrative Agent on any Distribution Date pursuant to this Section 3.4 on account of Class A Senior Monthly Interest for the Series 2010-6 Interest Period ending on the day preceding such Distribution Date is less than such Class A Senior Monthly Interest, the Administrative Agent shall pay the amount available to the Non-Conduit Purchasers and the Funding Agents, on behalf of the CP Conduit Purchaser Groups, on a pro rata basis, based on the Senior Monthly Funding Costs with respect to each Related Purchaser Group with respect to such Series 2010-6 Interest Period. Upon the receipt of funds from the Paying Agent on each Distribution Date on account of Commitment Fees, the Administrative Agent shall pay to each Non-Conduit Purchaser and each Funding Agent with respect to a CP Conduit Purchaser Group an amount equal to the Commitment Fee payable to its Related Purchaser Group with respect to the Series 2010-6 Interest Period ending on the day preceding such Distribution Date plus the amount of any unpaid Class A Senior Monthly Interest Shortfalls relating to unpaid Commitment Fees payable to such Purchaser Group as of the preceding Distribution Date, together with any interest thereon at the Alternate Base Rate plus 2% per annum. If the amount paid to the Administrative Agent on any Distribution Date pursuant to this Section 3.4 on account of Commitment Fees is less than the Commitment Fees payable on such Distribution Date, the Administrative Agent shall pay the amount available to the Non-Conduit Purchasers and the Funding Agents, on behalf of the CP Conduit Purchaser Groups, on a pro rata basis, based on the Commitment Fee payable to each Purchaser Group on such Distribution Date. Upon the receipt of funds from

the Paying Agent on each Distribution Date on account of Contingent Monthly Funding Costs, the Administrative Agent shall pay to each Non-Conduit Purchaser and each Funding Agent with respect to a CP Conduit Purchaser Group an amount equal to the Contingent Monthly Funding Costs with respect to its Related Purchaser Group with respect to the Series 2010-6 Interest Period ending on the day preceding such Distribution Date plus the amount of any unpaid Contingent Monthly Funding Costs Shortfalls payable to such Purchaser Group as of the preceding Distribution Date, together with any interest thereon at the Alternate Base Rate plus 2% per annum. If the amount paid to the Administrative Agent on any Distribution Date pursuant to this Section 3.4 on account of Contingent Monthly Funding Costs for the Series 2010-6 Interest Period ending on the day preceding such Distribution Date is less than the aggregate Contingent Monthly Funding Costs with respect to the Purchaser Groups for such Series 2010-6 Interest Period, the Administrative Agent shall pay the amount available to the Non-Conduit Purchasers and the Funding Agents, on behalf of the CP Conduit Purchaser Groups, on a pro rata basis, based on the Contingent Monthly Funding Costs with respect to each Related Purchaser Group with respect to such Series 2010-6 Interest Period. Upon the receipt of funds from the Trustee or the Paying Agent on any Distribution Date on account of Article VII Costs, the Administrative Agent shall pay such amounts to the Non-Conduit Purchaser owed such amounts and/or the Funding Agent with respect to the CP Conduit Purchaser or the APA Bank owed such amounts. If the amounts paid to the Administrative Agent on any Distribution Date pursuant to Section 3.3(e) on account of Article VII Costs are less than the Article VII Costs due and payable on such Distribution Date, the Administrative Agent shall pay the amounts available to the Non-Conduit Purchasers owed such amounts and/or the Funding Agents with respect to the CP Conduit Purchasers and APA Banks owed such amounts, on a pro rata basis, based on the Article VII Costs owing to such Non-Conduit Purchasers, CP Conduit Purchasers and APA Banks. Due and unpaid Article VII Costs owing to a Purchaser Group shall accrue interest at the Alternate Base Rate plus 2%; provided that Article VII Costs shall not be considered due until the first Distribution Date following five days' notice to ABRCF and the Administrator of such Article VII Costs.

Section 3.5. Payment of Note Principal.

(a) Monthly Payments During Series 2010-6 Controlled Amortization Period or Series 2010-6 Rapid Amortization Period.

Commencing on the second Determination Date during the Series 2010-6 Controlled Amortization Period or the first Determination Date after the commencement of the Series 2010-6 Rapid Amortization Period, the Administrator shall instruct the Trustee and the Paying Agent in writing pursuant to the Administration Agreement and in accordance with this Section 3.5 as to (i) the amount allocated to the Series 2010-6 Notes during the Related Month pursuant to Section 3.2(b)(ii), (c)(ii) or (d)(ii), as the case may be, and the portion of such amount, if any, that has been previously applied to make a Decrease pursuant to Section 2.5 during the Related Month, (ii) any amounts to be withdrawn from the Series 2010-6 Reserve Account and deposited into the Series 2010-6 Distribution Account or (iii) any amounts to be drawn on the Series 2010-6 Demand Notes and/or on the Series 2010-6 Letters of Credit (or withdrawn from the Series 2010-6 Cash Collateral Account). On the Distribution Date following each such Determination Date, the Trustee shall withdraw the amount allocated to the Series 2010-6 Notes during the Related Month pursuant to Section 3.2(b)(ii), (c)(ii) or (d)(ii), as the case may be, less the portion of such amount, if any, that has been previously applied to make a Decrease pursuant

to Section 2.5 during the Related Month, from the Series 2010-6 Collection Account and deposit such amount in the Series 2010-6 Distribution Account, to be paid to the holders of the Series 2010-6 Notes in accordance with Section 3.5(e).

(b) Decreases. On any Business Day (x) during the Series 2010-6 Revolving Period on which a Decrease is to be made pursuant to Section 2.5, the Trustee shall withdraw from the Series 2010-6 Excess Collection Account, or (y) during the Series 2010-6 Controlled Amortization Period on which a Decrease is to be made pursuant to Section 2.5, the Trustee shall withdraw from the Series 2010-6 Excess Collection Account and/or the Series 2010-6 Collection Account, in each case, in accordance with the written instructions of the Administrator, an amount equal to the lesser of (i) the amounts specified in clauses (x) and (y) of the first sentence of Section 2.5(a) and (ii) the amount of such Decrease, and deposit such amount in the Series 2010-6 Distribution Account, to be paid to the Administrative Agent for distribution in accordance with Section 3.5(f).

(c) Principal Deficit Amount. On each Distribution Date on which the Principal Deficit Amount is greater than zero, amounts shall be transferred to the Series 2010-6 Distribution Account as follows:

(i) Reserve Account Withdrawal. The Administrator shall instruct the Trustee in writing, prior to 12:00 noon (New York City time) on such Distribution Date, in the case of a Principal Deficit Amount resulting from a Series 2010-6 Lease Payment Deficit, or prior to 12:00 noon (New York City time) on the second Business Day prior to such Distribution Date, in the case of any other Principal Deficit Amount, to withdraw from the Series 2010-6 Reserve Account, an amount equal to the lesser of (x) the Series 2010-6 Available Reserve Account Amount and (y) such Principal Deficit Amount and deposit it in the Series 2010-6 Distribution Account on such Distribution Date.

(ii) Principal Draws on Series 2010-6 Letters of Credit. If the Administrator determines on the Business Day immediately preceding any Distribution Date during the Series 2010-6 Rapid Amortization Period that on such Distribution Date there will exist a Series 2010-6 Lease Principal Payment Deficit, the Administrator shall instruct the Trustee in writing to draw on the Series 2010-6 Letters of Credit, if any, as provided below. Upon receipt of a notice by the Trustee from the Administrator in respect of a Series 2010-6 Lease Principal Payment Deficit on or prior to 3:00 p.m. (New York City time) on the Business Day immediately preceding a Distribution Date, the Trustee shall, by 5:00 p.m. (New York City time) on such Business Day draw an amount equal to the least of (i) such Series 2010-6 Lease Principal Payment Deficit, (ii) the amount by which the Principal Deficit Amount for such Distribution Date exceeds the amount to be deposited in the Series 2010-6 Distribution Account in accordance with clause (i) of this Section 3.5(c) and (iii) the Series 2010-6 Letter of Credit Liquidity Amount on the Series 2010-6 Letters of Credit, by presenting to each Series 2010-6 Letter of Credit Provider a Certificate of Lease Deficit Demand and shall cause the Lease Deficit Disbursements to be deposited in the Series 2010-6 Distribution Account on such Distribution Date; provided, however, that if the Series 2010-6 Cash Collateral Account has been established and funded, the Trustee shall withdraw from the

Series 2010-6 Cash Collateral Account and deposit in the Series 2010-6 Distribution Account an amount equal to the lesser of (x) the Series 2010-6 Cash Collateral Percentage for such date of the least of the amounts described in clauses (i), (ii) and (iii) above and (y) the Series 2010-6 Available Cash Collateral Account Amount on such date and draw an amount equal to the remainder of such amount on the Series 2010-6 Letters of Credit.

(iii) Demand Note Draw. If on any Determination Date, the Administrator determines that the Principal Deficit Amount on the next succeeding Distribution Date (after giving effect to any withdrawal from the Series 2010-6 Reserve Account pursuant to Section 3.5(c) (i) on such Distribution Date) will be greater than zero and there are any Series 2010-6 Letters of Credit on such date, prior to 10:00 a.m. (New York City time) on the second Business Day prior to such Distribution Date, the Administrator shall instruct the Trustee in writing to deliver a Demand Notice to the Demand Note Issuers demanding payment of an amount equal to the lesser of (A) the Principal Deficit Amount and (B) the Series 2010-6 Letter of Credit Amount. The Trustee shall, prior to 12:00 noon (New York City time) on the second Business Day preceding such Distribution Date, deliver such Demand Notice to the Demand Note Issuers; provided, however, that if an Event of Bankruptcy (or the occurrence of an event described in clause (a) of the definition thereof, without the lapse of a period of 60 consecutive days) with respect to a Demand Note Issuer shall have occurred and be continuing, the Trustee shall not be required to deliver such Demand Notice to such Demand Note Issuer. The Trustee shall cause the proceeds of any demand on the Series 2010-6 Demand Notes to be deposited into the Series 2010-6 Distribution Account.

(iv) Letter of Credit Draw. In the event that either (x) on or prior to 10:00 a.m. (New York City time) on the Business Day prior to such Distribution Date, any Demand Note Issuer shall have failed to pay to the Trustee or deposit in the Series 2010-6 Distribution Account the amount specified in such Demand Notice in whole or in part or (y) due to the occurrence of an Event of Bankruptcy (or the occurrence of an event described in clause (a) of the definition thereof, without the lapse of a period of 60 consecutive days) with respect to any Demand Note Issuer, the Trustee shall not have delivered such Demand Notice to any Demand Note Issuer on the second Business Day preceding such Distribution Date, then, in the case of (x) or (y) the Trustee shall on such Business Day draw on the Series 2010-6 Letters of Credit an amount equal to the lesser of (i) Series 2010-6 Letter of Credit Amount and (ii) the aggregate amount that the Demand Note Issuers failed to pay under the Series 2010-6 Demand Notes (or, the amount that the Trustee failed to demand for payment thereunder) by presenting to each Series 2010-6 Letter of Credit Provider a Certificate of Unpaid Demand Note Demand; provided, however, that if the Series 2010-6 Cash Collateral Account has been established and funded, the Trustee shall withdraw from the Series 2010-6 Cash Collateral Account and deposit in the Series 2010-6 Distribution Account an amount equal to the lesser of (x) the Series 2010-6 Cash Collateral Percentage on such Business Day of the aggregate amount that the Demand Note Issuers failed to pay under the Series 2010-6 Demand Notes (or, the amount that the Trustee failed to demand for payment thereunder) and (y) the Series 2010-6 Available Cash Collateral Account Amount on such Business Day and draw an amount equal to the remainder of the aggregate amount that the Demand Note Issuers failed to pay under the Series 2010-6 Demand Notes (or, the amount

that the Trustee failed to demand for payment thereunder) on the Series 2010-6 Letters of Credit. The Trustee shall deposit into, or cause the deposit of, the proceeds of any draw on the Series 2010-6 Letters of Credit and the proceeds of any withdrawal from the Series 2010-6 Cash Collateral Account to be deposited in the Series 2010-6 Distribution Account on such Distribution Date.

(d) Series 2010-6 Termination Date. The entire Class A Invested Amount and the entire Class R Invested Amount shall be due and payable on the Series 2010-6 Termination Date. In connection therewith:

(i) Reserve Account Withdrawal. If, after giving effect to the deposit into the Series 2010-6 Distribution Account of the amount to be deposited in accordance with Section 3.5(a), together with any amounts to be deposited therein in accordance with Section 3.5(c) on the Series 2010-6 Termination Date, the amount to be deposited in the Series 2010-6 Distribution Account with respect to the Series 2010-6 Termination Date is or will be less than the Class A Invested Amount, then, prior to 12:00 noon (New York City time) on the second Business Day prior to the Series 2010-6 Termination Date, the Administrator shall instruct the Trustee in writing to withdraw from the Series 2010-6 Reserve Account, an amount equal to the lesser of the Series 2010-6 Available Reserve Account Amount and such insufficiency and deposit it in the Series 2010-6 Distribution Account on the Series 2010-6 Termination Date.

(ii) Demand Note Draw. If the amount to be deposited in the Series 2010-6 Distribution Account in accordance with Section 3.5(a) together with any amounts to be deposited therein in accordance with Section 3.5(c) and Section 3.5(d)(i) on the Series 2010-6 Termination Date is less than the Class A Invested Amount, and there are any Series 2010-6 Letters of Credit on such date, then, prior to 10:00 a.m. (New York City time) on the second Business Day prior to the Series 2010-6 Termination Date, the Administrator shall instruct the Trustee in writing to make a demand (a "Demand Notice") substantially in the form attached hereto as Exhibit G on the Demand Note Issuers for payment under the Series 2010-6 Demand Notes in an amount equal to the lesser of (i) such insufficiency and (ii) the Series 2010-6 Letter of Credit Amount. The Trustee shall, prior to 12:00 noon (New York City time) on the second Business Day preceding the Series 2010-6 Termination Date, deliver such Demand Notice to the Demand Note Issuers; provided, however, that if an Event of Bankruptcy (or the occurrence of an event described in clause (a) of the definition thereof, without the lapse of a period of 60 consecutive days) with respect to a Demand Note Issuer shall have occurred and be continuing, the Trustee shall not be required to deliver such Demand Notice to such Demand Note Issuer. The Trustee shall cause the proceeds of any demand on the Series 2010-6 Demand Notes to be deposited into the Series 2010-6 Distribution Account.

(iii) Letter of Credit Draw. In the event that either (x) on or prior to 10:00 a.m. (New York City time) on the Business Day immediately preceding any Distribution Date next succeeding any date on which a Demand Notice has been transmitted by the Trustee to the Demand Note Issuers pursuant to clause (ii) of this Section 3.5(d) any Demand Note

Issuer shall have failed to pay to the Trustee or deposit into the Series 2010-6 Distribution Account the amount specified in such Demand Notice in whole or in part or (y) due to the occurrence of an Event of Bankruptcy (or the occurrence of an event described in clause (a) of the definition thereof, without the lapse of a period of 60 consecutive days) with respect to one or more of the Demand Note Issuers, the Trustee shall not have delivered such Demand Notice to any Demand Note Issuer on the second Business Day preceding the Series 2010-6 Termination Date, then, in the case of (x) or (y) the Trustee shall draw on the Series 2010-6 Letters of Credit by 12:00 noon (New York City time) on such Business Day an amount equal to the lesser of (a) the amount that the Demand Note Issuers failed to pay under the Series 2010-6 Demand Notes (or, the amount that the Trustee failed to demand for payment thereunder) and (b) the Series 2010-6 Letter of Credit Amount on such Business Day by presenting to each Series 2010-6 Letter of Credit Provider a Certificate of Unpaid Demand Note Demand; provided, however, that if the Series 2010-6 Cash Collateral Account has been established and funded, the Trustee shall withdraw from the Series 2010-6 Cash Collateral Account and deposit in the Series 2010-6 Distribution Account an amount equal to the lesser of (x) the Series 2010-6 Cash Collateral Percentage on such Business Day of the amount that the Demand Note Issuers failed to pay under the Series 2010-6 Demand Notes (or, the amount that the Trustee failed to demand for payment thereunder) and (y) the Series 2010-6 Available Cash Collateral Account Amount on such Business Day and draw an amount equal to the remainder of the amount that the Demand Note Issuers failed to pay under the Series 2010-6 Demand Notes (or, the amount that the Trustee failed to demand for payment thereunder) on the Series 2010-6 Letters of Credit. The Trustee shall deposit, or cause the deposit of, the proceeds of any draw on the Series 2010-6 Letters of Credit and the proceeds of any withdrawal from the Series 2010-6 Cash Collateral Account to be deposited in the Series 2010-6 Distribution Account on such Distribution Date.

(e) Distribution.

(i) Class A Notes. On each Distribution Date occurring on or after the date a withdrawal is made from the Series 2010-6 Collection Account pursuant to Section 3.5(a) or amounts are deposited in the Series 2010-6 Distribution Account pursuant to Section 3.5(c) and/or (d), the Paying Agent shall, in accordance with Section 6.1 of the Base Indenture, pay to the Administrative Agent for the accounts of the Purchaser Groups from the Series 2010-6 Distribution Account the amount deposited therein pursuant to Section 3.5(a), (c) and/or (d) to the extent necessary to pay the Class A Controlled Distribution Amount with respect to Related Month during the Series 2010-6 Controlled Amortization Period or to the extent necessary to pay the Class A Invested Amount during the Series 2010-6 Rapid Amortization Period.

(ii) Class R Notes. On each Distribution Date occurring on or after the date a withdrawal is made from the Series 2010-6 Collection Account pursuant to Section 3.5(a) and either (x) prior to the Series 2010-6 Rapid Amortization Period or (y) after the Class A Invested Amount has been paid in full, the Paying Agent shall, in accordance with Section 6.1 of the Base Indenture, pay pro rata to Class R Noteholders from the Series 2010-6 Distribution Account the amount deposited therein pursuant to Section 3.5(a) less the

aggregate amount applied to make payments required pursuant to Section 3.5(e)(i), to the extent necessary to pay the Class R Controlled Distribution Amount with respect to Related Month during the Series 2010-6 Controlled Amortization Period or to the extent necessary to pay the Class R Invested Amount during the Series 2010-6 Rapid Amortization Period.

(f) Payment of Funds from Decreases. Upon the receipt of funds on account of a Decrease from the Trustee, the Administrative Agent shall pay as follows (1) first, such funds will be used to pay to each Funding Agent with respect to a Non-Extending Purchaser Group that is a CP Conduit Purchaser Group and to each Non-Conduit Purchaser that constitutes a Non-Extending Purchaser Group that is a Non-Conduit Purchaser Group a pro rata amount of the Decrease, based on the Purchaser Group Invested Amounts with respect to such Non-Extending Purchaser Group relative to the Purchaser Group Invested Amounts with respect to all Non-Extending Purchaser Groups on the date of such Decrease, (2) second, to each Non-Conduit Purchaser and Funding Agent with respect to its Related Purchaser Group, such Purchaser Group's Pro Rata Share of the remaining amount of such Decrease and (3) third, solely if such Decrease occurs prior to the Series 2010-6 Controlled Amortization Period, any remaining funds will be used to pay to each Committed Note Purchaser a pro rata amount of the Decrease, based on the Class R Invested Amount with respect to such Committed Note Purchaser. Each CP Conduit Purchaser Group's share of the amount of any Decrease on any Business Day shall be allocated by such CP Conduit Purchaser Group first to reduce the Available CP Funding Amount with respect to such CP Conduit Purchaser Group and the Available APA Bank Funding Amount with respect to such CP Conduit Purchaser Group on such Business Day and then to reduce the portion of the Purchaser Group Invested Amount with respect to such CP Conduit Purchaser Group allocated to CP Tranches and Eurodollar Tranches in such order as such CP Conduit Purchaser Group may select in order to minimize costs payable pursuant to Section 7.3. Upon the receipt of funds from the Trustee pursuant to Sections 3.5(a), (c) and/or (d) on any Distribution Date, the Administrative Agent shall pay to each Non-Conduit Purchaser and each Funding Agent with respect to its Related Purchaser Group, such Purchaser Group's Pro Rata Share of such funds.

Section 3.6. Administrator's Failure to Instruct the Trustee to Make a Deposit or Payment. If the Administrator fails to give notice or instructions to make any payment from or deposit into the Collection Account required to be given by the Administrator, at the time specified in the Administration Agreement or any other Related Document (including applicable grace periods), the Trustee shall make such payment or deposit into or from the Collection Account without such notice or instruction from the Administrator, provided that the Administrator, upon request of the Trustee, promptly provides the Trustee with all information necessary to allow the Trustee to make such a payment or deposit. When any payment or deposit hereunder or under any other Related Document is required to be made by the Trustee or the Paying Agent at or prior to a specified time, the Administrator shall deliver any applicable written instructions with respect thereto reasonably in advance of such specified time.

Section 3.7. Series 2010-6 Reserve Account.

(a) Establishment of Series 2010-6 Reserve Account. ABRCF shall establish and maintain in the name of the Series 2010-6 Agent for the benefit of the Class A Noteholders, or

cause to be established and maintained, an account (the “Series 2010-6 Reserve Account”), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Class A Noteholders. The Series 2010-6 Reserve Account shall be maintained (i) with a Qualified Institution, or (ii) as a segregated trust account with the corporate trust department of a depository institution or trust company having corporate trust powers and acting as trustee for funds deposited in the Series 2010-6 Reserve Account; provided that, if at any time such Qualified Institution is no longer a Qualified Institution or the credit rating of any securities issued by such depository institution or trust company shall be reduced to below “BBB-” by Standard & Poor’s, “Baa2” by Moody’s or “BBB (low)” by DBRS, then ABRCF shall, within 30 days of such reduction, establish a new Series 2010-6 Reserve Account with a new Qualified Institution. If the Series 2010-6 Reserve Account is not maintained in accordance with the previous sentence, ABRCF shall establish a new Series 2010-6 Reserve Account, within ten (10) Business Days after obtaining knowledge of such fact, which complies with such sentence, and shall instruct the Series 2010-6 Agent in writing to transfer all cash and investments from the non-qualifying Series 2010-6 Reserve Account into the new Series 2010-6 Reserve Account. Initially, the Series 2010-6 Reserve Account will be established with The Bank of New York Mellon.

(b) Administration of the Series 2010-6 Reserve Account. The Administrator may instruct the institution maintaining the Series 2010-6 Reserve Account to invest funds on deposit in the Series 2010-6 Reserve Account from time to time in Permitted Investments; provided, however, that any such investment shall mature not later than the Business Day prior to the Distribution Date following the date on which such funds were received, unless any Permitted Investment held in the Series 2010-6 Reserve Account is held with the Paying Agent, then such investment may mature on such Distribution Date and such funds shall be available for withdrawal on or prior to such Distribution Date. All such Permitted Investments will be credited to the Series 2010-6 Reserve Account and any such Permitted Investments that constitute (i) physical property (and that is not either a United States security entitlement or a security entitlement) shall be physically delivered to the Trustee; (ii) United States security entitlements or security entitlements shall be controlled (as defined in Section 8-106 of the New York UCC) by the Trustee pending maturity or disposition, and (iii) uncertificated securities (and not United States security entitlements) shall be delivered to the Trustee by causing the Trustee to become the registered holder of such securities. The Trustee shall, at the expense of ABRCF, take such action as is required to maintain the Trustee’s security interest in the Permitted Investments credited to the Series 2010-6 Reserve Account. ABRCF shall not direct the Trustee to dispose of (or permit the disposal of) any Permitted Investments prior to the maturity thereof to the extent such disposal would result in a loss of purchase price of such Permitted Investments. In the absence of written investment instructions hereunder, funds on deposit in the Series 2010-6 Reserve Account shall remain uninvested.

(c) Earnings from Series 2010-6 Reserve Account. All interest and earnings (net of losses and investment expenses) paid on funds on deposit in the Series 2010-6 Reserve Account shall be deemed to be on deposit therein and available for distribution.

(d) Series 2010-6 Reserve Account Constitutes Additional Collateral for Class A Notes. In order to secure and provide for the repayment and payment of the ABRCF Obligations with respect to the Series 2010-6 Notes, ABRCF hereby grants a security interest in and assigns,

pledges, grants, transfers and sets over to the Trustee, for the benefit of the Class A Noteholders, all of ABRCF's right, title and interest in and to the following (whether now or hereafter existing or acquired): (i) the Series 2010-6 Reserve Account, including any security entitlement thereto; (ii) all funds on deposit therein from time to time; (iii) all certificates and instruments, if any, representing or evidencing any or all of the Series 2010-6 Reserve Account or the funds on deposit therein from time to time; (iv) all investments made at any time and from time to time with monies in the Series 2010-6 Reserve Account, whether constituting securities, instruments, general intangibles, investment property, financial assets or other property; (v) all interest, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for the Series 2010-6 Reserve Account, the funds on deposit therein from time to time or the investments made with such funds; and (vi) all proceeds of any and all of the foregoing, including, without limitation, cash (the items in the foregoing clauses (i) through (vi) are referred to, collectively, as the "Series 2010-6 Reserve Account Collateral"). The Trustee shall possess all right, title and interest in and to all funds on deposit from time to time in the Series 2010-6 Reserve Account and in all proceeds thereof, and shall be the only person authorized to originate entitlement orders in respect of the Series 2010-6 Reserve Account. The Series 2010-6 Reserve Account Collateral shall be under the sole dominion and control of the Trustee for the benefit of the Class A Noteholders. The Series 2010-6 Agent hereby agrees (i) to act as the securities intermediary (as defined in Section 8-102(a)(14) of the New York UCC) with respect to the Series 2010-6 Reserve Account; (ii) that its jurisdiction as securities intermediary is New York; (iii) that each item of property (whether investment property, financial asset, security, instrument or cash) credited to the Series 2010-6 Reserve Account shall be treated as a financial asset (as defined in Section 8-102(a)(9) of the New York UCC) and (iv) to comply with any entitlement order (as defined in Section 8-102(a)(8) of the New York UCC) issued by the Trustee.

(e) Preference Amount Withdrawals from the Series 2010-6 Reserve Account or the Series 2010-6 Cash Collateral Account. If a member of a Purchaser Group notifies the Trustee in writing of the existence of a Preference Amount, then, subject to the satisfaction of the conditions set forth in the next succeeding sentence, on the Business Day on which those conditions are first satisfied, the Trustee shall withdraw from either (x) prior to the Series 2010-6 Letter of Credit Termination Date, the Series 2010-6 Reserve Account or (y) on or after the Series 2010-6 Letter of Credit Termination Date, the Series 2010-6 Cash Collateral Account and pay to the Funding Agent for such member an amount equal to such Preference Amount. Prior to any withdrawal from the Series 2010-6 Reserve Account or the Series 2010-6 Cash Collateral Account pursuant to this Section 3.7(e), the Trustee shall have received (i) a certified copy of the order requiring the return of such Preference Amount; (ii) an opinion of counsel satisfactory to the Trustee that such order is final and not subject to appeal; and (iii) a release as to any claim against ABRCF by the Purchaser Group for any amount paid in respect of such Preference Amount. On the Business Day after the Series 2010-6 Letter of Credit Termination Date, the Trustee shall transfer an amount equal to the greater of (A) the excess, if any, of (x) the Series 2010-6 Available Reserve Account Amount as of such date over (y) the sum of (i) the aggregate Contingent Monthly Funding Costs with respect to all Purchaser Groups for the Series 2010-6 Interest Period ending on the Series 2010-6 Letter of Credit Termination Date and (ii) without duplication, any Contingent Monthly Funding Costs Shortfall as of such date (together with accrued interest thereon) from the Series 2010-6 Reserve Account to the Series 2010-6 Cash Collateral Account and (B) the lesser of (x) the Series 2010-6

Available Reserve Account Amount and (y) the excess, if any, of the Series 2010-6 Demand Note Payment Amount over the Series 2010-6 Available Cash Collateral Account Amount as of such date (the greater of the amounts in clauses (A) and (B), the “Reserve Account Transfer Amount”).

(f) Series 2010-6 Reserve Account Surplus. In the event that the Series 2010-6 Reserve Account Surplus on any Distribution Date, after giving effect to all withdrawals from the Series 2010-6 Reserve Account and application thereof, is greater than zero, the Trustee, acting in accordance with the written instructions of the Administrator pursuant to the Administration Agreement, shall withdraw from the Series 2010-6 Reserve Account an amount equal to the Series 2010-6 Reserve Account Surplus and shall pay such amount to ABRCF.

(g) Termination of Series 2010-6 Reserve Account. Upon the termination of the Indenture pursuant to Section 11.1 of the Base Indenture, the Trustee, acting in accordance with the written instructions of the Administrator, after the prior payment of all amounts owing to the Class A Noteholders and payable from the Series 2010-6 Reserve Account as provided herein, shall withdraw from the Series 2010-6 Reserve Account all amounts on deposit therein for payment to ABRCF.

Section 3.8. Series 2010-6 Letters of Credit and Series 2010-6 Cash Collateral Account.

(a) Series 2010-6 Letters of Credit and Series 2010-6 Cash Collateral Account Constitute Additional Collateral for Series 2010-6 Notes. In order to secure and provide for the repayment and payment of ABRCF’s obligations with respect to the Class A Notes, ABRCF hereby grants a security interest in and assigns, pledges, grants, transfers and sets over to the Trustee, for the benefit of the Class A Noteholders, all of ABRCF’s right, title and interest in and to the following (whether now or hereafter existing or acquired): (i) each Series 2010-6 Letter of Credit; (ii) the Series 2010-6 Cash Collateral Account, including any security entitlement thereto; (iii) all funds on deposit in the Series 2010-6 Cash Collateral Account from time to time; (iv) all certificates and instruments, if any, representing or evidencing any or all of the Series 2010-6 Cash Collateral Account or the funds on deposit therein from time to time; (v) all investments made at any time and from time to time with monies in the Series 2010-6 Cash Collateral Account, whether constituting securities, instruments, general intangibles, investment property, financial assets or other property; (vi) all interest, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for the Series 2010-6 Cash Collateral Account, the funds on deposit therein from time to time or the investments made with such funds; and (vii) all proceeds of any and all of the foregoing, including, without limitation, cash (the items in the foregoing clauses (ii) through (vii) are referred to, collectively, as the “Series 2010-6 Cash Collateral Account Collateral”). The Trustee shall, for the benefit of the Class A Noteholders, possess all right, title and interest in all funds on deposit from time to time in the Series 2010-6 Cash Collateral Account and in all proceeds thereof, and shall be the only person authorized to originate entitlement orders in respect of the Series 2010-6 Cash Collateral Account. The Series 2010-6 Cash Collateral Account shall be under the sole dominion and control of the Trustee for the benefit of the Class A Noteholders. The Series 2010-6 Agent hereby agrees (i) to act as the securities intermediary (as defined in Section 8-102(a)(14) of the New York UCC) with respect to the Series

2010-6 Cash Collateral Account; (ii) that its jurisdiction as securities intermediary is New York; (iii) that each item of property (whether investment property, financial asset, security, instrument or cash) credited to the Series 2010-6 Cash Collateral Account shall be treated as a financial asset (as defined in Section 8-102(a)(9) of the New York UCC) and (iv) to comply with any entitlement order (as defined in Section 8-102(a)(8) of the New York UCC) issued by the Trustee.

(b) Series 2010-6 Letter of Credit Expiration Date. If prior to the date which is ten (10) days prior to the then scheduled Series 2010-6 Letter of Credit Expiration Date with respect to any Series 2010-6 Letter of Credit, excluding the amount available to be drawn under such Series 2010-6 Letter of Credit but taking into account each substitute Series 2010-6 Letter of Credit which has been obtained from a Series 2010-6 Eligible Letter of Credit Provider and is in full force and effect on such date, the Series 2010-6 Enhancement Amount would be equal to or more than the Series 2010-6 Required Enhancement Amount and the Series 2010-6 Liquidity Amount would be equal to or greater than the Series 2010-6 Required Liquidity Amount, then the Administrator shall notify the Trustee in writing no later than two Business Days prior to such Series 2010-6 Letter of Credit Expiration Date of such determination. If prior to the date which is ten (10) days prior to the then scheduled Series 2010-6 Letter of Credit Expiration Date with respect to any Series 2010-6 Letter of Credit, excluding the amount available to be drawn under such Series 2010-6 Letter of Credit but taking into account each substitute Series 2010-6 Letter of Credit which has been obtained from a Series 2010-6 Eligible Letter of Credit Provider and is in full force and effect on such date, the Series 2010-6 Enhancement Amount would be less than the Series 2010-6 Required Enhancement Amount or the Series 2010-6 Liquidity Amount would be less than the Series 2010-6 Required Liquidity Amount, then the Administrator shall notify the Trustee in writing no later than two Business Days prior to such Series 2010-6 Letter of Credit Expiration Date of (x) the greater of (A) the excess, if any, of the Series 2010-6 Required Enhancement Amount over the Series 2010-6 Enhancement Amount, excluding the available amount under such expiring Series 2010-6 Letter of Credit but taking into account any substitute Series 2010-6 Letter of Credit which has been obtained from a Series 2010-6 Eligible Letter of Credit Provider and is in full force and effect, on such date, and (B) the excess, if any, of the Series 2010-6 Required Liquidity Amount over the Series 2010-6 Liquidity Amount, excluding the available amount under such expiring Series 2010-6 Letter of Credit but taking into account any substitute Series 2010-6 Letter of Credit which has been obtained from a Series 2010-6 Eligible Letter of Credit Provider and is in full force and effect, on such date, and (y) the amount available to be drawn on such expiring Series 2010-6 Letter of Credit on such date. Upon receipt of such notice by the Trustee on or prior to 10:00 a.m. (New York City time) on any Business Day, the Trustee shall, by 12:00 noon (New York City time) on such Business Day (or, in the case of any notice given to the Trustee after 10:00 a.m. (New York City time), by 12:00 noon (New York City time) on the next following Business Day), draw the lesser of the amounts set forth in clauses (x) and (y) above on such expiring Series 2010-6 Letter of Credit by presenting a Certificate of Termination Demand and shall cause the Termination Disbursement to be deposited in the Series 2010-6 Cash Collateral Account.

If the Trustee does not receive the notice from the Administrator described in the first paragraph of this Section 3.8(b) on or prior to the date that is two Business Days prior to each Series 2010-6 Letter of Credit Expiration Date, the Trustee shall, by 12:00 noon (New York City time) on such Business Day draw the full amount of such Series 2010-6 Letter of Credit by presenting

a Certificate of Termination Demand and shall cause the Termination Disbursement to be deposited in the Series 2010-6 Cash Collateral Account.

(c) Series 2010-6 Letter of Credit Providers. The Administrator shall notify the Trustee in writing within one Business Day of becoming aware that the long-term senior unsecured debt rating of any Series 2010-6 Letter of Credit Provider has fallen below “BBB” as determined by DBRS (or, if such Series 2010-6 Letter of Credit Provider was not rated by DBRS at the time of issuance of the related Series 2010-6 Letter of Credit, if (x) the long-term senior unsecured debt rating of such Series 2010-6 Letter of Credit Provider has fallen below “Baa2” as determined by Moody’s and (y) the long-term senior unsecured debt rating of such Series 2010-6 Letter of Credit Provider has fallen below “BBB” as determined by Standard & Poor’s). At such time the Administrator shall also notify the Trustee of (i) the greater of (A) the excess, if any, of the Series 2010-6 Required Enhancement Amount over the Series 2010-6 Enhancement Amount, excluding the available amount under the Series 2010-6 Letter of Credit issued by such Series 2010-6 Letter of Credit Provider, on such date, and (B) the excess, if any, of the Series 2010-6 Required Liquidity Amount over the Series 2010-6 Liquidity Amount, excluding the available amount under such Series 2010-6 Letter of Credit, on such date, and (ii) the amount available to be drawn on such Series 2010-6 Letter of Credit on such date. Upon receipt of such notice by the Trustee on or prior to 10:00 a.m. (New York City time) on any Business Day, the Trustee shall, by 12:00 noon (New York City time) on such Business Day (or, in the case of any notice given to the Trustee after 10:00 a.m. (New York City time), by 12:00 noon (New York City time) on the next following Business Day), draw on such Series 2010-6 Letter of Credit in an amount equal to the lesser of the amounts in clause (i) and clause (ii) of the immediately preceding sentence on such Business Day by presenting a Certificate of Termination Demand and shall cause the Termination Disbursement to be deposited in the Series 2010-6 Cash Collateral Account.

(d) Draws on the Series 2010-6 Letters of Credit. If there is more than one Series 2010-6 Letter of Credit on the date of any draw on the Series 2010-6 Letters of Credit pursuant to the terms of this Supplement, the Administrator shall instruct the Trustee, in writing, to draw on each Series 2010-6 Letter of Credit in an amount equal to the LOC Pro Rata Share of the Series 2010-6 Letter of Credit Provider issuing such Series 2010-6 Letter of Credit of the amount of such draw on the Series 2010-6 Letters of Credit.

(e) Establishment of Series 2010-6 Cash Collateral Account. On or prior to the date of any drawing under a Series 2010-6 Letter of Credit pursuant to Section 3.8(b) or (c) above, ABRCF shall establish and maintain in the name of the Trustee for the benefit of the Class A Noteholders, or cause to be established and maintained, an account (the “Series 2010-6 Cash Collateral Account”), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Class A Noteholders. The Series 2010-6 Cash Collateral Account shall be maintained (i) with a Qualified Institution, or (ii) as a segregated trust account with the corporate trust department of a depository institution or trust company having corporate trust powers and acting as trustee for funds deposited in the Series 2010-6 Cash Collateral Account; provided that, if at any time such Qualified Institution is no longer a Qualified Institution or the credit rating of any securities issued by such depository institution or trust company shall be reduced to below “BBB-” by Standard & Poor’s, “Baa3” by Moody’s or “BBB (low)” by DBRS, then ABRCF shall,

within 30 days of such reduction, establish a new Series 2010-6 Cash Collateral Account with a new Qualified Institution or a new segregated trust account with the corporate trust department of a depository institution or trust company having corporate trust powers and acting as trustee for funds deposited in the Series 2010-6 Cash Collateral Account. If a new Series 2010-6 Cash Collateral Account is established, ABRCF shall instruct the Trustee in writing to transfer all cash and investments from the non-qualifying Series 2010-6 Cash Collateral Account into the new Series 2010-6 Cash Collateral Account.

(f) Administration of the Series 2010-6 Cash Collateral Account. ABRCF may instruct (by standing instructions or otherwise) the institution maintaining the Series 2010-6 Cash Collateral Account to invest funds on deposit in the Series 2010-6 Cash Collateral Account from time to time in Permitted Investments; provided, however, that any such investment shall mature not later than the Business Day prior to the Distribution Date following the date on which such funds were received, unless any Permitted Investment held in the Series 2010-6 Cash Collateral Account is held with the Paying Agent, in which case such investment may mature on such Distribution Date so long as such funds shall be available for withdrawal on or prior to such Distribution Date. All such Permitted Investments will be credited to the Series 2010-6 Cash Collateral Account and any such Permitted Investments that constitute (i) physical property (and that is not either a United States security entitlement or a security entitlement) shall be physically delivered to the Trustee; (ii) United States security entitlements or security entitlements shall be controlled (as defined in Section 8-106 of the New York UCC) by the Trustee pending maturity or disposition, and (iii) uncertificated securities (and not United States security entitlements) shall be delivered to the Trustee by causing the Trustee to become the registered holder of such securities. The Trustee shall, at the expense of ABRCF, take such action as is required to maintain the Trustee's security interest in the Permitted Investments credited to the Series 2010-6 Cash Collateral Account. ABRCF shall not direct the Trustee to dispose of (or permit the disposal of) any Permitted Investments prior to the maturity thereof to the extent such disposal would result in a loss of the purchase price of such Permitted Investment. In the absence of written investment instructions hereunder, funds on deposit in the Series 2010-6 Cash Collateral Account shall remain uninvested.

(g) Earnings from Series 2010-6 Cash Collateral Account. All interest and earnings (net of losses and investment expenses) paid on funds on deposit in the Series 2010-6 Cash Collateral Account shall be deemed to be on deposit therein and available for distribution.

(h) Series 2010-6 Cash Collateral Account Surplus. In the event that the Series 2010-6 Cash Collateral Account Surplus on any Distribution Date (or, after the Series 2010-6 Letter of Credit Termination Date, on any date) is greater than zero, the Trustee, acting in accordance with the written instructions of the Administrator, shall withdraw from the Series 2010-6 Cash Collateral Account an amount equal to the Series 2010-6 Cash Collateral Account Surplus and shall pay such amount: first, to the Series 2010-6 Letter of Credit Providers to the extent of any unreimbursed drawings under the related Series 2010-6 Reimbursement Agreement, for application in accordance with the provisions of the related Series 2010-6 Reimbursement Agreement, second, to the Series 2010-6 Reserve Account to the extent necessary to pay any Contingent Monthly Funding Costs Shortfall (together with accrued interest thereon) and, third, to ABRCF any remaining amount.

(i) Termination of Series 2010-6 Cash Collateral Account. Upon the termination of this Supplement in accordance with its terms, the Trustee, acting in accordance with the written instructions of the Administrator, after the prior payment of all amounts owing to the Series 2010-6 Noteholders and payable from the Series 2010-6 Cash Collateral Account as provided herein, shall withdraw from the Series 2010-6 Cash Collateral Account all amounts on deposit therein (to the extent not withdrawn pursuant to Section 3.8(h) above) and shall pay such amounts: first, to the Series 2010-6 Letter of Credit Providers to the extent of any unreimbursed drawings under the related Series 2010-6 Reimbursement Agreement, for application in accordance with the provisions of the related Series 2010-6 Reimbursement Agreement, and, second, to ABRCF any remaining amount.

(j) Termination Date Demands on the Series 2010-6 Letters of Credit. Prior to 10:00 a.m. (New York City time) on the Business Day immediately succeeding the Series 2010-6 Letter of Credit Termination Date, the Administrator shall determine the Series 2010-6 Demand Note Payment Amount as of the Series 2010-6 Letter of Credit Termination Date. If the Series 2010-6 Demand Note Payment Amount is greater than zero, then the Administrator shall instruct the Trustee in writing to draw on the Series 2010-6 Letters of Credit. Upon receipt of any such notice by the Trustee on or prior to 11:00 a.m. (New York City time) on a Business Day, the Trustee shall, by 12:00 noon (New York City time) on such Business Day draw an amount equal to the lesser of (i) the excess of the Series 2010-6 Demand Note Payment Amount over the Reserve Account Transfer Amount and (ii) the Series 2010-6 Letter of Credit Liquidity Amount on the Series 2010-6 Letters of Credit by presenting to each Series 2010-6 Letter of Credit Provider a Certificate of Termination Date Demand; provided, however, that if the Series 2010-6 Cash Collateral Account has been established and funded, the Trustee shall draw an amount equal to the product of (a) 100% minus the Series 2010-6 Cash Collateral Percentage and (b) the lesser of the amounts referred to in clause (i) or (ii) on such Business Day on the Series 2010-6 Letters of Credit as calculated by the Administrator and provided in writing to the Trustee. The Trustee shall cause the Termination Date Disbursement to be deposited in the Series 2010-6 Cash Collateral Account.

Section 3.9. Series 2010-6 Distribution Account.

(a) Establishment of Series 2010-6 Distribution Account. The Trustee shall establish and maintain in the name of the Series 2010-6 Agent for the benefit of the Series 2010-6 Noteholders, or cause to be established and maintained, an account (the "Series 2010-6 Distribution Account"), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Series 2010-6 Noteholders. The Series 2010-6 Distribution Account shall be maintained (i) with a Qualified Institution, or (ii) as a segregated trust account with the corporate trust department of a depository institution or trust company having corporate trust powers and acting as trustee for funds deposited in the Series 2010-6 Distribution Account; provided that, if at any time such Qualified Institution is no longer a Qualified Institution or the credit rating of any securities issued by such depository institution or trust company shall be reduced to below "BBB-" by Standard & Poor's, "Baa3" by Moody's or "BBB (low)" by DBRS, then ABRCF shall, within 30 days of such reduction, establish a new Series 2010-6 Distribution Account with a new Qualified Institution. If the Series 2010-6 Distribution Account is not maintained in accordance with the previous sentence, ABRCF shall establish a new Series 2010-6 Distribution Account, within ten

(10) Business Days after obtaining knowledge of such fact, which complies with such sentence, and shall instruct the Series 2010-6 Agent in writing to transfer all cash and investments from the non-qualifying Series 2010-6 Distribution Account into the new Series 2010-6 Distribution Account. Initially, the Series 2010-6 Distribution Account will be established with The Bank of New York Mellon.

(b) Administration of the Series 2010-6 Distribution Account. The Administrator may instruct the institution maintaining the Series 2010-6 Distribution Account to invest funds on deposit in the Series 2010-6 Distribution Account from time to time in Permitted Investments; provided, however, that any such investment shall mature not later than the Business Day prior to the Distribution Date following the date on which such funds were received, unless any Permitted Investment held in the Series 2010-6 Distribution Account is held with the Paying Agent, then such investment may mature on such Distribution Date and such funds shall be available for withdrawal on or prior to such Distribution Date. All such Permitted Investments will be credited to the Series 2010-6 Distribution Account and any such Permitted Investments that constitute (i) physical property (and that is not either a United States security entitlement or a security entitlement) shall be physically delivered to the Trustee; (ii) United States security entitlements or security entitlements shall be controlled (as defined in Section 8-106 of the New York UCC) by the Trustee pending maturity or disposition, and (iii) uncertificated securities (and not United States security entitlements) shall be delivered to the Trustee by causing the Trustee to become the registered holder of such securities. The Trustee shall, at the expense of ABRCF, take such action as is required to maintain the Trustee's security interest in the Permitted Investments credited to the Series 2010-6 Distribution Account. ABRCF shall not direct the Trustee to dispose of (or permit the disposal of) any Permitted Investments prior to the maturity thereof to the extent such disposal would result in a loss of purchase price of such Permitted Investments. In the absence of written investment instructions hereunder, funds on deposit in the Series 2010-6 Distribution Account shall remain uninvested.

(c) Earnings from Series 2010-6 Distribution Account. All interest and earnings (net of losses and investment expenses) paid on funds on deposit in the Series 2010-6 Distribution Account shall be deemed to be on deposit and available for distribution.

(d) Series 2010-6 Distribution Account Constitutes Additional Collateral for Series 2010-6 Notes. In order to secure and provide for the repayment and payment of the ABRCF Obligations with respect to the Series 2010-6 Notes, ABRCF hereby grants a security interest in and assigns, pledges, grants, transfers and sets over to the Trustee, for the benefit of the Series 2010-6 Noteholders, all of ABRCF's right, title and interest in and to the following (whether now or hereafter existing or acquired): (i) the Series 2010-6 Distribution Account, including any security entitlement thereto; (ii) all funds on deposit therein from time to time; (iii) all certificates and instruments, if any, representing or evidencing any or all of the Series 2010-6 Distribution Account or the funds on deposit therein from time to time; (iv) all investments made at any time and from time to time with monies in the Series 2010-6 Distribution Account, whether constituting securities, instruments, general intangibles, investment property, financial assets or other property; (v) all interest, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for the Series 2010-6 Distribution Account, the

funds on deposit therein from time to time or the investments made with such funds; and (vi) all proceeds of any and all of the foregoing, including, without limitation, cash (the items in the foregoing clauses (i) through (vi) are referred to, collectively, as the “Series 2010-6 Distribution Account Collateral”). The Trustee shall possess all right, title and interest in all funds on deposit from time to time in the Series 2010-6 Distribution Account and in and to all proceeds thereof, and shall be the only person authorized to originate entitlement orders in respect of the Series 2010-6 Distribution Account. The Series 2010-6 Distribution Account Collateral shall be under the sole dominion and control of the Trustee for the benefit of the Series 2010-6 Noteholders. The Series 2010-6 Agent hereby agrees (i) to act as the securities intermediary (as defined in Section 8-102(a)(14) of the New York UCC) with respect to the Series 2010-6 Distribution Account; (ii) that its jurisdiction as securities intermediary is New York; (iii) that each item of property (whether investment property, financial asset, security, instrument or cash) credited to the Series 2010-6 Distribution Account shall be treated as a financial asset (as defined in Section 8-102(a)(9) of the New York UCC) and (iv) to comply with any entitlement order (as defined in Section 8-102(a)(8) of the New York UCC) issued by the Trustee.

Section 3.10. Series 2010-6 Demand Notes Constitute Additional Collateral for Class A Notes. In order to secure and provide for the repayment and payment of the obligations with respect to the Class A Notes, ABRCF hereby grants a security interest in and assigns, pledges, grants, transfers and sets over to the Trustee, for the benefit of the Class A Noteholders, all of ABRCF’s right, title and interest in and to the following (whether now or hereafter existing or acquired): (i) the Series 2010-6 Demand Notes; (ii) all certificates and instruments, if any, representing or evidencing the Series 2010-6 Demand Notes; and (iii) all proceeds of any and all of the foregoing, including, without limitation, cash. On the date hereof, ABRCF shall deliver to the Trustee, for the benefit of the Series 2010-6 Noteholders, each Series 2010-6 Demand Note, endorsed in blank. The Trustee, for the benefit of the Series 2010-6 Noteholders, shall be the only Person authorized to make a demand for payments on the Series 2010-6 Demand Notes.

Section 3.11. Series 2010-6 Interest Rate Caps. (a) On or prior to the A&R Effective Date, ABRCF shall acquire one or more interest rate caps (each a “Series 2010-6 Interest Rate Cap”) from a Qualified Interest Rate Cap Counterparty. On the A&R Effective Date, the aggregate notional amount of all Series 2010-6 Interest Rate Caps shall equal the Class A Maximum Invested Amount, and the aggregate notional amount of all Series 2010-6 Interest Rate Caps may be reduced pursuant to the related Series 2010-6 Interest Rate Cap to the extent that the Class A Maximum Invested Amount is reduced after the A&R Effective Date. ABRCF shall acquire one or more additional Series 2010-6 Interest Rate Caps in connection with any increase of the Class A Maximum Invested Amount such that the aggregate notional amounts of all Series 2010-6 Interest Rate Caps shall equal the Class A Maximum Invested Amount after giving effect to such increase. The strike rate of each Series 2010-6 Interest Rate Cap shall not be greater than 4.00%. The Series 2010-6 Interest Rate Caps shall extend to at least the Series 2010-6 Termination Date.

(b) If, at any time, an Interest Rate Cap Counterparty is not a Qualified Interest Rate Cap Counterparty, then ABRCF shall cause the Interest Rate Cap Counterparty within 30 Business Days following such occurrence, at the Interest Rate Cap Counterparty’s expense, to do one of the following (the choice of such action to be determined by the Interest Rate Cap

Counterparty) (i) obtain a replacement interest rate cap on the same terms as the Series 2010-6 Interest Rate Cap from a Qualified Interest Rate Cap Counterparty and simultaneously with such replacement ABRCF shall terminate the Series 2010-6 Interest Rate Cap being replaced, (ii) obtain a guaranty from, or contingent agreement of, another person who qualifies as a Qualified Interest Rate Cap Counterparty to honor the Interest Rate Cap Counterparty's obligations under the Series 2010-6 Interest Rate Cap in form and substance satisfactory to the Administrative Agent or (iii) post and maintain collateral satisfactory to the Administrative Agent; provided that no termination of the Series 2010-6 Interest Rate Cap shall occur until ABRCF has entered into a replacement Interest Rate Cap.

(c) To secure payment of all obligations to the Class A Noteholders, ABRCF grants a security interest in, and assigns, pledges, grants, transfers and sets over to the Trustee, for the benefit of the Class A Noteholders, all of ABRCF's right, title and interest in the Series 2010-6 Interest Rate Caps and all proceeds thereof (the "Series 2010-6 Interest Rate Cap Collateral"). ABRCF shall require all Series 2010-6 Interest Rate Cap Proceeds to be paid to, and the Trustee shall allocate all Series 2010-6 Interest Rate Cap Proceeds to, the Series 2010-6 Accrued Interest Account of the Series 2010-6 Collection Account.

Section 3.12. Payments to Funding Agents, Purchaser Groups or Committed Note Purchasers.

(a) Notwithstanding anything to the contrary herein or in the Base Indenture, amounts distributable by ABRCF, the Trustee, the Paying Agent or the Administrative Agent to a Non-Conduit Purchaser or a Funding Agent for the account of its Related Purchaser Group (or amounts distributable by any such Person directly to such Purchaser Group) shall be paid by wire transfer of immediately available funds no later than 3:00 p.m. (New York time) for credit to the account or accounts designated by such Non-Conduit Purchaser or Funding Agent. Notwithstanding the foregoing, the Administrative Agent shall not be so obligated unless the Administrative Agent shall have received the funds by 12:00 noon (New York City time).

(b) All amounts payable to the Committed Note Purchaser hereunder or with respect to the Class R Notes on any date shall be made to the Committed Note Purchaser (or upon the order of the Committed Note Purchaser) in accordance with this Section 3.12, provided that:

(i) if (A) the Committed Note Purchaser receives funds payable to it hereunder later than 3:00 p.m. (New York time) on any date and (B) prior to the later of the next succeeding Determination Date and thirty (30) days after the date on which the Committed Note Purchaser received such funds, the Class R Note Purchaser notifies ABRCF in writing of such late receipt, then such funds received later than 3:00 p.m. (New York time) on such date by the Committed Note Purchaser will be deemed to have been received by the Committed Note Purchaser on the next Business Day and any interest accruing with respect to the payment of such funds on such next Business Day shall not be payable until the Payment Date immediately following the later of such two dates specified in this clause (B); and

(ii) if (A) the Committed Note Purchaser receives funds payable to it hereunder later than 3:00 p.m. (New York time) on any date and (B) prior to the later of the next succeeding Determination Date and thirty (30) days after the date on which the Committed Note Purchaser received such funds, the Committed Note Purchaser does not notify ABRCF in writing of such receipt, then such funds, received later than 3:00 p.m. (New York time) on such date will be treated for all purposes hereunder as received on such date.

Section 3.13. Subordination of the Class R Notes. Notwithstanding anything to the contrary contained in this Supplement, the Base Indenture or in any other Related Document, the Class R Notes will be subordinate in all respects to the Class A Notes as and to the extent set forth in this Section 3.13. No payments on account of principal shall be made with respect to the Class R Notes on any Distribution Date during the Series 2010-6 Controlled Amortization Period unless an amount equal to the Class A Controlled Distribution Amount for the Related Month shall have been paid to the Class A Noteholders and no payments on account of principal shall be made with respect to the Class R Notes during the Series 2010-6 Rapid Amortization Period or on the final Distribution Date until the Class A Notes have been paid in full. No payments on account of interest shall be made with respect to the Class R Notes on any Distribution Date until all payments of interest and principal and other fees due and payable on such Distribution Date with respect to the Class A Notes have been paid in full.

ARTICLE IV

AMORTIZATION EVENTS

In addition to the Amortization Events set forth in Section 9.1 of the Base Indenture, any of the following shall be an Amortization Event with respect to the Series 2010-6 Notes and collectively shall constitute the Amortization Events set forth in Section 9.1(n) of the Base Indenture with respect to the Series 2010-6 Notes (without notice or other action on the part of the Trustee or any holders of the Series 2010-6 Notes):

(a) a Series 2010-6 Enhancement Deficiency shall occur and continue for at least two (2) Business Days; provided, however, that such event or condition shall not be an Amortization Event if during such two (2) Business Day period such Series 2010-6 Enhancement Deficiency shall have been cured in accordance with the terms and conditions of the Indenture and the Related Documents;

(b) either the Series 2010-6 Liquidity Amount shall be less than the Series 2010-6 Required Liquidity Amount or the Series 2010-6 Available Reserve Account Amount shall be less than the Series 2010-6 Required Reserve Account Amount for at least two (2) Business Days; provided, however, that such event or condition shall not be an Amortization Event if during such two (2) Business Day period such insufficiency shall have been cured in accordance with the terms and conditions of the Indenture and the Related Documents;

(c) an AESOP I Operating Lease Vehicle Deficiency shall occur and continue for at least two (2) Business Days;

(d) the Collection Account, the Series 2010-6 Collection Account, the Series 2010-6 Excess Collection Account or the Series 2010-6 Reserve Account shall be subject to an injunction, estoppel or other stay or a Lien (other than Liens permitted under the Related Documents);

(e) all principal of and interest on the Series 2010-6 Notes is not paid on the Series 2010-6 Expected Final Distribution Date;

(f) any Series 2010-6 Letter of Credit shall not be in full force and effect for at least two (2) Business Days and (x) either a Series 2010-6 Enhancement Deficiency would result from excluding such Series 2010-6 Letter of Credit from the Series 2010-6 Enhancement Amount or (y) the Series 2010-6 Liquidity Amount, excluding therefrom the available amount under such Series 2010-6 Letter of Credit, would be less than the Series 2010-6 Required Liquidity Amount;

(g) from and after the funding of the Series 2010-6 Cash Collateral Account, the Series 2010-6 Cash Collateral Account shall be subject to an injunction, estoppel or other stay or a Lien (other than Liens permitted under the Related Documents) for at least two (2) Business Days and either (x) a Series 2010-6 Enhancement Deficiency would result from excluding the Series 2010-6 Available Cash Collateral Account Amount from the Series 2010-6 Enhancement Amount or (y) the Series 2010-6 Liquidity Amount, excluding therefrom the Series 2010-6 Available Cash Collateral Amount, would be less than the Series 2010-6 Required Liquidity Amount;

(h) an Event of Bankruptcy shall have occurred with respect to any Series 2010-6 Letter of Credit Provider or any Series 2010-6 Letter of Credit Provider repudiates its Series 2010-6 Letter of Credit or refuses to honor a proper draw thereon and either (x) a Series 2010-6 Enhancement Deficiency would result from excluding such Series 2010-6 Letter of Credit from the Series 2010-6 Enhancement Amount or (y) the Series 2010-6 Liquidity Amount, excluding therefrom the available amount under such Series 2010-6 Letter of Credit, would be less than the Series 2010-6 Required Liquidity Amount;

(i) the occurrence of an Event of Bankruptcy with respect to ABG or any Permitted Sublessee (other than a third-party Permitted Sublessee);

(j) a Change in Control shall have occurred;

(k) ABRCF shall fail to acquire or maintain in force Series 2010-6 Interest Rate Caps at the times and in the notional amounts required by the terms of Section 3.11;

(l) the occurrence and continuation of an "event of default" under the Credit Agreement or any Replacement Credit Agreement, that is not waived pursuant to the terms of such Credit Agreement or Replacement Credit Agreement;

(m) the breach by ABCR or any of its Affiliates of any covenant under the Credit Agreement or any Replacement Credit Agreement to the extent such covenant requires

compliance by ABCR or its Affiliates with an interest coverage ratio, a fixed charge coverage ratio, a leverage ratio or a minimum EBITDA level or with any other financial measure or ratio intended to test the financial or credit performance of ABCR and its consolidated subsidiaries, whether or not such breach is waived pursuant to the terms of the Credit Agreement or such Replacement Credit Agreement;

(n) the Class A Controlled Distribution Amount with respect to the Related Month is not paid in full on any Distribution Date during the Series 2010-6 Controlled Amortization Period (other than the first Distribution Date during the Series 2010-6 Controlled Amortization Period); and

(o) an Amortization Event shall have occurred with respect to the Series 2015-3 Notes.

In the case of any event described in clause (j), (k), (l), (m) or (o) above, an Amortization Event shall have occurred with respect to the Series 2010-6 Notes only if either the Trustee or the Requisite Noteholders declare that an Amortization Event has occurred. In the case of an event described in clause (a), (b), (c), (d), (e), (f), (g), (h), (i) or (n) an Amortization Event with respect to the Series 2010-6 Notes shall have occurred without any notice or other action on the part of the Trustee or any Series 2010-6 Noteholders, immediately upon the occurrence of such event. Amortization Events with respect to the Series 2010-6 Notes described in clause (a), (b), (c), (d), (e), (f), (g), (h), (i) or (n) may be waived with the written consent of the Purchaser Groups having Commitment Percentages aggregating 100%. Amortization Events with respect to the Series 2010-6 Notes described in clause (j), (k), (l), (m) or (o) above may be waived in accordance with Section 9.5 of the Base Indenture.

ARTICLE V

RIGHT TO WAIVE PURCHASE RESTRICTIONS

Notwithstanding any provision to the contrary in the Indenture or the Related Documents, upon the Trustee's receipt of notice from any Lessee, any Borrower or ABRCF that the Lessees, the Borrowers and ABRCF have determined to increase any Series 2010-6 Maximum Amount or the percentage set forth in clause (y) of any of paragraphs (ii), (iii), (iv), (v), (vi) or (vii) of the definition of Series 2010-6 Incremental Enhancement Amount, (such notice, a "Waiver Request"), each Series 2010-6 Noteholder may, at its option, waive any Series 2010-6 Maximum Amount or any increase in the Series 2010-6 Required Enhancement Amount based upon clause (y) of any of paragraphs (ii), (iii), (iv), (v), (vi) or (vii) of the definition of the Series 2010-6 Incremental Enhancement Amount (collectively, a "Waivable Amount") if (i) no Amortization Event exists, (ii) the Requisite Noteholders consent to such waiver and (iii) 60 days' prior written notice of such proposed waiver is provided to the Rating Agencies, Standard & Poor's and Moody's by the Trustee.

Upon receipt by the Trustee of a Waiver Request (a copy of which the Trustee shall promptly provide to the Rating Agencies), all amounts which would otherwise be allocated to the Series 2010-6 Excess Collection Account (collectively, the "Designated Amounts") from the date

the Trustee receives a Waiver Request through the Consent Period Expiration Date will be held by the Trustee in the Series 2010-6 Collection Account for ratable distribution as described below.

Within ten (10) Business Days after the Trustee receives a Waiver Request, the Trustee shall furnish notice thereof to the Administrative Agent, which notice shall be accompanied by a form of consent (each a “Consent”) in the form of Exhibit C hereto by which the Series 2010-6 Noteholders may, on or before the Consent Period Expiration Date, consent to waiver of the applicable Waivable Amount. Upon receipt of notice of a Waiver Request, the Administrative Agent shall forward a copy of such request together with the Consent to each Non-Conduit Purchaser and Funding Agent with respect to its Related Purchaser Group. If the Trustee receives the Consents from the Requisite Noteholders agreeing to waiver of the applicable Waivable Amount within forty-five (45) days after the Trustee notifies the Administrative Agent of a Waiver Request (the day on which such forty-five (45) day period expires, the “Consent Period Expiration Date”), (i) the applicable Waivable Amount shall be deemed waived by the consenting Series 2010-6 Noteholders, (ii) the Trustee will distribute the Designated Amounts as set forth below and (iii) the Trustee shall promptly (but in any event within two days) provide the Rating Agencies, Standard & Poor’s and Moody’s with notice of such waiver. Any Purchaser Group from whom the Trustee has not received a Consent on or before the Consent Period Expiration Date will be deemed not to have consented to such waiver.

If the Trustee receives Consents from the Requisite Noteholders on or before the Consent Period Expiration Date, then on the immediately following Distribution Date, upon receipt of written direction from the Administrator the Trustee will pay the Designated Amounts to the Administrative Agent for the accounts of the non-consenting Purchaser Groups. Upon the receipt of funds from the Trustee pursuant to this Article V, the Administrative Agent shall pay the Designated Amounts as follows:

(i) to each Non-Conduit Purchaser or Funding Agent with respect to a non-consenting Purchaser Group, such Purchaser Group’s pro rata share based on the Purchaser Group Invested Amount with respect to such Purchaser Group relative to the Purchaser Group Invested Amount with respect to all non-consenting Purchaser Groups of the Designated Amounts up to the amount required to reduce to zero the Purchaser Group Invested Amounts with respect to all non-consenting Purchaser Groups; and

(ii) any remaining Designated Amounts to the Series 2010-6 Excess Collection Account.

If the amount distributed pursuant to clause (i) of the preceding paragraph is not sufficient to reduce the Purchaser Group Invested Amount with respect to each non-consenting Purchaser Group to zero on the date specified therein, then on each day following such Distribution Date, the Administrator will allocate to the Series 2010-6 Collection Account on a daily basis all Designated Amounts collected on such day. On each following Distribution Date, the Trustee will withdraw such Designated Amounts from the Series 2010-6 Collection Account and deposit the same in the Series 2010-6 Distribution Account for distribution to the Administrative Agent for the accounts of the non-consenting Purchaser Groups. Upon the receipt of funds from the Trustee pursuant to this Article V, the Administrative Agent shall pay the Designated Amounts as follows:

(a) to each Non-Conduit Purchaser or Funding Agent with respect to a non-consenting Purchaser Group, such Purchaser Group's pro rata share based on the Purchaser Group Invested Amount with respect to such Purchaser Group relative to the Purchaser Group Invested Amount with respect to all non-consenting Purchaser Groups of the Designated Amounts in the Series 2010-6 Collection Account as of the applicable Determination Date up to the amount required to reduce to zero the Purchaser Group Invested Amounts with respect to all non-consenting Purchaser Groups; and

(b) any remaining Designated Amounts to the Series 2010-6 Excess Collection Account.

If the Requisite Noteholders do not timely consent to such waiver, the Designated Amounts will be re-allocated to the Series 2010-6 Excess Collection Account for allocation and distribution in accordance with the terms of the Indenture and the Related Documents.

In the event that the Series 2010-6 Rapid Amortization Period shall commence after receipt by the Trustee of a Waiver Request, all such Designated Amounts will thereafter be considered Principal Collections allocated to the Series 2010-6 Noteholders.

ARTICLE VI

CONDITIONS PRECEDENT

Section 6.1. Conditions Precedent to Effectiveness of Original Series 2010-6 Supplement. The Original Series 2010-6 Supplement became effective on the date (the "Effective Date") on which all of the following conditions precedent were satisfied:

(a) Documents. The Administrative Agent shall have received copies for each CP Conduit Purchaser and the Funding Agent and the APA Banks with respect to such Non-Conduit Purchaser, each CP Conduit Purchaser, each executed and delivered in form and substance satisfactory to it of (i) the Base Indenture, executed by a duly authorized officer of each of ABRCF and the Trustee, (ii) the Original Series 2010-6 Supplement, executed by a duly authorized officer of each of ABRCF, the Administrator, the Trustee, the Administrative Agent, the Funding Agents, the CP Conduit Purchasers and the APA Banks, (iii) each Lease, executed by a duly authorized officer of each of each Lessee party thereto, the Administrator and the Lessor party thereto, (iv) each Sublease, executed by a duly authorized officer of each Lessee party thereto and each Permitted Sublessee party thereto, (v) each Loan Agreement, executed by a duly authorized officer of each of ABRCF, the Lessor party thereto and the Permitted Nominees party thereto, (vi) each Vehicle Title and Lienholder Nominee Agreement, executed by the duly authorized officer of each of the Permitted Nominee party thereto, ABCR, the Lessor party thereto and the Trustee, (vii) the Master Exchange Agreement, executed by a duly authorized officer of each of the Intermediary, AESOP Leasing, ARAC, BRAC and ABCR; (viii) the Escrow Agreement, executed by a duly authorized officer of each of the Intermediary, J.P. Morgan Trust Company, N.A., JPMorgan Chase Bank, N.A., AESOP Leasing, ARAC, BRAC and ABCR; (ix) the Administration Agreement, executed by a duly authorized officer of each of ABCR,

AESOP Leasing, AESOP Leasing II, ABRCF, ARAC, BRAC and the Trustee; (x) the Disposition Agent Agreement, dated as of July 23, 2009, executed by a duly authorized officer of each of ABCR, ABRCF, AESOP Leasing, AESOP Leasing II, ARAC, BRAC, Lord Securities Corporation, Fiserv Automotive Solutions, Inc. and the Trustee; (xi) the Back-Up Administration Agreement, dated as of July 23, 2009, executed by a duly authorized officer of each of ABCR, ABRCF, AESOP Leasing, AESOP Leasing II, ARAC, BRAC, the Intermediary, Lord Securities Corporation and the Trustee (xii) each Series 2010-6 Letter of Credit, if any, executed by a duly authorized officer of the applicable Series 2010-6 Letter of Credit Provider; and (xiii) each Series 2010-6 Interest Rate Cap, executed by a duly authorized officer of ABRCF and the applicable Interest Rate Cap Counterparty.

(b) Corporate Documents; Proceedings of ABRCF, the Administrator, the Permitted Nominees, AESOP Leasing, AESOP Leasing II, Original AESOP, ARAC and BRAC. The Administrative Agent shall have received, with a copy for each Non-Conduit Purchaser, each CP Conduit Purchaser and the Funding Agent and the APA Banks with respect to such CP Conduit Purchaser, from ABRCF, the Administrator, the Permitted Nominees, AESOP Leasing, AESOP Leasing II, Original AESOP, ARAC, ABCR and BRAC true and complete copies of:

(i) to the extent applicable, the certificate of incorporation or certificate of formation, including all amendments thereto, of such Person, certified as of a recent date by the Secretary of State or other appropriate authority of the state of incorporation or organization, as the case may be, and a certificate of compliance, of status or of good standing, as and to the extent applicable, of each such Person as of a recent date, from the Secretary of State or other appropriate authority of such jurisdiction;

(ii) a certificate of the Secretary or an Assistant Secretary of such Person, dated on or prior to the Effective Date and certifying (A) that attached thereto is a true and complete copy of the bylaws, limited liability company agreement or partnership agreement of such Person, as the case may be, as in effect on the Series 2010-6 Closing Date and at all times since a date prior to the date of the resolutions described in clause (B) below, (B) that, to the extent applicable, attached thereto is a true and complete copy of the resolutions, in form and substance reasonably satisfactory to each Funding Agent, of the Board of Directors or Managers of such Person or committees thereof authorizing the execution, delivery and performance of the Original Series 2010-6 Supplement and the Series 2010-6 Documents to which it is a party and the transactions contemplated thereby, and that such resolutions have not been amended, modified, revoked or rescinded and are in full force and effect, (C) that the certificate of incorporation or certificate of formation of such Person has not been amended since the date of the last amendment thereto shown on the certificate of good standing (or its equivalent) furnished pursuant to clause (i) above and (D) as to the incumbency and specimen signature of each officer or authorized signatory executing the Original Series 2010-6 Supplement and any Series 2010-6

Documents or any other document delivered in connection herewith or therewith on behalf of such Person; and

(iii) a certificate of another officer as to the incumbency and specimen signature of the Secretary or Assistant Secretary executing the certificate pursuant to clause (ii) above.

(c) Representations and Warranties. All representations and warranties of each of ABRCF, the Administrator, AESOP Leasing, AESOP Leasing II, Original AESOP, each of the Permitted Nominees, each of the Lessees, each of the Permitted Sublessees and the Intermediary contained in each of the Related Documents shall be true and correct as of the Series 2010-6 Closing Date.

(d) No Amortization Event, Potential Amortization Event or AESOP I Operating Lease Vehicle Deficiency. No Amortization Event or Potential Amortization Event in respect of the Series 2010-6 Notes or any other Series of Notes shall exist and no AESOP I Operating Lease Vehicle Deficiency shall exist.

(e) Lien Searches. The Administrative Agent shall have received a written search report listing all effective financing statements that name ABRCF, AESOP Leasing, AESOP Leasing II, Original AESOP, each of the Permitted Nominees or ABCR as debtor or assignor and that are filed in the State of New York, the State of Delaware and in any other jurisdictions that the Administrative Agent determines are necessary or appropriate, together with copies of such financing statements, and tax and judgment lien searches showing no such liens that are not permitted by the Base Indenture, the Original Series 2010-6 Supplement or the Related Documents.

(f) Legal Opinions. The Administrative Agent shall have received, with a counterpart addressed to each Non-Conduit Purchaser, each CP Conduit Purchaser and the Funding Agent, the Program Support Provider and the APA Banks with respect to each CP Conduit Purchaser and the Trustee, opinions of counsel required by Section 2.2(f) of the Base Indenture and opinions of counsel with respect to such other matters as may be reasonably requested by any Funding Agent, in form and substance reasonably acceptable to the addressees thereof and their counsel.

(g) Fees and Expenses. Each Non-Conduit Purchaser and each Funding Agent with respect to its Related Purchaser Group shall have received payment of all fees, out-of-pocket expenses and other amounts due and payable to such Purchaser Group or the Administrative Agent, as applicable, on or before the Effective Date.

(h) Establishment of Accounts. The Administrative Agent shall have received evidence reasonably satisfactory to it that the Series 2010-6 Collection Account, the Series 2010-6 Reserve Account and the Series 2010-6 Distribution Account shall have been established in accordance with the terms and provisions of the Indenture.

(i) Opinion. The Administrative Agent shall have received, with a counterpart addressed to each CP Conduit Purchaser and the Funding Agent, the Program Support Provider and the APA Banks with respect to such CP Conduit Purchaser, an opinion of counsel to the Trustee as to the due authorization, execution and delivery by the Trustee of the Original Series 2010-6 Supplement and the due execution, authentication and delivery by the Trustee of the Series 2010-6 Notes.

(j) Rating Letters. Each Non-Conduit Purchaser or Funding Agent shall have received a copy of a letter, in form and substance satisfactory to such Non-Conduit Purchaser or Funding Agent, from DBRS stating that the long-term rating of “AA” or higher has been assigned by DBRS, to the Series 2010-6 Notes, and each Funding Agent shall have received a letter, in form and substance satisfactory to such Funding Agent, from each of Moody’s, Standard & Poor’s and/or Fitch, as applicable, confirming the commercial paper rating of the related CP Conduit Purchaser after giving effect to such CP Conduit Purchaser’s purchase of Series 2010-6 Notes. Each Non-Conduit Purchaser and each Funding Agent shall have received a copy of a letter, in form and substance satisfactory to such Non-Conduit Purchaser and Funding Agent, from each of DBRS and Standard & Poor’s, and ABRCF and the Trustee shall have received a copy of a letter from Moody’s, in each case stating that the issuance of the Series 2010-6 Notes will not result in a reduction or withdrawal of the rating (in effect immediately before the effectiveness of the Original Series 2010-6 Supplement) of any outstanding Series of Notes with respect to which it is a Rating Agency. Any fees of Moody’s, Standard & Poor’s, Fitch and any Rating Agency in connection with the delivery of such letters shall have been paid by or on behalf of ABRCF.

(k) UCC Filings. The Administrative Agent shall have received (i) executed originals of any documents (including, without limitation, financing statements) required to be filed in each jurisdiction necessary to perfect the security interest of the Trustee in the Series 2010-6 Collateral and (ii) evidence reasonably satisfactory to it of each such filing and reasonably satisfactory evidence of the payment of any necessary fee or tax relating thereto.

(l) Proceedings. All corporate and other proceedings and all other documents and legal matters in connection with the transactions contemplated by the Related Documents shall be satisfactory in form and substance to each Non-Conduit Purchaser and each Funding Agent and its counsel.

Section 6.2. Conditions Precedent to Effectiveness of Supplement. This Supplement shall become effective on the date (the “A&R Effective Date”) on which the following conditions precedent shall have been satisfied:

(a) Documents. The Administrative Agent shall have received copies for each Non-Conduit Purchaser, each CP Conduit Purchaser and the Funding Agent and the APA Banks with respect to such CP Conduit Purchaser, each executed and delivered in form and substance satisfactory to it of: (i) this Supplement; (ii) each Series 2010-6 Letter of Credit in effect on the A&R Effective Date, if any, executed by a duly authorized officer of the applicable Series 2010-6 Letter of Credit Provider; (iii) each Series 2010-6 Interest Rate

Cap in effect on the A&R Effective Date, executed by a duly authorized officer of ABRCF and the applicable Interest Rate Cap Counterparty satisfying the requirements of Section 3.11(a); and (iv) the Fee Letter (collectively, the "A&R Documents").

(b) Corporate Documents; Proceedings of ABRCF, the Administrator, the Permitted Nominees, AESOP Leasing, AESOP Leasing II, Original AESOP, ARAC and BRAC. The Administrative Agent shall have received, with a copy for each Non-Conduit Purchaser, each CP Conduit Purchaser and the Funding Agent and the APA Banks with respect to such CP Conduit Purchaser, from ABRCF, the Administrator, the Permitted Nominees, AESOP Leasing, AESOP Leasing II, Original AESOP, ARAC, ABCR and BRAC true and complete copies of:

(i) to the extent applicable, the certificate of incorporation or certificate of formation, including all amendments thereto, of such Person, certified as of a recent date by the Secretary of State or other appropriate authority of the state of incorporation or organization, as the case may be, and a certificate of compliance, of status or of good standing, as and to the extent applicable, of each such Person as of a recent date, from the Secretary of State or other appropriate authority of such jurisdiction;

(ii) a certificate of the Secretary or an Assistant Secretary of such Person, dated on or prior to the A&R Effective Date and certifying (A) that attached thereto is a true and complete copy of the bylaws, limited liability company agreement or partnership agreement of such Person, as the case may be, as in effect on the A&R Effective Date and at all times since a date prior to the date of the resolutions described in clause (B) below, (B) that, to the extent applicable, attached thereto is a true and complete copy of the resolutions, in form and substance reasonably satisfactory to each Funding Agent, of the Board of Directors or Managers of such Person or committees thereof authorizing the execution, delivery and performance of the A&R Documents to which it is a party and the transactions contemplated thereby, and that such resolutions have not been amended, modified, revoked or rescinded and are in full force and effect, (C) that the certificate of incorporation or certificate of formation of such Person has not been amended since the date of the last amendment thereto shown on the certificate of good standing (or its equivalent) furnished pursuant to clause (i) above and (D) as to the incumbency and specimen signature of each officer or authorized signatory executing any A&R Documents or any other document delivered in connection herewith or therewith on behalf of such Person; and

(iii) a certificate of another officer as to the incumbency and specimen signature of the Secretary or Assistant Secretary executing any certificate pursuant to clause (ii) above that requires the certification set forth in clause (ii)(D) above.

(c) Representations and Warranties. All representations and warranties of each of ABRCF, ABCR, AESOP Leasing, AESOP Leasing II, Original AESOP, each of the Permitted Nominees, each of the Lessees, each of the Permitted Sublessees and the

Intermediary contained in each of the Related Documents shall be true and correct as of the A&R Effective Date.

(d) No Amortization Event, Potential Amortization Event or AESOP I Operating Lease Vehicle Deficiency. No Amortization Event or Potential Amortization Event in respect of the Series 2010-6 Notes or any other Series of Notes shall exist and no AESOP I Operating Lease Vehicle Deficiency shall exist as of the A&R Effective Date.

(e) Fees and Expenses. Each Non-Conduit Purchaser and each Funding Agent with respect to its Related Purchaser Group, the Administrative Agent and the Trustee shall have received payment of all fees, out-of-pocket expenses and other amounts due and payable to such Purchaser Group, the Administrative Agent or the Trustee, as applicable, on or before the A&R Effective Date.

(f) Rating Letters. Each Non-Conduit Purchaser and each Funding Agent shall have received a copy of a letter, in form and substance satisfactory to such Non-Conduit Purchaser or Funding Agent, from DBRS stating that the long-term rating of at least "A" has been assigned by DBRS to the Class A Notes. Each Non-Conduit Purchaser and each Funding Agent shall have received a copy of a letter, in form and substance satisfactory to such Non-Conduit Purchaser and Funding Agent, from DBRS, and ABRCF and the Trustee shall have received a copy of a letter from Moody's and Fitch, in each case stating that the amendment and restatement of the Second A&R Series 2010-6 Supplement by this Supplement will not result in a reduction or withdrawal of the rating (in effect immediately before the effectiveness of this Supplement) of any outstanding Series of Notes with respect to which it is a Rating Agency. Each Funding Agent shall have received a letter, in form and substance satisfactory to such Funding Agent, from each of Moody's, Standard & Poor's and/or Fitch, as applicable, confirming the commercial paper rating of the related CP Conduit Purchaser after the effectiveness of this Supplement. Any fees of Moody's, Standard & Poor's, Fitch and the Rating Agencies in connection with the delivery of such letters shall have been paid by or on behalf of ABRCF.

(g) UCC-3 Filing. The Administrative Agent shall have received a draft UCC-3 financing statement in a form that is reasonably acceptable to the Administrative Agent.

(h) Certificates and Opinions. All certificates and opinions of counsel required under the Base Indenture or reasonably requested by the Trustee or the Series 2010-6 Noteholders shall have been delivered to the Trustee and to the Series 2010-6 Noteholders, as applicable.

(i) Class A Notes. ABRCF shall have issued and directed the Trustee to authenticate, and the Trustee shall have authenticated, a Class A Note in the name of each Non-Conduit Purchaser and each Funding Agent in an amount equal to the Maximum Purchaser Group Invested Amount with respect to such Purchaser Group, and shall have delivered such Class A Note to such Non-Conduit Purchaser or Funding Agent.

(j) Class R Notes. ABRCF shall have issued and directed the Trustee to authenticate, and the Trustee shall have authenticated, a Class R Note in the name of each Committed Note Purchaser in an amount equal to the Class R Maximum Invested Amount with respect to such Committed Note Purchaser, and shall have delivered such Class R Note to such Committed Note Purchaser.

ARTICLE VII

CHANGE IN CIRCUMSTANCES

Section 7.1. Increased Costs. (a) If any Change in Law (except with respect to Taxes which shall be governed by Section 7.2) shall:

(i) impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Affected Party (except any such reserve requirement reflected in the Adjusted LIBO Rate); or

(ii) impose on any Affected Party or the London interbank market any other condition affecting the Indenture or the Related Documents or the funding of Eurodollar Tranches by such Affected Party;

and the result of any of the foregoing shall be to increase the cost to such Affected Party of making, converting into, continuing or maintaining Eurodollar Tranches (or maintaining its obligation to do so) or to reduce any amount received or receivable by such Affected Party hereunder or in connection herewith (whether principal, interest or otherwise), then ABRCF will pay to such Affected Party such additional amount or amounts as will compensate such Affected Party for such additional costs incurred or reduction suffered.

(b) If any Affected Party determines that any Change in Law regarding capital requirements has or would have the effect of reducing the rate of return on such Affected Party's capital or the capital of any corporation controlling such Affected Party as a consequence of its obligations hereunder to a level below that which such Affected Party or such corporation could have achieved but for such Change in Law (taking into consideration such Affected Party's or such corporation's policies with respect to capital adequacy), then from time to time, ABRCF shall pay to such Affected Party such additional amount or amounts as will compensate such Affected Party for any such reduction suffered.

(c) A certificate of an Affected Party setting forth the amount or amounts necessary to compensate such Affected Party as specified in subsections (a) and (b) of this Section 7.1 shall be delivered to ABRCF (with a copy to the Administrative Agent and the Funding Agent, if any, with respect to such Affected Party) and shall be conclusive absent manifest error. Any payments made by ABRCF pursuant to this Section 7.1 shall be made solely from funds available in the Series 2010-6 Distribution Account for the payment of Article VII Costs, shall be non-recourse other than with respect to such funds, and shall not constitute a claim against ABRCF to the extent that insufficient funds exist to make such payment. The agreements in this Section 7.1 shall survive the

termination of this Supplement and the Base Indenture and the payment of all amounts payable hereunder and thereunder.

(d) Failure or delay on the part of an Affected Party to demand compensation pursuant to this Section 7.1 shall not constitute a waiver of such Affected Party's right to demand such compensation; provided that ABRCF shall not be required to compensate any Affected Party pursuant to this Section 7.1 for any increased costs or reductions incurred more than 270 days prior to the date that such Affected Party notifies ABRCF of such Affected Party's intention to claim compensation under this Section 7.1; provided, further, that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 270-day period referred to above shall be extended to include the period of retroactive effect thereof.

(e) ABRCF acknowledges that any Affected Party may institute measures in anticipation of a Change in Law, and may commence allocating charges to or seeking compensation from ABRCF under this Section 7.1, in advance of the effective date of such Change in Law and ABRCF agrees to pay such charges or compensation to the applicable Affected Party following demand therefor in accordance with the terms of this Section 7.1 without regard to whether such effective date has occurred.

Section 7.2. Taxes. (a) Any and all payments by or on account of any obligation of ABRCF hereunder shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; provided that if ABRCF shall be required to deduct any Indemnified Taxes or Other Taxes from such payments, then (i) subject to Section 7.2(c) below, the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 7.2) the recipient receives an amount equal to the sum that it would have received had no such deductions been made, (ii) ABRCF shall make such deductions and (iii) ABRCF shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

(b) In addition, ABRCF shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) ABRCF shall indemnify the Administrative Agent, each Non-Conduit Purchaser, each Funding Agent, each Program Support Provider and each member of each CP Conduit Purchaser Group within the later of 10 days after written demand therefor and the Distribution Date next following such demand for the full amount of any Indemnified Taxes or Other Taxes paid by the Administrative Agent, such Non-Conduit Purchaser, such Funding Agent, such Program Support Provider or such member of such CP Conduit Purchaser Group on or with respect to any payment by or on account of any obligation of ABRCF hereunder or under the Indenture (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 7.2) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority; provided that no Person shall be indemnified pursuant to this Section 7.2(c) or entitled to receive additional amounts under the proviso of Section 7.2(a) to the extent that the reason for such indemnification results from the failure by such Person to comply with the provisions of Section 7.2(e) or (g). A certificate

as to the amount of such payment or liability delivered to ABRCF by the Administrative Agent, any Non-Conduit Purchaser, any Funding Agent, any Program Support Provider or any member of any CP Conduit Purchaser Group shall be conclusive absent manifest error. Any payments made by ABRCF pursuant to this Section 7.2 shall be made solely from funds available in the Series 2010-6 Distribution Account for the payment of Article VII Costs, shall be non-recourse other than with respect to such funds, and shall not constitute a claim against ABRCF to the extent that insufficient funds exist to make such payment. The agreements in this Section shall survive the termination of this Supplement and the Base Indenture and the payment of all amounts payable hereunder and thereunder.

(d) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by ABRCF to a Governmental Authority, ABRCF shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) The Administrative Agent, each Non-Conduit Purchaser, each Funding Agent, each member of each CP Conduit Purchaser Group and each Program Support Provider, if entitled to an exemption from or reduction of an Indemnified Tax or Other Tax with respect to payments made hereunder or under the Indenture shall (to the extent legally able to do so) deliver to ABRCF (with a copy to the Administrative Agent) such properly completed and executed documentation prescribed by applicable law and reasonably requested by ABRCF on the later of (i) 30 Business Days after such request is made and the applicable forms are provided to the Administrative Agent, such Non-Conduit Purchaser, such Funding Agent, such member of such CP Conduit Purchaser Group or such Program Support Provider or (ii) thirty (30) Business Days before prescribed by applicable law as will permit such payments to be made without withholding or with an exemption from or reduction of Indemnified Taxes or Other Taxes.

(f) If the Administrative Agent, any Non-Conduit Purchaser, any Funding Agent, any Program Support Provider or any member of any CP Conduit Purchaser Group receives a refund solely in respect of Indemnified Taxes or Other Taxes, it shall pay over such refund to ABRCF to the extent that it has already received indemnity payments or additional amounts pursuant to this Section 7.2 with respect to such Indemnified Taxes or Other Taxes giving rise to the refund, net of all out-of-pocket expenses and without interest (other than interest paid by the relevant Governmental Authority with respect to such refund); provided, however, that ABRCF shall, upon request of the Administrative Agent, such Non-Conduit Purchaser, such Funding Agent, such Program Support Provider or such member of such CP Conduit Purchaser Group, repay such refund (plus interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent, such Non-Conduit Purchaser, such Funding Agent, such Program Support Provider or such member of such CP Conduit Purchaser Group if the Administrative Agent, such Non-Conduit Purchaser, such Funding Agent, such Program Support Provider or such member of such CP Conduit Purchaser Group is required to repay such refund to such Governmental Authority. Nothing contained herein shall require the Administrative Agent, any Non-Conduit Purchaser, any Funding Agent, any Program Support Provider or any member of any CP Conduit Purchaser Group

to make its tax returns (or any other information relating to its taxes which it deems confidential) available to ABRCF or any other Person.

(g) The Administrative Agent, each Non-Conduit Purchaser, each Funding Agent, each Program Support Provider and each member of each CP Conduit Purchaser Group (other than any such entity which is a domestic corporation) shall:

(i) upon or prior to becoming a party hereto, deliver to ABRCF and the Administrative Agent two (2) duly completed copies of IRS Form W-8BEN, W-8ECI or W-9, or successor applicable forms, as the case may be, establishing a complete exemption from withholding of United States federal income taxes or backup withholding taxes with respect to payments under the Series 2010-6 Notes and this Supplement;

(ii) deliver to ABRCF and the Administrative Agent two (2) further copies of any such form or certification establishing a complete exemption from withholding of United States federal income taxes or backup withholding taxes with respect to payments under the Series 2010-6 Notes and this Supplement on or before the date that any such form or certification expires or becomes obsolete and after the occurrence of any event requiring a change in the most recent form previously delivered by it to ABRCF; and

(iii) obtain such extensions of time for filing and completing such forms or certifications as may reasonably be requested by ABRCF and the Administrative Agent;

unless, in any such case, any change in treaty, law or regulation has occurred after the Series 2010-6 Closing Date (or, if later, the date the Administrative Agent, such Non-Conduit Purchaser, such Funding Agent, such Program Support Provider or such member of such CP Conduit Purchaser Group becomes an indemnified party hereunder) and prior to the date on which any such delivery would otherwise be required which renders the relevant form inapplicable or which would prevent the Administrative Agent, such Non-Conduit Purchaser, such Funding Agent, such Program Support Provider or such member of such CP Conduit Purchaser Group from duly completing and delivering the relevant form with respect to it, and the Administrative Agent, such Non-Conduit Purchaser, such Funding Agent, such Program Support Provider or such member of such CP Conduit Purchaser Group so advises ABRCF and the Administrative Agent.

(h) If a beneficial or equity owner of the Administrative Agent, a Non-Conduit Purchaser, a Funding Agent, a Program Support Provider or a member of a CP Conduit Purchaser Group (instead of the Administrative Agent, the Non-Conduit Purchaser, the Funding Agent, the Program Support Provider or the member of the CP Conduit Purchaser Group itself) is required under United States federal income tax law or the terms of a relevant treaty to provide IRS Form W-8BEN, W-8ECI or W-9, or any successor applicable forms, as the case may be, in order to claim an exemption from withholding of United States federal income taxes or backup withholding taxes, then each such beneficial owner or equity owner shall be considered to be the Administrative Agent, a Non-Conduit Purchaser, a Funding Agent, a Program Support Provider or a member of a CP Conduit Purchaser Group for purposes of Section 7.2(g).

(i) If a payment made to a recipient would be subject to U.S. Federal withholding tax imposed by FATCA if such recipient were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such recipient shall deliver to the payor at the time or times prescribed by law and at such time or times reasonably requested by the payor such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code and any agreements entered into pursuant to Section 1471(b)(1) of the Code) and such additional documentation as reasonable requested by the payor as may be necessary for the payor to determine that such recipient has complied with such recipient's obligations under FATCA and that such recipient is not subject to any such withholding. Notwithstanding any other provision herein, if ABRCF or the Administrative Agent is required to withhold taxes under FATCA, ABRCF and the Administrative Agent shall be authorized to deduct from payments to be made to the applicable recipient amounts representing taxes payable by such recipient under FATCA, as determined in the sole discretion of ABRCF or the Administrative Agent, and to remit such amounts to the applicable governmental authorities.

Section 7.3. Break Funding Payments. ABRCF agrees to indemnify each Purchaser Group and to hold each Purchaser Group harmless from any loss or expense which such Purchaser Group may sustain or incur as a consequence of (a) the failure by ABRCF to accept any Increase after ABRCF has given irrevocable notice requesting the same in accordance with the provisions of this Supplement, (b) the conversion into or continuation of a CP Tranche or a Eurodollar Tranche that occurs other than on the last day of the applicable CP Rate Period or Eurodollar Period, (c) default by ABRCF in making any prepayment in connection with a Decrease after ABRCF has given irrevocable notice thereof in accordance with the provisions of Section 2.5 or (d) the making of a repayment of any portion of the Purchaser Group Invested Amount with respect to such Purchaser Group (including, without limitation, any Decrease) prior to the termination of a CP Rate Period for a CP Tranche or a Eurodollar Period for a Eurodollar Tranche or on a date other than a Distribution Date or the date contained in a notice of Decrease, or the making of a Decrease in a greater amount than contained in any notice of a Decrease. Such indemnification shall include an amount determined by the Non-Conduit Purchaser or the Funding Agent with respect to its Related Purchaser Group and shall equal (a) in the case of the losses or expenses associated with a CP Tranche or a Eurodollar Tranche, either (x) the excess, if any, of (i) such Related Purchaser Group's cost of funding the amount so paid or not so borrowed, converted or continued, for the period from the date of such payment or of such failure to borrow, convert or continue to the last day of the CP Rate Period or the Eurodollar Period or applicable Series 2010-6 Interest Period (or in the case of a failure to borrow, convert or continue, the CP Rate Period or the Eurodollar Period that would have commenced on the date of such prepayment or of such failure), as the case may be, over (ii) the amount of interest earned by such Related Purchaser Group upon redeployment of an amount of funds equal to the amount prepaid or not borrowed, converted or continued for a comparable period or (y) if such Related Purchaser Group is able to terminate the funding source before its scheduled maturity, any costs associated with such termination and (b) in the case of the losses or expenses incurred by a Non-Conduit Purchaser, LIBOR Funding CP Conduit Purchaser or Pooled Funding CP Conduit Purchaser, the losses and expenses incurred by such Non-Conduit Purchaser, LIBOR Funding CP Conduit Purchaser or Pooled Funding CP Conduit Purchaser in connection with the liquidation or reemployment of deposits or other funds acquired by such Non-Conduit Purchaser, LIBOR Funding CP Conduit Purchaser or Pooled Funding CP Conduit Purchaser as a

result of the failure to accept an Increase, a default in the making of a Decrease or the making of a Decrease in an amount or on a date not contained in a notice of a Decrease. Notwithstanding the foregoing, any payments made by ABRCF pursuant to this subsection shall be made solely from funds available in the Series 2010-6 Distribution Account for the payment of Article VII Costs, shall be non-recourse other than with respect to such funds, and shall not constitute a claim against ABRCF to the extent that such funds are insufficient to make such payment. This covenant shall survive the termination of this Supplement and the Base Indenture and the payment of all amounts payable hereunder and thereunder. A certificate as to any additional amounts payable pursuant to the foregoing sentence submitted by any Non-Conduit Purchaser or Funding Agent on behalf of its Related Purchaser Group to ABRCF shall be conclusive absent manifest error.

Section 7.4. Alternate Rate of Interest. If prior to the commencement of any Eurodollar Period:

- (a) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate for such Eurodollar Period, or
- (b) the Administrative Agent is advised by any APA Bank that the Adjusted LIBO Rate for such Eurodollar Period will not adequately and fairly reflect the cost to such APA Bank of making or maintaining the Eurodollar Tranches during such Eurodollar Period,

then the Administrative Agent shall promptly give telecopy or telephonic notice thereof to ABRCF and the Trustee, whereupon until the Administrative Agent notifies ABRCF and the Trustee that the circumstances giving rise to such notice no longer exist, the Available APA Bank Funding Amount with respect to any CP Conduit Purchaser Group (in the case of clause (a) above) or with respect to the related CP Conduit Purchaser Group (in the case of clause (b) above) shall not be allocated to any Eurodollar Tranche.

Section 7.5. Mitigation Obligations. If an Affected Party requests compensation under Section 7.1, or if ABRCF is required to pay any additional amount to any Purchaser Group or any Governmental Authority for the account of any Purchaser Group pursuant to Section 7.2, then, upon written notice from ABRCF, such Affected Party or Purchaser Group, as the case may be, shall use commercially reasonable efforts to designate a different lending office for funding or booking its obligations hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, which pays a price for such assignment which is acceptable to such Purchaser Group and its assignee, in the judgment of such Affected Party or Purchaser Group, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 7.1 or 7.2, as the case may be, in the future and (ii) would not subject such Affected Party or Purchaser Group to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Affected Party or Purchaser Group. ABRCF hereby agrees to pay all reasonable costs and expenses incurred by such Affected Party or Purchaser Group in connection with any such designation or assignment.

ARTICLE VIII

REPRESENTATIONS AND WARRANTIES, COVENANTS

Section 8.1. Representations and Warranties of ABRCF and the Administrator (a) ABRCF and the Administrator each hereby represents and warrants to the Trustee, the Administrative Agent, each Funding Agent, each CP Conduit Purchaser, each Committed Note Purchaser, each APA Bank and each Non-Conduit Purchaser that:

(i) each and every of their respective representations and warranties contained in the Related Documents is true and correct as of the A&R Effective Date and true and correct in all material respects (other than any such representation or warranty that is qualified by materiality, which shall be true and correct) as of the date of each Increase; and

(ii) as of the A&R Effective Date, they have not engaged, in connection with the offering of the Series 2010-6 Notes, in any form of general solicitation or general advertising within the meaning of Rule 502(c) under the Securities Act.

(b) ABRCF hereby represents and warrants to the Trustee, the Administrative Agent, each Funding Agent, each CP Conduit Purchaser, each Committed Note Purchaser, each APA Bank and each Non-Conduit Purchaser that each of the Series 2010-6 Notes has been duly authorized and executed by ABRCF and when duly authenticated by the Trustee and delivered to the Funding Agents in accordance with the terms of this Supplement will constitute legal, valid and binding obligations of ABRCF enforceable in accordance with their terms, except as enforceability thereof may be limited by bankruptcy, insolvency, or other similar laws relating to or affecting generally the enforcement of creditors' rights or by general equitable principles.

(c) The Administrator hereby represents and warrants to the Trustee, the Administrative Agent, each Non-Conduit Purchaser, each Committed Note Purchaser, each Funding Agent, each CP Conduit Purchaser and each APA Bank, as of the A&R Effective Date, as of each Increase Date and as of the date of delivery of each Monthly Noteholders Statement that (i) it continues to hold the Retained Interest on such date in accordance with Section 8.2(n) and (ii) it has not sold or subjected the Retained Interest to any credit risk mitigation or any short positions or any other hedge in a manner which would be contrary to the CRR.

(d) ABRCF hereby represents and warrants to the Trustee, the Administrative Agent, each Funding Agent, each CP Conduit Purchaser, each APA Bank and each Non-Conduit Purchaser that ABRCF (i) is not deemed to be an "investment company" within the meaning of the Investment Company Act pursuant to Rule 3a-7 promulgated under the Investment Company Act and (ii) is not a "covered fund" as defined in the Volcker Rule.

(e) The Administrator hereby represents and warrants to the Trustee, the Administrative Agent, each Funding Agent, each CP Conduit Purchaser, each Committed Note Purchaser, each APA Bank and each Non-Conduit Purchaser that it has implemented and maintains in effect policies and procedures designed to ensure compliance by the Administrator, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption

Laws and applicable Sanctions, and the Administrator, its Subsidiaries and their respective officers and directors and to the knowledge of the Administrator its employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects and are not knowingly engaged in any activity that would reasonably be expected to result in the Administrator or any of its Subsidiaries being designated as a Sanctioned Person. None of the Administrator, any Subsidiary or any of their respective directors, officers or employees is a Sanctioned Person. No use of proceeds of any Increase will directly or, knowingly, indirectly violate Anti-Corruption Laws or applicable Sanctions.

(f) The Administrator hereby represents and warrants to the Trustee, the Administrative Agent, each Funding Agent, each CP Conduit Purchaser, each APA Bank, each Committed Note Purchaser and each Non-Conduit Purchaser that it is a “sponsor” (as such term is defined in the U.S. Risk Retention Rules) in connection with the transactions contemplated by this Supplement and the applicable Related Documents and has complied with all requirements imposed on a “sponsor” of a “securitization transaction” (as each such term is defined in the U.S. Risk Retention Rules) in accordance with the provisions of the U.S. Risk Retention Rules in connection with the transactions contemplated by this Supplement. On the A&R Effective Date, the Administrator will hold, either directly or through a “majority-owned affiliate” (as such term is defined in the U.S. Risk Retention Rules), an “eligible horizontal residual interest” (as such term is defined in the U.S. Risk Retention Rules) with respect to the transactions contemplated by Supplement in an amount equal to at least 5% of the fair value of all the “ABS interests” (as such term is defined in the U.S. Risk Retention Rules) issued by ABRCF as part of the transactions contemplated by the Supplement, determined as of the A&R Effective Date using a fair value measurement framework under United States generally accepted accounting principles (such interest, the “Retained Interest”). The Administrator has determined such fair value of the Retained Interest based on its own valuation methodology, inputs and assumptions in accordance with and as required by the U.S. Risk Retention Rules and is solely responsible therefor.

Section 8.2. Covenants of ABRCF and the Administrator. ABRCF and the Administrator hereby agree, in addition to their obligations hereunder, that:

(a) they shall observe in all material respects each and every of their respective covenants (both affirmative and negative) contained in the Base Indenture and all other Related Documents to which each is a party;

(b) they shall afford each Non-Conduit Purchaser, each Funding Agent with respect to a CP Conduit Purchaser Group, each Committed Note Purchaser, the Trustee or any representatives of any such Non-Conduit Purchaser, Funding Agent or the Trustee access to all records relating to the Leases, the Subleases, the Vehicles, the Manufacturer Programs and the Loan Agreements at any reasonable time during regular business hours, upon reasonable prior notice (and with one Business Day’s prior notice if an Amortization Event with respect to the Series 2010-6 Notes shall have been deemed to have occurred or shall have been declared to have occurred), for purposes of inspection and shall permit such Non-Conduit Purchaser, such Funding Agent, such Committed Note Purchaser, the Trustee or any representative of such Non-Conduit Purchaser, such Committed Note Purchaser, such

Funding Agent or the Trustee to visit any of ABRCF's or the Administrator's, as the case may be, offices or properties during regular business hours and as often as may reasonably be desired to discuss the business, operations, properties, financial and other conditions of ABRCF or the Administrator with their respective officers and employees and with their independent certified public accountants;

(c) they shall promptly provide such additional financial and other information with respect to the Related Documents, ABRCF, the Lessors, the Permitted Nominees, the Lessees, the Permitted Sublessees, the Related Documents or the Manufacturer Programs as the Administrative Agent may from time to time reasonably request;

(d) they shall provide to the Administrative Agent simultaneously with delivery to the Trustee copies of information furnished to the Trustee or ABRCF pursuant to the Related Documents as such information relates to all Series of Notes generally or specifically to the Series 2010-6 Notes or the Series 2010-6 Collateral. The Administrative Agent shall distribute to each Non-Conduit Purchaser and each Funding Agent copies of all information delivered to it pursuant to this Section 8.2(d);

(e) they shall not agree to any amendment to the Base Indenture or any other Related Document, which amendment requires the consent of the Requisite Investors, without having received the prior written consent of the Requisite Noteholders;

(f) they shall not agree to any replacement or successor to the Intermediary or the addition of any new Manufacturer as an Eligible Program Manufacturer, in each case without having received the prior written consent of the Requisite Noteholders;

(g) they shall not permit the aggregate Capitalized Cost for all Vehicles purchased in any model year that are not subject to a Manufacturer Program to exceed 85% of the aggregate MSRP (Manufacturer Suggested Retail Price) of all such Vehicles; provided, however, that they shall not modify the customary buying patterns or purchasing criteria used by the Administrator and its Affiliates with respect to the Vehicles if the primary purpose of such modification is to comply with this covenant;

(h) they will provide (x) notice of any Replacement Credit Agreement, together with a copy of the proposed Replacement Credit Agreement, to the Rating Agencies, Standard & Poor's and Moody's no less than ten (10) days prior to the anticipated effective date for such Replacement Credit Agreement and (y) a copy of any amendment to the Credit Agreement or any Replacement Credit Agreement to the Administrative Agent, each Funding Agent and each Non-Conduit Purchaser promptly upon its becoming effective;

(i) they shall provide to the Administrative Agent, each Non-Conduit Purchaser and each Funding Agent, on each Determination Date, a calculation of the Series 2010-6 Incremental Enhancement Amount as of the last day of the Related Month with respect to such Determination Date;

(j) they shall provide the Administrative Agent with ten days' prior notice of any appointment of an Independent Manager in accordance with the ABRCF Limited Liability Company Agreement; provided that if such appointment is to fill a vacancy, such notice shall only be required to be given as promptly as possible;

(k) they shall promptly provide notice to each Non-Conduit Purchaser and the Administrative Agent in the event that more than 50% of the Class A Invested Amount is funded by one or more APA Banks;

(l) they shall comply with the representation made by ABRCF to each Rating Agency pursuant to paragraph (a)(3)(iii)(A) through (D) of Rule 17g-5 under the Exchange Act and shall provide the Administrative Agent, each Funding Agent and each Non-Conduit Purchaser with prompt notice if ABRCF, ABCR or any of their representatives receives notice from, or has knowledge of, any Rating Agency determination that ABRCF is not in compliance with such representation;

(m) they shall provide to the Administrative Agent on October 1 of each year, beginning on October 1, 2013, an Opinion of Counsel to the effect that no UCC financing or continuation statements are required to be filed with respect to any of the Collateral in which a security interest may be perfected by the filing of UCC financing statements;

(n) the Administrator agrees, for the benefit of each Series 2010-6 Noteholder that is required to comply with the requirements of the CRR that it shall:

(i) hold and maintain the Retained Interest in an amount and in a manner as required or permitted by Paragraph 1 of Article 405 of the CRR for so long as the Series 2010-6 Notes are outstanding and not change the manner in which it retains the Retained Interest except to the extent permitted under such Paragraph 1;

(ii) not sell the Retained Interest or subject the Retained Interest to any credit risk mitigation or any short positions or any other hedge, in each case, except to the extent permitted under Paragraph 1 of Article 405 of the CRR;

(iii) in connection with and accompanying each Monthly Noteholders Statement, confirm to the Trustee that it continues to comply with this subsection (i) and (ii) of this Section 8.2(n);

(iv) promptly provide notice to each such Series 2010-6 Noteholder in the event that it fails to comply with subsection (i) or (ii) of this Section 8.2(n);

(v) promptly notify each Series 2010-6 Noteholder of any material change to the form or other terms or characteristics of the Retained Interest since the delivery of the most recent Monthly Noteholders Statement; and

(vi) provide any and all information requested by any Series 2010-6 Noteholder that any such Series 2010-6 Noteholder would reasonably require in order for such Series

2010-6 Noteholder to comply with its obligations under the CRR; provided that compliance by the Administrator with this clause (vi) shall be at the expense of the requesting Series 2010-6 Noteholder;

(o) on and after the A&R Effective Date, the Administrator (or, to the extent permitted by the U.S. Risk Retention Rules, a majority-owned affiliate of the Administrator) shall continue to comply with all requirements imposed by the U.S. Risk Retention Rules, including, without limitation (1) complying with the post-closing disclosure requirements set forth in Section 4(c)(1)(ii) of the U.S. Risk Retention Rules in an appropriate method that does not require any involvement of the Administrative Agent, any CP Conduit Purchaser, any Funding Agent, any APA Bank, any Committed Note Purchaser or any Non-Conduit Purchaser, (2) complying with the records maintenance requirements set forth in Section 4(d) of the U.S. Risk Retention Rules, and (3) complying and causing compliance with the hedging, transfer and financing prohibitions set forth in Section 12 of the U.S. Risk Retention Rules for the duration required by the U.S. Risk Retention Rules;

(p) they will maintain in effect and enforce policies and procedures designed to ensure compliance by the Administrator, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

ARTICLE IX

THE ADMINISTRATIVE AGENT

Section 9.1. Appointment. Each of the Non-Conduit Purchasers, CP Conduit Purchasers, the APA Banks and the Funding Agents hereby irrevocably designates and appoints the Administrative Agent as the agent of such Person under this Supplement and irrevocably authorizes the Administrative Agent, in such capacity, to take such action on its behalf under the provisions of this Supplement and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Supplement, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Supplement, the Administrative Agent shall not have any duties or responsibilities except those expressly set forth herein, or any fiduciary relationship with any Non-Conduit Purchaser, any CP Conduit Purchaser, any APA Bank or any Funding Agent, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Supplement or otherwise exist against the Administrative Agent.

Section 9.2. Delegation of Duties. The Administrative Agent may execute any of its duties under this Supplement by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

Section 9.3. Exculpatory Provisions. Neither the Administrative Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates shall be (i) liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with the

Base Indenture, this Supplement or any other Related Document (except to the extent that any of the foregoing are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from its or such Person's own gross negligence or willful misconduct) or (ii) responsible in any manner to any of the Non-Conduit Purchasers, the CP Conduit Purchasers, the APA Banks or the Funding Agents for any recitals, statements, representations or warranties made by ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary, the Administrator or any officer thereof contained in this Supplement or any other Related Document or in any certificate, report, statement or other document referred to or provided for in, or received by the Administrative Agent under or in connection with, this Supplement or any other Related Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Supplement, any other Related Document, or for any failure of any of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary or the Administrator to perform its obligations hereunder or thereunder. The Administrative Agent shall not be under any obligation to any Non-Conduit Purchaser, any CP Conduit Purchaser, any APA Bank or any Funding Agent to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Supplement, any other Related Document or to inspect the properties, books or records of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary or the Administrator.

Section 9.4. Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, teletype, telex or teletype message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including, without limitation, counsel to ABRCF or the Administrator), independent accountants and other experts selected by the Administrative Agent. The Administrative Agent may deem and treat the registered holder of any Series 2010-6 Note as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Administrative Agent. The Administrative Agent shall be fully justified in failing or refusing to take any action under this Supplement or any other Related Document unless it shall first receive such advice or concurrence of the Requisite Noteholders, as it deems appropriate or it shall first be indemnified to its satisfaction by the Non-Conduit Purchasers and the Funding Agents against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Supplement and the other Related Documents in accordance with a request of the Requisite Noteholders (unless, in the case of any action relating to the giving of consent hereunder, the giving of such consent requires the consent of all Series 2010-6 Noteholders), and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Non-Conduit Purchasers, the CP Conduit Purchasers, the APA Banks and the Funding Agents.

Section 9.5. Notice of Administrator Default or Amortization Event or Potential Amortization Event. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Amortization Event or Potential Amortization Event or any Administrator Default unless the Administrative Agent has received written notice from a Non-Conduit Purchaser, a CP Conduit Purchaser, an APA Bank, a Funding Agent, ABRCF or the Administrator referring to the Indenture or this Supplement, describing such Amortization Event or Potential Amortization

Event, or Administrator Default and stating that such notice is a “notice of an Amortization Event or Potential Amortization Event” or “notice of an Administrator Default,” as the case may be. In the event that the Administrative Agent receives such a notice, the Administrative Agent shall give notice thereof to the Non-Conduit Purchasers, the Funding Agents, the Trustee, ABRCF and the Administrator. The Administrative Agent shall take such action with respect to such event as shall be reasonably directed by the Requisite Noteholders, provided that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such event as it shall deem advisable in the best interests of the Purchaser Groups.

Section 9.6. Non-Reliance on the Administrative Agent and Other Purchaser Groups. Each of the Non-Conduit Purchasers, the CP Conduit Purchasers, the APA Banks and the Funding Agents expressly acknowledges that neither the Administrative Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Administrative Agent hereinafter taken, including any review of the affairs of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary or the Administrator shall be deemed to constitute any representation or warranty by the Administrative Agent to any such Person. Each of the Non-Conduit Purchasers, the CP Conduit Purchasers, the APA Banks and the Funding Agents represents to the Administrative Agent that it has, independently and without reliance upon the Administrative Agent or any other Non-Conduit Purchaser, CP Conduit Purchaser, APA Bank or Funding Agent and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary and the Administrator and made its own decision to enter into this Supplement. Each of the Non-Conduit Purchasers, the CP Conduit Purchasers, the APA Banks and the Funding Agents also represents that it will, independently and without reliance upon the Administrative Agent or any other Non-Conduit Purchaser, CP Conduit Purchaser, APA Bank or Funding Agent, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Supplement and the other Related Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary and the Administrator. Except for notices, reports and other documents expressly required to be furnished to the Non-Conduit Purchasers and the Funding Agents by the Administrative Agent hereunder, the Administrative Agent shall have no duty or responsibility to provide any Non-Conduit Purchaser, any CP Conduit Purchaser, any APA Bank or any Funding Agent with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary or the Administrator which may come into the possession of the Administrative Agent or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates.

Section 9.7. Indemnification. Each Non-Conduit Purchaser and each of the APA Banks in a CP Conduit Purchaser Group agrees to indemnify the Administrative Agent in its capacity as such (to the extent not reimbursed by ABRCF and the Administrator and without limiting the

obligation of ABRCF and the Administrator to do so), ratably according to their respective Commitment Percentages (or, if indemnification is sought after the date upon which the Commitments shall have terminated, ratably in accordance with their respective Purchaser Group Invested Amounts) in effect on the date on which indemnification is sought under this Section 9.7 (or if indemnification is sought after the date upon which the Commitments shall have terminated and the Purchaser Group Invested Amounts shall have been reduced to zero ratably in accordance with their Commitment Percentages immediately prior to their termination) from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever which may at any time be imposed on, incurred by or asserted against the Administrative Agent in any way relating to or arising out of this Supplement, any of the other Related Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Administrative Agent under or in connection with any of the foregoing; provided that no Non-Conduit Purchaser, APA Bank or Funding Agent shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from the Administrative Agent's gross negligence or willful misconduct. The agreements in this Section shall survive the payment of all amounts payable hereunder.

Section 9.8. The Administrative Agent in Its Individual Capacity. The Administrative Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with ABRCF, the Administrator or any of their Affiliates as though the Administrative Agent were not the Administrative Agent hereunder. With respect to any Series 2010-6 Note held by the Administrative Agent, the Administrative Agent shall have the same rights and powers under this Supplement and the other Related Documents as any APA Bank or Funding Agent and may exercise the same as though it were not the Administrative Agent, and the terms "APA Bank," and "Funding Agent" shall include the Administrative Agent in its individual capacity.

Section 9.9. Resignation of Administrative Agent; Successor Administrative Agent. The Administrative Agent may resign as Administrative Agent at any time by giving 30 days' notice to the Non-Conduit Purchasers, the Funding Agents, the Trustee, ABRCF and the Administrator. If JPMorgan Chase shall resign as Administrative Agent under this Supplement, then the Requisite Noteholders shall appoint a successor administrative agent from among the Non-Conduit Purchasers and Funding Agents, which successor administrative agent shall be approved by ABRCF and the Administrator (which approval shall not be unreasonably withheld or delayed) whereupon such successor agent shall succeed to the rights, powers and duties of the Administrative Agent, and the term "Administrative Agent" shall mean such successor agent effective upon such appointment and approval, and the former Administrative Agent's rights, powers and duties as Administrative Agent shall be terminated, without any other or further act or deed on the part of such former Administrative Agent or any of the parties to this Supplement. If no successor administrative agent has accepted appointment as Administrative Agent prior to the effective date of the resignation of the Administrative Agent, the retiring Administrative Agent may appoint, after consulting with the Non-Conduit Purchasers, the Funding Agents, the Administrator and ABRCF, a successor Administrative Agent from among the Non-Conduit Purchasers and the Funding Agents. If no successor administrative agent has accepted appointment by the date which is thirty (30) days

following a retiring Administrative Agent's notice of resignation, the retiring Administrative Agent's resignation shall nevertheless thereupon become effective and the Administrator shall assume and perform all of the duties of the Administrative Agent hereunder until such time, if any, as the Requisite Noteholders appoint a successor administrative agent as provided for above. After any retiring Administrative Agent's resignation as Administrative Agent, the provisions of this Article IX shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Supplement.

ARTICLE X

THE FUNDING AGENTS

Section 10.1. Appointment. Each CP Conduit Purchaser and each APA Bank with respect to such CP Conduit Purchaser hereby irrevocably designates and appoints the Funding Agent set forth next to such CP Conduit Purchaser's name on Schedule I as the agent of such Person under this Supplement and irrevocably authorizes such Funding Agent, in such capacity, to take such action on its behalf under the provisions of this Supplement and to exercise such powers and perform such duties as are expressly delegated to such Funding Agent by the terms of this Supplement, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Supplement, each Funding Agent shall not have any duties or responsibilities except those expressly set forth herein, or any fiduciary relationship with any CP Conduit Purchaser or APA Bank and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Supplement or otherwise exist against each Funding Agent.

Section 10.2. Delegation of Duties. Each Funding Agent may execute any of its duties under this Supplement by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Each Funding Agent shall not be responsible to the CP Conduit Purchaser or any APA Bank in its CP Conduit Purchaser Group for the negligence or misconduct of any agents or attorneys in-fact selected by it with reasonable care.

Section 10.3. Exculpatory Provisions. Each Funding Agent and any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates shall not be (i) liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with the Base Indenture, this Supplement or any other Related Document (except to the extent that any of the foregoing are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from its or such Person's own gross negligence or willful misconduct) or (ii) responsible in any manner to any of the CP Conduit Purchasers and/or APA Banks for any recitals, statements, representations or warranties made by ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary, the Administrator, the Administrative Agent, or any officer thereof contained in this Supplement or any other Related Document or in any certificate, report, statement or other document referred to or provided for in, or received by such Funding Agent under or in connection with, this Supplement or any other Related Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Supplement, any other Related Document, or for any failure of any of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary, the Administrative Agent, or the Administrator to perform its obligations hereunder

or thereunder. Each Funding Agent shall not be under any obligation to the CP Conduit Purchaser or any APA Bank in its CP Conduit Purchaser Group to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Supplement, any other Related Document or to inspect the properties, books or records of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary, the Administrative Agent, or the Administrator.

Section 10.4. Reliance by Each Funding Agent. Each Funding Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, teletype, telex or teletype message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including, without limitation, counsel to ABRCF or the Administrator), independent accountants and other experts selected by such Funding Agent. Each Funding Agent shall be fully justified in failing or refusing to take any action under this Supplement or any other Related Document unless it shall first receive such advice or concurrence of the Related Purchaser Group, as it deems appropriate or it shall first be indemnified to its satisfaction by the Related Purchaser Group against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action.

Section 10.5. Notice of Administrator Default or Amortization Event or Potential Amortization Event. Each Funding Agent shall not be deemed to have knowledge or notice of the occurrence of any Amortization Event or Potential Amortization Event or any Administrator Default unless such Funding Agent has received written notice from a Non-Conduit Purchaser, a CP Conduit Purchaser, an APA Bank, ABRCF, the Administrative Agent or the Administrator referring to the Indenture or this Supplement, describing such Amortization Event or Potential Amortization Event, or Administrator Default and stating that such notice is a “notice of an Amortization Event or Potential Amortization Event” or “notice of an Administrator Default,” as the case may be. In the event that any Funding Agent receives such a notice, such Funding Agent shall give notice thereof to the CP Conduit Purchaser and APA Banks in its CP Conduit Purchaser Group. Such Funding Agent shall take such action with respect to such event as shall be reasonably directed by the CP Conduit Purchaser and APA Banks in its CP Conduit Purchaser Group, provided that unless and until such Funding Agent shall have received such directions, such Funding Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such event as it shall deem advisable in the best interests of the CP Conduit Purchaser and APA Banks in its CP Conduit Purchaser Group.

Section 10.6. Non-Reliance on Each Funding Agent and Other CP Conduit Purchaser Groups. Each CP Conduit Purchaser and each of the related APA Banks expressly acknowledge that neither its Funding Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by such Funding Agent hereinafter taken, including any review of the affairs of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary, the Administrative Agent, or the Administrator shall be deemed to constitute any representation or warranty by such Funding Agent to any such Person. Each CP Conduit Purchaser and each of the related APA Banks represents to its Funding Agent that it has, independently and without reliance upon such Funding Agent and based on such documents and information as it has deemed appropriate, made its own appraisal of

and investigation into the business, operations, property, financial and other condition and creditworthiness of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary, the Administrative Agent, and the Administrator and made its own decision to enter into this Supplement. Each CP Conduit Purchaser and each of the related APA Banks also represents that it will, independently and without reliance upon its Funding Agent and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Supplement and the other Related Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other conditions and creditworthiness of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary, the Administrative Agent, and the Administrator.

Section 10.7. Indemnification. Each APA Bank in a CP Conduit Purchaser Group agrees to indemnify its Funding Agent in its capacity as such (to the extent not reimbursed by ABRCF and the Administrator and without limiting the obligation of ABRCF and the Administrator to do so), ratably according to its respective APA Bank Percentage in effect on the date on which indemnification is sought under this Section 10.7 (or if indemnification is sought after the date upon which the Commitments shall have been terminated, ratably in accordance with its APA Bank Percentage at the time of termination) from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever which may at any time be imposed on, incurred by or asserted against such Funding Agent in any way relating to or arising out of this Supplement, any of the other Related Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by such Funding Agent under or in connection with any of the foregoing; provided that no APA Bank shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from such related Funding Agent's gross negligence or willful misconduct. The agreements in this Section shall survive the payment of all amounts payable hereunder.

ARTICLE XI

GENERAL

Section 11.1. Successors and Assigns. (a) This Supplement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that (i) ABRCF may not assign or transfer any of its rights under this Supplement without the prior written consent of all of the Series 2010-6 Noteholders, (ii) no Non-Conduit Purchaser may assign or transfer any of its rights under this Supplement other than pursuant to paragraph (e) or (f) below, (iii) no CP Conduit Purchaser may assign or transfer any of its rights under this Supplement other than in accordance with the Asset Purchase Agreement with respect to such CP Conduit Purchaser or otherwise to the APA Bank with respect to such CP Conduit Purchaser or a Program Support Provider with respect to such CP Conduit Purchaser or pursuant to clause (b) or (e) below of this Section 11.1, (iv) no APA Bank may assign or transfer any of its rights or obligations under this

Supplement except to a Program Support Provider or pursuant to clause (c), (d) or (e) below of this Section 11.1 and (v) no Committed Note Purchaser may assign or transfer any of its rights under this Supplement unless such assignment or transfer is to ABG or an Affiliate of ABG pursuant to a transfer supplement, substantially in the form of Exhibit P (the “Class R Supplement”), executed by such acquiring Committed Note Purchaser, such assigning Committed Note Purchaser and the Administrative Agent, ABRCF and the Administrator and delivered to the Administrative Agent.

(b) Without limiting the foregoing, each CP Conduit Purchaser may assign all or a portion of the Purchaser Group Invested Amount with respect to such CP Conduit Purchaser and its rights and obligations under this Supplement and any other Related Documents to which it is a party to a Conduit Assignee with respect to such CP Conduit Purchaser. Prior to or concurrently with the effectiveness of any such assignment (or if impracticable, immediately thereafter), the assigning CP Conduit Purchaser shall notify the Administrative Agent, ABRCF, the Trustee and the Administrator thereof. Upon such assignment by a CP Conduit Purchaser to a Conduit Assignee, (A) such Conduit Assignee shall be the owner of the Purchaser Group Invested Amount or such portion thereof with respect to such CP Conduit Purchaser, (B) the related administrative or managing agent for such Conduit Assignee will act as the administrative agent for such Conduit Assignee hereunder, with all corresponding rights and powers, express or implied, granted to the Funding Agent hereunder or under the other Related Documents, (C) such Conduit Assignee and its liquidity support provider(s) and credit support provider(s) and other related parties shall have the benefit of all the rights and protections provided to such CP Conduit Purchaser herein and in the other Related Documents (including, without limitation, any limitation on recourse against such Conduit Assignee as provided in this paragraph), (D) such Conduit Assignee shall assume all of such CP Conduit Purchaser’s obligations, if any, hereunder or under the Base Indenture or under any other Related Document with respect to such portion of the Purchaser Group Invested Amount and such CP Conduit Purchaser shall be released from such obligations, (E) all distributions in respect of the Purchaser Group Invested Amount or such portion thereof with respect to such CP Conduit Purchaser shall be made to the applicable agent or administrative agent, as applicable, on behalf of such Conduit Assignee, (F) the definitions of the terms “Monthly Funding Costs” and “Discount” shall be determined in the manner set forth in the definition of “Monthly Funding Costs” and “Discount” applicable to such CP Conduit Purchaser on the basis of the interest rate or discount applicable to commercial paper issued by such Conduit Assignee (rather than such CP Conduit Purchaser), (G) the defined terms and other terms and provisions of this Supplement, the Base Indenture and the other Related Documents shall be interpreted in accordance with the foregoing, and (H) if requested by the Administrative Agent or the agent or administrative agent with respect to the Conduit Assignee, the parties will execute and deliver such further agreements and documents and take such other actions as the Administrative Agent or such agent or administrative agent may reasonably request to evidence and give effect to the foregoing. No assignment by any CP Conduit Purchaser to a Conduit Assignee of the Purchaser Group Invested Amount with respect to such CP Conduit Purchaser shall in any way diminish the obligations of the APA Bank with respect to such CP Conduit Purchaser under Section 2.3 to fund any Increase.

(c) Any APA Bank may, in the ordinary course of its business and in accordance with applicable law, at any time sell all or any part of its rights and obligations under this Supplement and the Class A Notes, with the prior written consent of the Administrative Agent, ABRCF and the

Administrator (in each case, which consent shall not be unreasonably withheld), to one or more banks (an “Acquiring APA Bank”) pursuant to a transfer supplement, substantially in the form of Exhibit H (the “Transfer Supplement”), executed by such Acquiring APA Bank, such assigning APA Bank, the Funding Agent with respect to such APA Bank, the Administrative Agent, ABRCF and the Administrator and delivered to the Administrative Agent. Notwithstanding the foregoing, no APA Bank shall so sell its rights hereunder if such Acquiring APA Bank is not an Eligible Assignee.

(d) Any APA Bank may, in the ordinary course of its business and in accordance with applicable law, at any time sell to one or more financial institutions or other entities (“APA Bank Participants”) participations in its APA Bank Percentage of the Commitment Amount with respect to it and the other APA Banks included in the related CP Conduit Purchaser Group, its Class A Note and its rights hereunder pursuant to documentation in form and substance satisfactory to such APA Bank and the APA Bank Participant; provided, however, that (i) in the event of any such sale by an APA Bank to an APA Bank Participant, (A) such APA Bank’s obligations under this Supplement shall remain unchanged, (B) such APA Bank shall remain solely responsible for the performance thereof and (C) ABRCF and the Administrative Agent shall continue to deal solely and directly with such APA Bank in connection with its rights and obligations under this Supplement and (ii) no APA Bank shall sell any participating interest under which the APA Bank Participant shall have rights to approve any amendment to, or any consent or waiver with respect to, this Supplement, the Base Indenture or any Related Document, except to the extent that the approval of such amendment, consent or waiver otherwise would require the unanimous consent of all APA Banks hereunder. An APA Bank Participant shall have the right to receive Article VII Costs but only to the extent that the related selling APA Bank would have had such right absent the sale of the related participation and, with respect to amounts due pursuant to Section 7.2, only to the extent such APA Bank Participant shall have complied with the provisions of Section 7.2(e) and (g) as if such APA Bank Participant were the Administrative Agent, a Funding Agent, a Program Support Provider or a member of a CP Conduit Purchaser Group.

(e) Any CP Conduit Purchaser and the APA Bank with respect to such CP Conduit Purchaser may at any time sell all or any part of their respective rights and obligations, and any Non-Conduit Purchaser may at any time sell all or any part of its rights and obligations, under this Supplement and the Class A Notes, with the prior written consent of the Administrative Agent, ABRCF and the Administrator (in each case, which consent shall not be unreasonably withheld), (x) to a multi-seller commercial paper conduit and one or more banks providing support to such multi-seller commercial paper conduit or (y) to a financial institution or other entity (an “Acquiring Purchaser Group”) pursuant to a transfer supplement, substantially in the form of Exhibit I (the “Purchaser Group Supplement”), executed by such Acquiring Purchaser Group (including the CP Conduit Purchaser and the APA Banks, if any, with respect to such Acquiring Purchaser Group), the Funding Agent, if any, with respect to such Acquiring Purchaser Group, such assigning Purchaser Group (including the APA Banks, if any, with respect to such assigning Purchaser Group), the Funding Agent, if any, with respect to such assigning Purchaser Group and the Administrative Agent, ABRCF and the Administrator and delivered to the Administrative Agent.

(f) Any Non-Conduit Purchaser may, in the ordinary course of its business and in accordance with applicable law, at any time sell to one or more financial institutions or other

entities (“Non-Conduit Purchaser Participants”) participations in its Commitment, its Class A Note and its rights hereunder pursuant to documentation in form and substance satisfactory to such Non-Conduit Purchaser and the Non-Conduit Purchaser Participant; provided, however, that (i) in the event of any such sale by a Non-Conduit Purchaser to a Non-Conduit Purchaser Participant, (A) such Non-Conduit Purchaser’s obligations under this Indenture Supplement shall remain unchanged, (B) such Non-Conduit Purchaser shall remain solely responsible for the performance thereof and (C) ABRCF and the Administrative Agent shall continue to deal solely and directly with such Non-Conduit Purchaser in connection with its rights and obligations under this Indenture Supplement and (ii) no Non-Conduit Purchaser shall sell any participating interest under which the Non-Conduit Purchaser Participant shall have rights to approve any amendment to, or any consent or waiver with respect to, this Supplement, the Base Indenture or any Related Document, except to the extent that the approval of such amendment, consent or waiver otherwise would require the unanimous consent of all Series 2010-6 Noteholders hereunder. A Non-Conduit Purchaser Participant shall have the right to receive Article VII Costs but only to the extent that the related selling Non-Conduit Purchaser would have had such right absent the sale of the related participation and, with respect to amounts due pursuant to Section 7.2, only to the extent such Non-Conduit Purchaser Participant shall have complied with the provisions of Sections 7.2(e) and (g) as if such Non-Conduit Purchaser Participant were a Non-Conduit Purchaser.

(g) ABRCF authorizes each APA Bank and Non-Conduit Purchaser to disclose to any APA Bank Participant, Acquiring APA Bank, Non-Conduit Purchaser Participant or Acquiring Purchaser Group (each, a “Transferee”) and any prospective Transferee any and all financial information in such APA Bank’s or Non-Conduit Purchaser’s possession concerning ABRCF, the Collateral, the Administrator and the Related Documents which has been delivered to such APA Bank by ABRCF or the Administrator in connection with such APA Bank’s credit evaluation of ABRCF, the Collateral and the Administrator.

(h) Notwithstanding any other provision of this Supplement to the contrary, (i) any Non-Conduit Purchaser, any APA Bank or any Program Support Provider may at any time pledge or grant a security interest in all or any portion of its rights under its Class A Note and this Supplement to secure obligations of such Non-Conduit Purchaser, such APA Bank or such Program Support Provider to a Federal Reserve Bank or other central bank and (ii) any CP Conduit Purchaser may at any time pledge or grant a security interest in all or any portion of its rights under the Class A Note held by its Funding Agent to any collateral trustee in order to comply with Rule 3a-7 under the Investment Company Act or otherwise to secure obligations of such CP Conduit Purchaser under its Commercial Paper, in each case without notice to or consent of the Administrative Agent, the Issuer or the Administrator; provided that no such pledge or grant of a security interest shall release a Non-Conduit Purchaser, a CP Conduit Purchaser or an APA Bank from any of its obligations hereunder or substitute any such pledgee or grantee for such Non-Conduit Purchaser, such CP Conduit Purchaser or such APA Bank as a party hereto.

Section 11.2. Securities Law. Each Non-Conduit Purchaser, CP Conduit Purchaser, Committed Note Purchaser and APA Bank hereby represents and warrants to ABRCF that it is an “accredited investor” as such term is defined in Rule 501(a) of Regulation D under the Securities Act and has sufficient assets to bear the economic risk of, and sufficient knowledge and experience

in financial and business matters to evaluate the merits and risks of, its investment in a Series 2010-6 Note. Each Non-Conduit Purchaser, CP Conduit Purchaser, Committed Note Purchaser and APA Bank agrees that its Series 2010-6 Note will be acquired for investment only and not with a view to any public distribution thereof, and that such Non-Conduit Purchaser, CP Conduit Purchaser, Committed Note Purchaser and APA Bank will not offer to sell or otherwise dispose of its Series 2010-6 Note (or any interest therein) in violation of any of the registration requirements of the Securities Act, or any applicable state or other securities laws. Each Non-Conduit Purchaser, CP Conduit Purchaser, Committed Note Purchaser and APA Bank acknowledges that it has no right to require ABRCF to register its Series 2010-6 Note under the Securities Act or any other securities law. Each Non-Conduit Purchaser, CP Conduit Purchaser, Committed Note Purchaser and APA Bank hereby confirms and agrees that in connection with any transfer by it of an interest in the Series 2010-6 Note, such Non-Conduit Purchaser, CP Conduit Purchaser, Committed Note Purchaser or APA Bank has not engaged and will not engage in a general solicitation or general advertising including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by any general solicitation or general advertising.

Section 11.3. Adjustments; Set-off. (a) If any member of a Purchaser Group (a “Benefited Purchaser Group”) shall at any time receive in respect of its Purchaser Group Invested Amount any distribution of principal, interest, Commitment Fees or any interest thereon, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off or otherwise) in a greater proportion than any such distribution received by any other Purchaser Group, if any, in respect of such other Purchaser Group’s Purchaser Group Invested Amount, or interest thereon, such Benefited Purchaser Group shall purchase for cash from the other Purchaser Group such portion of such other Purchaser Group’s interest in the Series 2010-6 Notes, or shall provide such other Purchaser Group with the benefits of any such collateral, or the proceeds thereof, as shall be necessary to cause such Benefited Purchaser Group to share the excess payment or benefits of such collateral or proceeds ratably with the other Purchaser Group; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such Benefited Purchaser Group, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest. ABRCF agrees that any Purchaser Group so purchasing a portion of another Purchaser Group’s Purchaser Group Invested Amount may exercise all rights of payment (including, without limitation, rights of set-off) with respect to such portion as fully as if such Purchaser Group were the direct holder of such portion.

(b) In addition to any rights and remedies of the Purchaser Groups provided by law, each member of a Purchaser Group shall have the right, without prior notice to ABRCF, any such notice being expressly waived by ABRCF to the extent permitted by applicable law, upon any amount becoming due and payable by ABRCF hereunder or under the Series 2010-6 Notes to set-off and appropriate and apply against any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Purchaser Group to or for the credit or the account of ABRCF. Each Non-Conduit Purchaser, CP Conduit Purchaser and APA Bank agrees promptly to notify ABRCF, the Administrator and the Administrative Agent after any such set-off and application made by such

CP Conduit Purchaser or APA Bank; provided that the failure to give such notice shall not affect the validity of such set-off and application.

Section 11.4. No Bankruptcy Petition (a) Each of the Administrative Agent, the Non-Conduit Purchasers, the CP Conduit Purchasers, the Committed Note Purchasers, the APA Banks and the Funding Agents hereby covenants and agrees that, prior to the date which is one year and one day after the later of payment in full of all Series of Notes, it will not institute against, or join any other Person in instituting against, ABRCF any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other similar proceedings under any federal or state bankruptcy or similar law.

(b) ABRCF, the Trustee, the Administrative Agent, the Administrator, each CP Conduit Purchaser, each Non-Conduit Purchaser, each Committed Note Purchaser, each Funding Agent and each APA Bank hereby covenants and agrees that, prior to the date which is one year and one day after the payment in full of all outstanding Commercial Paper issued by, or for the benefit of, a CP Conduit Purchaser, it will not institute against, or join any other Person in instituting against, such CP Conduit Purchaser (or the Person issuing Commercial Paper for the benefit of such CP Conduit Purchaser) any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other similar proceedings under any federal or state bankruptcy or similar law.

(c) This covenant shall survive the termination of this Supplement and the Base Indenture and the payment of all amounts payable hereunder and thereunder.

Section 11.5. Limited Recourse (a) Notwithstanding anything to the contrary contained herein, any obligations of each CP Conduit Purchaser hereunder to any party hereto are solely the corporate or limited liability company obligations of such CP Conduit Purchaser and shall be payable at such time as funds are received by or are available to such CP Conduit Purchaser in excess of funds necessary to pay in full all of its outstanding Commercial Paper and, to the extent funds are not available to pay such obligations, the claims relating thereto shall not constitute a claim against such CP Conduit Purchaser but shall continue to accrue. Each party hereto agrees that the payment of any claim (as defined in Section 101 of Title 11 of the Bankruptcy Code) of any such party against a CP Conduit Purchaser shall be subordinated to the payment in full of all of its Commercial Paper.

(b) No recourse under any obligation, covenant or agreement of any CP Conduit Purchaser contained herein shall be had against any incorporator, stockholder, member, officer, director, employee or agent of such CP Conduit Purchaser, its administrative agent, the Funding Agent with respect to such CP Conduit Purchaser or any of their Affiliates by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that this Supplement is solely a corporate or limited liability company obligation of such CP Conduit Purchaser individually, and that no personal liability whatever shall attach to or be incurred by any incorporator, stockholder, member, officer, director, employee or agent of such CP Conduit Purchaser, its administrative agent, the Funding Agent with respect to such CP Conduit Purchaser or any of its Affiliates (solely by virtue of such capacity) or any of them under or by reason of any of the obligations, covenants or agreements of such CP Conduit Purchaser contained in this Agreement, or implied therefrom, and that any and all personal

liability for breaches by such CP Conduit Purchaser of any of such obligations, covenants or agreements, either at common law or at equity, or by statute, rule or regulation, of every such incorporator, stockholder, member, officer, director, employee or agent is hereby expressly waived as a condition of and in consideration for the execution of this Supplement; provided that the foregoing shall not relieve any such Person from any liability it might otherwise have as a result of fraudulent actions taken or omissions made by them. The provisions of this Section 11.5 shall survive termination of this Supplement.

Section 11.6. Costs and Expenses. ABRCF agrees to pay on demand (x) all reasonable out-of-pocket costs and expenses of the Administrative Agent (including, without limitation, reasonable fees and disbursements of counsel to the Administrative Agent) and of each Purchaser Group (including in connection with the preparation, execution and delivery of this Supplement the reasonable fees and disbursements of one counsel, other than counsel to the Administrative Agent, for all such Purchaser Groups) in connection with (i) the preparation, execution and delivery of this Supplement and the other Related Documents and any amendments or waivers of, or consents under, any such documents and (ii) the enforcement by the Administrative Agent, any Non-Conduit Purchaser or any Funding Agent of the obligations and liabilities of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary and the Administrator under the Indenture, this Supplement, the other Related Documents or any related document and all costs and expenses, if any (including reasonable counsel fees and expenses), in connection with the enforcement of this Agreement and the other Related Documents and (y) all reasonable out of pocket costs and expenses of the Administrative Agent (including, without limitation, reasonable fees and disbursements of counsel to the Administrative Agent) in connection with the administration of this Supplement and the other Related Documents. Any payments made by ABRCF pursuant to this Section 11.6 shall be made solely from funds available in the Series 2010-6 Distribution Account for the payment of Article VII Costs, shall be non-recourse other than with respect to such funds, and shall not constitute a claim against ABRCF to the extent that insufficient funds exist to make such payment. The agreements in this Section shall survive the termination of this Supplement and the Base Indenture and the payment of all amounts payable hereunder and thereunder.

Section 11.7. Exhibits. The following exhibits attached hereto supplement the exhibits included in the Base Indenture.

<u>Exhibit A:</u>	Form of Variable Funding Note
<u>Exhibit A-1:</u>	Form of Variable Funding Note, Class A
<u>Exhibit A-2:</u>	Form of Variable Funding Note, Class R
<u>Exhibit B:</u>	Form of Increase Notice
<u>Exhibit C:</u>	Form of Consent
<u>Exhibit D:</u>	Form of Series 2010-6 Demand Note
<u>Exhibit E:</u>	Form of Series 2010-6 Letter of Credit
<u>Exhibit F:</u>	Form of Lease Payment Deficit Notice
<u>Exhibit G:</u>	Form of Demand Notice
<u>Exhibit H:</u>	Form of Transfer Supplement
<u>Exhibit I:</u>	Form of Purchaser Group Supplement
<u>Exhibit J:</u>	Form of Supplemental Indenture No. 4 to the Base Indenture
<u>Exhibit K:</u>	Form of Amendment to the Master Exchange Agreement
<u>Exhibit L:</u>	Form of Amendment to the AESOP I Operating Lease
<u>Exhibit M:</u>	Form of Amendment to the Finance Lease
<u>Exhibit N:</u>	Form of Amendment to the AESOP I Operating Lease Loan Agreement
<u>Exhibit O:</u>	Form of Amendment to the AESOP I Finance Lease Loan Agreement
<u>Exhibit P:</u>	Form of Class R Supplement

Section 11.8. Ratification of Base Indenture. As supplemented by this Supplement, the Base Indenture is in all respects ratified and confirmed and the Base Indenture as so supplemented by this Supplement shall be read, taken, and construed as one and the same instrument.

Section 11.9. Counterparts. This Supplement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all of such counterparts shall together constitute but one and the same instrument.

Section 11.10. Governing Law. This Supplement shall be construed in accordance with the law of the State of New York, and the obligations, rights and remedies of the parties hereto shall be determined in accordance with such law.

Section 11.11. Amendments. This Supplement may be modified or amended from time to time in accordance with the terms of the Base Indenture; provided, however, that if, pursuant to the terms of the Base Indenture or this Supplement, the consent of the Required Noteholders is required for an amendment or modification of this Supplement, such requirement shall be satisfied if such amendment or modification is consented to by the Requisite Noteholders and the Class R Noteholders; provided, further, that any amendment that would materially and adversely affect any Series 2010-6 Noteholder shall also require that Standard & Poor's has confirmed that such amendment shall not result in a withdrawal or downgrade of the rating of the Commercial Paper issued by, or for the benefit of, any CP Conduit Purchaser whose Commercial Paper is rated by Standard & Poor's at the time of such amendment.

Section 11.12. Discharge of Indenture. Notwithstanding anything to the contrary contained in the Base Indenture, no discharge of the Indenture pursuant to Section 11.1(b) of the Base Indenture will be effective as to the Series 2010-6 Notes without the consent of the Requisite Noteholders and the Class R Noteholders.

Section 11.13. Capitalization of ABRCF. ABRCF agrees that on the Series 2010-6 Closing Date and on the date of any increase in the Series 2010-6 Maximum Invested Amount it will have capitalization in an amount equal to or greater than 3% of the sum of (x) the Series 2010-6 Maximum Invested Amount and (y) the invested amount of each other Series of Notes outstanding on such date.

Section 11.14. Series 2010-6 Demand Notes. Other than pursuant to a demand thereon pursuant to Section 3.5, ABRCF shall not reduce the amount of the Series 2010-6 Demand Notes or forgive amounts payable thereunder so that the outstanding principal amount of the Series 2010-6 Demand Notes after such reduction or forgiveness is less than the Series 2010-6 Letter of Credit Liquidity Amount. ABRCF shall not agree to any amendment of the Series 2010-6 Demand Notes without the consent of the Requisite Noteholders and without first satisfying the Rating Agency Confirmation Condition and the Rating Agency Consent Condition.

Section 11.15. Termination of Supplement. This Supplement shall cease to be of further effect when all outstanding Series 2010-6 Notes theretofore authenticated and issued have been delivered (other than destroyed, lost, or stolen Series 2010-6 Notes which have been replaced or paid) to the Trustee for cancellation and ABRCF has paid all sums payable hereunder and, if the Series 2010-6 Demand Note Payment Amount on the Series 2010-6 Letter of Credit Termination Date was greater than zero, the Series 2010-6 Cash Collateral Account Surplus shall equal zero, the Demand Note Preference Payment Amount shall have been reduced to zero and all amounts have been withdrawn from the Series 2010-6 Cash Collateral Account in accordance with Section 3.8(h).

Section 11.16. Collateral Representations and Warranties of ABRCF. ABRCF hereby represents and warrants to the Trustee, the Administrative Agent, each Funding Agent, each Purchaser Group and each Committed Note Purchaser that:

(a) the Base Indenture creates a valid and continuing security interest (as defined in the applicable UCC) in the Collateral in favor of the Trustee for the benefit of the Noteholders, which security interest is prior to all other liens, and is enforceable as such as against creditors of and purchasers from ABRCF. This Supplement will create a valid and continuing security interest (as defined in the applicable UCC) in the Series 2010-6 Collateral in favor of the Trustee for the benefit of the Series 2010-6 Noteholders, which security interest is prior to all other liens, and is enforceable as such as against creditors of and purchasers from ABRCF.

(b) The Collateral and the Series 2010-6 Collateral (in each case, other than the Vehicles) consist of “instruments,” “general intangibles” and “deposit accounts” within the meaning of the applicable UCC.

(c) ABRCF owns and has good and marketable title to the Collateral and the Series 2010-6 Collateral free and clear of any lien, claim or encumbrance of any Person.

(d) With respect to the portion of the Collateral that consists of instruments, all original executed copies of each instrument that constitute or evidence part of the Collateral have been delivered to the Trustee. None of the instruments that constitute or evidence the Collateral have any marks or notations indicating that they have been pledged, assigned or otherwise conveyed to any Person other than the Trustee.

(e) With respect to the portion of the Collateral that consists of general intangibles, ABRCF has caused the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the security interest in the Collateral granted to the Trustee under the Base Indenture.

(f) With respect to the portion of the Collateral and the Series 2010-6 Collateral that consists of deposit or securities accounts maintained with a bank other than the Trustee (collectively, the “Bank Accounts”), ABRCF has delivered to the Trustee a fully executed agreement pursuant to which the bank maintaining the Bank Accounts has agreed to comply with all instructions originated by the Trustee directing disposition of the funds in the Bank Accounts without further consent by ABRCF. The Bank Accounts are not in the name of any person other than ABRCF or the Trustee. ABRCF has not consented to the bank maintaining the Bank Accounts to comply with instructions of any person other than the Trustee.

(g) Other than the security interest granted to the Trustee under the Base Indenture and this Supplement, ABRCF has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Collateral or the Series 2010-6 Collateral. ABRCF has not authorized the filing of and is not aware of any financing statements against ABRCF that includes a description of collateral covering the Collateral other than any financing statement under the Base Indenture or that has been terminated. ABRCF is not aware of any judgment or tax lien filings against ABRCF.

(h) ABRCF has not authorized the filing of and is not aware of any financing statements against ABRCF that include a description of collateral covering the Collateral other than any financing statements (i) relating to the security interest granted to the Trustee in the Base Indenture or (ii) that has been terminated.

Section 11.17. No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Trustee, the Administrative Agent, any Non-Conduit Purchaser, any Funding Agent, any CP Conduit Purchaser or any APA Bank, any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exhaustive of any rights, remedies, powers and privileges provided by law.

Section 11.18. Waiver of Setoff. Notwithstanding any other provision of this Supplement or any other agreement to the contrary, all payments to the Administrative Agent, the Non-Conduit Purchasers, the Funding Agents, the CP Conduit Purchasers and the APA Banks hereunder shall be made without set-off or counterclaim.

Section 11.19. Notices. All notices, requests, instructions and demands to or upon any party hereto to be effective shall be given (i) in the case of ABRCF, the Administrator and the Trustee, in the manner set forth in Section 13.1 of the Base Indenture and (ii) in the case of the Administrative Agent, the Non-Conduit Purchasers, the Committed Note Purchaser, the CP Conduit Purchasers, the APA Banks and the Funding Agents, in writing, and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered by hand or three days after being deposited in the mail, postage prepaid, in the case of facsimile notice, when received, or in the case of overnight air courier, one Business Day after the date such notice is delivered to such overnight courier, addressed as follows in the case of the Administrative Agent and to the addresses therefor set forth in Schedule I, in the case of the Non-Conduit Purchasers, the Committed Note Purchaser, the CP Conduit Purchasers, the APA Banks and the Funding Agents; or to such other address as may be hereafter notified by the respective parties hereto:

Administrative Agent:

JPMorgan Chase Bank, N.A.
c/o JPMorgan Securities LLC
10 South Dearborn - 16th Floor
Chicago, IL 60670
Attention: Asset-Backed Finance
Fax (312) 732-1844

Section 11.20. Confidential Information (a) The Trustee and each Series 2010-6 Noteholder will maintain the confidentiality of all Confidential Information in accordance with procedures adopted by the Trustee or such Series 2010-6 Noteholder in good faith to protect Confidential Information of third parties delivered to such Person; provided, that such Person may deliver or disclose Confidential Information to: (i) such Person's directors, trustees, officers, employees, agents, attorneys, independent or internal auditors and affiliates who agree to hold confidential the Confidential Information substantially in accordance with the terms of this Section 11.20; (ii) (x) such Person's financial advisors and other professional advisors or (y) in the case of a CP Conduit Purchaser (or any administrative agent on its behalf), any collateral trustee appointed by such CP Conduit Purchaser in order to comply with Rule 3a-7 under the Investment Company Act, in each case, who agree to hold confidential the Confidential Information substantially in accordance with the terms of this Section 11.20; (iii) any other Series 2010-6 Noteholder; (iv) any Person of the type that would be, to such Person's knowledge, permitted to acquire Series 2010-6 Notes in accordance with the requirements of the Indenture to which such Person sells or offers to sell any such Series 2010-6 Note or any part thereof or any participation therein and that agrees to hold confidential the Confidential Information substantially in accordance with this Section 11.20 (or in accordance with such other confidentiality procedures as are acceptable to ABRCF); (v) any federal or state or other regulatory, governmental or judicial authority having jurisdiction over such

Person; (vi) the National Association of Insurance Commissioners or any similar organization, or any nationally recognized rating agency that requires access to information about the investment portfolio of such Person, (vii) any reinsurers or liquidity or credit providers that agree to hold confidential the Confidential Information substantially in accordance with this Section 11.20 (or in accordance with such other confidentiality procedures as are acceptable to ABRCF); (viii) any Person acting as a placement agent or dealer with respect to any commercial paper (provided that any Confidential Information provided to any such placement agent or dealer does not reveal the identity of ABG or any of its Affiliates); (ix) any other Person with the consent of ABRCF; or (x) any other Person to which such delivery or disclosure may be necessary or appropriate (A) to effect compliance with any law, rule, regulation, statute or order applicable to such Person, (B) in response to any subpoena or other legal process upon prior notice to ABRCF (unless prohibited by applicable law, rule, order or decree or other requirement having the force of law), (C) in connection with any litigation to which such Person is a party upon prior notice to ABRCF (unless prohibited by applicable law, rule, order or decree or other requirement having the force of law) or (D) if an Amortization Event with respect to the Series 2010-6 Notes has occurred and is continuing, to the extent such Person may reasonably determine such delivery and disclosure to be necessary or appropriate in the enforcement or for the protection of the rights and remedies under the Series 2010-6 Notes, the Indenture or any other Related Document; and provided, further, however, that delivery to Series 2010-6 Noteholders of any report or information required by the terms of the Indenture to be provided to Series 2010-6 Noteholders shall not be a violation of this Section 11.20. Each Series 2010-6 Noteholder agrees, except as set forth in clauses (v), (vi) and (x) above, that it shall use the Confidential Information for the sole purpose of making an investment in the Series 2010-6 Notes or administering its investment in the Series 2010-6 Notes. In the event of any required disclosure of the Confidential Information by such Series 2010-6 Noteholder, such Series 2010-6 Noteholder agrees to use reasonable efforts to protect the confidentiality of the Confidential Information. Each Series 2010-6 Noteholder, by its acceptance of a Series 2010-6 Note, will be deemed to have agreed to be bound by and to be entitled to the benefits of this Section 11.20.

(b) For the purposes of this Section 11.20, “Confidential Information” means information delivered to the Trustee or any Series 2010-6 Noteholder by or on behalf of ABRCF in connection with and relating to the transactions contemplated by or otherwise pursuant to the Indenture and the Related Documents; provided, that such term does not include information that: (i) was publicly known or otherwise known to the Trustee or such Series 2010-6 Noteholder prior to the time of such disclosure; (ii) subsequently becomes publicly known through no act or omission by the Trustee, any Series 2010-6 Noteholder or any person acting on behalf of the Trustee or any Series 2010-6 Noteholder; (iii) otherwise is known or becomes known to the Trustee or any Series 2010-6 Noteholder other than (x) through disclosure by ABRCF or (y) as a result of the breach of a fiduciary duty to ABRCF or a contractual duty to ABRCF; or (iv) is allowed to be treated as non-confidential by consent of ABRCF.

Section 11.21. Information. (a) The Trustee shall promptly provide to the Administrative Agent a copy of each notice, opinion of counsel, certificate or other item delivered to, or required to be provided by, the Trustee pursuant to this Supplement or any other Related Document.

(b) ABRCF shall promptly provide to the Administrative Agent a copy of the financial information and any other materials required to be delivered to ABRCF pursuant to Section 31.5(i) and (ii) under the Leases. The Administrative Agent shall provide copies of all such information and other materials furnished to it by ABRCF pursuant to this Section 11.21 to each Funding Agent and each Non-Conduit Purchaser.

Section 11.22. Waiver of Jury Trial, etc. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS SUPPLEMENT, THE SERIES 2010-6 NOTES OR ANY OTHER SERIES 2010-6 DOCUMENTS, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN), OR ACTIONS OF THE PARTIES HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES HERETO TO ENTER INTO THIS SUPPLEMENT.

Section 11.23. Submission To Jurisdiction. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY SUBMITS (TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW) TO THE NON-EXCLUSIVE JURISDICTION OF ANY NEW YORK STATE OR FEDERAL COURT SITTING IN THE BOROUGH OF MANHATTAN, NEW YORK CITY, STATE OF NEW YORK, OVER ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENT, THE SERIES 2010-6 NOTES OR ANY OTHER SERIES 2010-6 DOCUMENT AND EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE OR FEDERAL COURT. EACH OF THE PARTIES HERETO EACH HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION EACH MAY NOW OR HEREAFTER HAVE, TO THE LAYING OF VENUE IN ANY SUCH ACTION OR PROCEEDING IN ANY SUCH COURT AS WELL AS ANY RIGHT EACH MAY NOW OR HEREAFTER HAVE, TO REMOVE ANY SUCH ACTION OR PROCEEDING, ONCE COMMENCED, TO ANOTHER COURT ON THE GROUNDS OF FORUM NON CONVENIENS OR OTHERWISE. NOTHING CONTAINED HEREIN SHALL PRECLUDE ANY PARTY HERETO FROM BRINGING AN ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENT, THE SERIES 2010-6 NOTES OR ANY OTHER SERIES 2010-6 DOCUMENT IN ANY OTHER COUNTRY, STATE OR PLACE HAVING JURISDICTION OVER SUCH ACTION OR PROCEEDING.

Section 11.24. Reserved.

Section 11.25. Consent to Certain Amendments. Each Series 2010-6 Noteholder, by executing this Supplement, hereby agrees and consents to (i) the execution by ABRCF of a Supplemental Indenture to the Base Indenture substantially in the form of Exhibit J hereto, (ii) the execution of an amendment to the Master Exchange Agreement substantially in the form of Exhibit K hereto, (iii) the execution of an amendment to the AESOP I Operating Lease in the form of Exhibit L hereto, (iv) the execution of an amendment to the Finance Lease in the form of Exhibit M hereto,

(v) the execution of an amendment to the AESOP I Operating Lease Loan Agreement in the form of Exhibit N hereto and (vi) the execution of an amendment to the AESOP I Finance Lease Loan Agreement in the form of Exhibit O hereto. Such agreement and consent will apply to each proposed amendment set forth in Exhibits J, K, L, M, N and Q individually, and the failure to adopt any of the amendments set forth therein will not revoke the agreement and consent with respect to any other amendment.

Section 11.26. U.S. Patriot Act Notice. Each Funding Agent and Non-Conduit Purchaser that is subject to the requirements of the U.S. Patriot Act (Title III of Pub.: 107-56 (the "Patriot Act") hereby notifies ABRCF that, pursuant to Section 326 thereof, it is required to obtain, verify and record information that identifies ABRCF, including the name and address of ABRCF and other information allowing such Funding Agent and Non-Conduit Purchaser to identify ABRCF in accordance with the Patriot Act.

Section 11.27. Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in this Supplement, any other Related Document or in any other agreement, arrangement or understanding among the parties hereto or any other such parties to the Related Documents, each party hereto acknowledges that any liability of any EEA Financial Institution arising under this Supplement or any other Related Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Supplement or any other Related Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any EEA Resolution Authority.

IN WITNESS WHEREOF, each of the parties hereto have caused this Supplement to be duly executed by their respective duly authorized officers as of the date above first written.

AVIS BUDGET RENTAL CAR FUNDING (AESOP) LLC,
as Issuer

By: /s/ Rochelle Tarlowe
Name: Rochelle Tarlowe
Title: Senior Vice President and Treasurer

THE BANK OF NEW YORK MELLON TRUST COMPANY,
N.A.,
as Trustee and Series 2010-6 Agent

By: /s/ Linda Wirfel
Name: Linda Wirfel
Title: Vice President

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

By: /s/ Catherine V. Frank
Name: Catherine V. Frank
Title: Managing Director

AGREED, ACKNOWLEDGED AND CONSENTED:

LIBERTY STREET FUNDING LLC,
as a CP Conduit Purchaser under the Series 2010-6 Supplement

By: /s/ Jill A. Russo
Name: Jill A. Russo
Title: Vice President

THE BANK OF NOVA SCOTIA,
as a Funding Agent and an APA Bank under the Series 2010-6 Supplement

By: /s/ Michelle Phillips
Name: Michelle Phillips
Title: Director

CHARIOT FUNDING LLC,
as a CP Conduit Purchaser under the Series 2010-6 Supplement

By: /s/ Catherine V. Frank
Name: Catherine V. Frank
Title: Managing Director

JPMORGAN CHASE BANK, N.A.
as a Funding Agent under the Series 2010-6 Supplement

By: /s/ Catherine V. Frank
Name: Catherine V. Frank

Title: Managing Director

JPMORGAN CHASE BANK, N.A.
as an APA Bank under the Series 2010-6 Supplement

By: /s/ Catherine V. Frank
Name: Catherine V. Frank

Title: Managing Director

THUNDER BAY FUNDING, LLC,
as a CP Conduit Purchaser under the Series 2010-6 Supplement

By: Royal Bank of Canada, as Attorney-in-fact

By: /s/ Sofia Shields
Name: Sofia Shields
Title: Authorized Signatory

ROYAL BANK OF CANADA,
as a Funding Agent and an APA Bank under the
Series 2010-6 Supplement

By: /s/ Sofia Shields
Name: Sofia Shields
Title: Authorized Signatory

By: /s/ Karen E. Stone
Name: Karen E. Stone
Title: Authorized Signatory

ATLANTIC ASSET SECURITIZATION LLC,
as a CP Conduit Purchaser under the Series 2010-6 Supplement

By: /s/ Roger Klepper
Name: Roger Klepper
Title: Managing Director

CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK,
as a Funding Agent and an APA Bank under the Series 2010-6
Supplement

By: /s/ Roger Klepper
Name: Roger Klepper
Title: Managing Director

By: /s/ Michael Regan
Name: Michael Regan
Title: Managing Director

BANK OF AMERICA, NATIONAL ASSOCIATION,
as a Non-Conduit Purchaser under the Series 2010-6 Supplement

By: /s/ Lauren Burke Kohr
Name: Lauren Burke Kohr
Title: Director, ABS Banking & Finance

GRESHAM RECEIVABLES (NO. 28) LIMITED,
as CP Conduit Purchaser under the Series 2010-6 Supplement

By: /s/ Ariel Pinel
Name: Ariel Pinel
Title: Director

GRESHAM RECEIVABLES (NO. 28) LIMITED,
as an APA Bank under the Series 2010-6 Supplement

By: /s/ Ariel Pinel
Name: Ariel Pinel
Title: Director

LLOYDS BANK PLC,
as a Funding Agent under the Series 2010-6 Supplement

By: /s/ Smitha Dawson
Name: Smitha Dawson
Title: Vice President/Assoc. Director

VERSAILLES ASSETS LLC,
as a CP Conduit Purchaser and an APA Bank under the Series 2010-6
Supplement

by: Global Securitization Services, LLC, its Manager

By: /s/ David V. DeAngelis
Name: David V. DeAngelis
Title: Vice President

NATIXIS, NEW YORK BRANCH,
as a Funding Agent under the Series 2010-6 Supplement

By: /s/ Terrence Gregersen
Name: Terrence Gregersen
Title: Executive Director

By: /s/ David S. Bondy
Name: David S. Bondy
Title: Managing Director

BANK OF MONTREAL,
as an APA Bank under the Series 2010-6 Supplement

By: /s/ Karen Louie
Name: Karen Louie
Title: Director

FAIRWAY FINANCE COMPANY, LLC,
as a CP Conduit Purchaser under the Series 2010-6 Supplement

By: /s/ Irina Khaimova
Name: Irinia Khaimova
Title: Vice President

BMO CAPITAL MARKETS CORP.,
as Funding Agent under the Series 2010-6 Supplement

By: /s/ John Pappano
Name: John Pappano
Title: Managing Director

BARTON CAPITAL S.A.,
as a CP Conduit Purchaser under the Series 2010-6 Supplement

By: /s/ Martin J. Finan
Name: Martin J. Finan
Title: Managing Director

SOCIETE GENERALE,
as a Funding Agent and an APA Bank under the Series 2010-6 Supplement

By: /s/ Daniel McGarvey
Name: Daniel McGarvey
Title: Managing Director

SUNTRUST BANK,
as a Non-Conduit Purchaser under the Series 2010-6 Supplement

By: /s/ David Hufnagel
Name: David Hufnagel
Title: Director

VICTORY RECEIVABLES CORPORATION,
as CP Conduit Purchaser under the Series 2010-6 Supplement

By: /s/ Kevin Corrigan
Name:
Title:

MUFG BANK, LTD. F/K/A THE BANK OF
TOKYO-MITSUBISHI UFJ, LTD.,
as Funding Agent under the Series 2010-6 Supplement

By: /s/ Christopher Pohl
Name: Christopher Pohl
Title: Managing Director

MUFG BANK, LTD. F/K/A THE BANK OF
TOKYO-MITSUBISHI UFJ, LTD.,
as and APA Bank under the Series 2010-6 Supplement

By: /s/ Christopher Pohl
Name: Christopher Pohl
Title: Managing Director

AESOP LEASING, L.P.
as a Committed Note Purchaser under the Series 2010-6 Supplement

By: /s/ Rochelle Tarlowe
Name: Rochelle Tarlowe
Title: Senior Vice President and Treasurer

AVIS BUDGET CAR RENTAL, LLC,
as Administrator

By: /s/ Rochelle Tarlowe
Name: Rochelle Tarlowe
Title: Senior Vice President and Treasurer

CP Conduit Purchaser Groups

	<u>CP Conduit</u>	<u>APA Bank</u>	<u>Funding Agent</u>	<u>APA Bank Percentage</u>	<u>Maximum Purchaser Group Invested Amount</u>	<u>Conduit Type</u>	<u>Purchased Percentage</u>
1.	Liberty Street Funding LLC	The Bank of Nova Scotia	The Bank of Nova Scotia	100%	\$200,000,000	Pooled Funding Conduit Purchaser	10.5263%
2.	Chariot Funding LLC	JPMorgan Chase Bank, N.A.	JPMorgan Chase Bank, N.A.	100%	\$300,000,000	LIBOR Funding Conduit Purchaser	15.7895%
3.	Atlantic Asset Securitization LLC	Credit Agricole Corporate and Investment Bank	Credit Agricole Corporate and Investment Bank	100%	\$200,000,000	Pooled Funding Conduit Purchaser	10.5263%
4.	Versailles Assets LLC	Versailles Assets LLC	Natixis, New York Branch	100%	\$100,000,000	Pooled Funding Conduit Purchaser	5.2632%
5.	Victory Receivables Corporation	MUFG Bank, Ltd. f/k/a The Bank of Tokyo-Mitsubishi UFJ, Ltd.	MUFG Bank, Ltd. f/k/a/ The Bank of Tokyo-Mitsubishi UFJ, Ltd.	100%	\$150,000,000	Pooled Funding Conduit Purchaser	7.8947%
6.	Fairway Finance Company, LLC	Bank of Montreal	BMO Capital Markets Corp.	100%	\$125,000,000	Pooled Funding Conduit Purchaser	6.5789%

	<u>CP Conduit</u>	<u>APA Bank</u>	<u>Funding Agent</u>	<u>APA Bank Percentage</u>	<u>Maximum Purchaser Group Invested Amount</u>	<u>Conduit Type</u>	<u>Purchased Percentage</u>
7.	Gresham Receivables (No. 28) Limited	Gresham Receivables (No. 28) Limited	Lloyds Bank plc	100%	\$100,000,000	Pooled Funding Conduit Purchaser	5.2632%
8.	Thunder Bay Funding, LLC	Royal Bank of Canada	Royal Bank of Canada	100%	\$200,000,000	Pooled Funding Conduit Purchaser	10.5263%
9.	Barton Capital S.A.	Societe Generale	Societe Generale	100%	\$200,000,000	Pooled Funding Conduit Purchaser	10.5263%

Non-Conduit Purchasers

	<u>Non-Conduit Purchaser</u>	<u>Maximum Purchaser Group Invested Amount</u>	<u>Purchased Percentage</u>
1.	Bank of America, National Association	\$200,000,000	10.5263%
2.	SunTrust Bank	\$125,000,000	6.5789%

Committed Note Purchasers

	<u>Committed Note Purchaser</u>	<u>Class R Maximum Invested Amount</u>	<u>Purchased Percentage</u>
1.	AESOP Leasing, L.P.	\$104,500,000 (or such higher amount as provided in accordance with Section 2.6(a) herein)	100.00%

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AVIS BUDGET RENTAL CAR FUNDING (AESOP) LLC,
as Issuer

AVIS BUDGET CAR RENTAL, LLC,
as Administrator

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

CERTAIN NON-CONDUIT PURCHASERS,

CERTAIN CP CONDUIT PURCHASERS,

CERTAIN COMMITTED NOTE PURCHASERS,

CERTAIN FUNDING AGENTS,

CERTAIN APA BANKS

and

THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,
as Trustee and Series 2015-3 Agent

AMENDED AND RESTATED SERIES 2015-3 SUPPLEMENT
dated as of August 16, 2018

to

SECOND AMENDED AND RESTATED BASE INDENTURE
dated as of June 3, 2004

AMENDED AND RESTATED SERIES 2015-3 SUPPLEMENT, dated as of August 16, 2018 (this “Supplement”), among AVIS BUDGET RENTAL CAR FUNDING (AESOP) LLC, a special purpose limited liability company established under the laws of Delaware (“ABRCF”), AVIS BUDGET CAR RENTAL, LLC, a limited liability company established under the laws of Delaware (“ABCR”), as administrator (the “Administrator”), JPMORGAN CHASE BANK, N.A. (“JPMorgan Chase”), in its capacity as administrative agent for the Purchaser Groups (the “Administrative Agent”), the NON-CONDUIT PURCHASERS from time to time party hereto, the COMMITTED NOTE PURCHASERS from time to time party hereto, the CP CONDUIT PURCHASER GROUPS from time to time party hereto, the FUNDING AGENTS for the CP Conduit Purchaser Groups from time to time party hereto and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A. (as successor in interest to The Bank of New York), a national banking association, as trustee (in such capacity, the “Trustee”) and as agent for the benefit of the Series 2015-3 Noteholders (in such capacity, the “Series 2015-3 Agent”), to the Second Amended and Restated Base Indenture, dated as of June 3, 2004, between ABRCF and the Trustee (as amended, modified or supplemented from time to time, exclusive of Supplements creating a new Series of Notes, the “Base Indenture”).

PRELIMINARY STATEMENT

WHEREAS, ABRCF, the Administrator, the Administrative Agent, certain CP Conduit Purchasers, APA Banks, Funding Agents and Non-Conduit Purchasers, the Trustee and the Series 2015-3 Agent entered into the Series 2015-3 Supplement, dated as of November 19, 2015 (the “Original Series 2015-3 Supplement”), pursuant to which the Series 2015-3 Notes were issued;

WHEREAS, pursuant to Section 12.2 of the Base Indenture, any Supplement may be amended with consent of ABRCF, the Trustee, any applicable Enhancement Provider and the Required Noteholders of a Series of Notes;

WHEREAS, pursuant to Section 11.11 of the Original Series 2015-3 Supplement, the requirement contained in Section 12.2 of the Base Indenture shall be satisfied upon attaining the consent of the Requisite Noteholders; and

WHEREAS, ABRCF desires to amend and restate the Original Series 2015-3 Supplement.

NOW, THEREFORE, the parties hereto agree as follows:

DESIGNATION

A Series of Notes was created and issued pursuant to the Base Indenture and the Original Series 2015-3 Supplement and such Series of Notes was designated generally as “Variable Funding Rental Car Asset Backed Notes, Series 2015-3.” As of the date hereof, the Series 2015-3 Notes shall be issued in two Classes, the first of which shall be known as the “Class A Notes” and the second of which shall be known as the “Class R Notes.”

On the date hereof, ABRCF shall issue (i) one tranche of Class A Notes, which shall be designated as the “Series 2015-3 Variable Funding Rental Car Asset Backed Notes, Class A”

and (ii) one tranche of Class R Notes, which shall be designated as the “Series 2015-3 Variable Funding Rental Car Asset Backed Notes, Class R.” The Class A Notes and the Class R Notes constitute the Series 2015-3 Notes. The Class R Notes shall be subordinated in right of payment to the Class A Notes, to the extent set forth herein.

The proceeds from the initial sale of the Series 2015-3 Notes were deposited in the Collection Account and were paid to ABRCF and used to make Loans under the Loan Agreements to the extent that the Borrowers had requested Loans thereunder and Eligible Vehicles were available for acquisition or refinancing thereunder on the date of the Original Series 2015-3 Supplement. Any such portion of proceeds not so used to make Loans shall be deemed to be Principal Collections.

The Series 2015-3 Notes are a non-Segregated Series of Notes (as more fully described in the Base Indenture). Accordingly, all references in this Supplement to “all” Series of Notes (and all references in this Supplement to terms defined in the Base Indenture that contain references to “all” Series of Notes) shall refer to all Series of Notes other than Segregated Series of Notes.

ARTICLE I

DEFINITIONS

(a) All capitalized terms not otherwise defined herein are defined in the Definitions List attached to the Base Indenture as Schedule I thereto. All Article, Section, Subsection, Exhibit or Schedule references herein shall refer to Articles, Sections, Subsections, Exhibits or Schedules of this Supplement, except as otherwise provided herein. Unless otherwise stated herein, as the context otherwise requires or if such term is otherwise defined in the Base Indenture, each capitalized term used or defined herein shall relate only to the Series 2015-3 Notes and not to any other Series of Notes issued by ABRCF. In the event that a term used herein shall be defined both herein and in the Base Indenture, the definition of such term herein shall govern.

(b) The following words and phrases shall have the following meanings with respect to the Series 2015-3 Notes and the definitions of such terms are applicable to the singular as well as the plural form of such terms and to the masculine as well as the feminine and neuter genders of such terms:

“A&R Documents” is defined in Section 6.2.

“A&R Effective Date” is defined in Section 6.2.

“ABCR” is defined in the recitals hereto.

“ABG” means Avis Budget Group, Inc.

“ABRCF” is defined in the recitals hereto.

“Accounts” means the Series 2015-3 Accrued Interest Account, the Series 2015-3 Cash Collateral Account, the Series 2015-3 Collection Account, the Series 2015-3 Distribution Account, the Series 2015-3 Excess Collection Account and the Series 2015-3 Reserve Account.

“Acquiring APA Bank” is defined in Section 11.1(c).

“Acquiring Purchaser Group” is defined in Section 11.1(e).

“Additional CP Conduit Purchaser” is defined in Section 2.6(e).

“Additional Funding Agent” is defined in Section 2.6(e).

“Additional Non-Conduit Purchaser” is defined in Section 2.6(e).

“Adjusted LIBO Rate” means, with respect to each day during each Eurodollar Period, pertaining to a portion of the Purchaser Group Invested Amount with respect to any CP Conduit Purchaser Group allocated to a Eurodollar Tranche, an interest rate per annum (rounded upwards, if necessary, to the nearest 1/16th of 1%) equal to the LIBO Rate for such Eurodollar Period multiplied by the Statutory Reserve Rate.

“Adjusted Net Book Value” means, as of any date of determination, with respect to each Adjusted Program Vehicle as of such date, the product of 0.965 and the Net Book Value of such Adjusted Program Vehicle as of such date.

“Administrative Agent” is defined in the recitals hereto.

“Administrator” is defined in the recitals hereto.

“AESOP II DBRS Excluded Manufacturer Amount” means, as of any date of determination, an amount equal to the excess, if any, of (x) the sum of the following amounts with respect to each DBRS Non-Investment Grade Manufacturer as of such date: the product of (1) to the extent such amounts are included in the calculation of the AESOP II Loan Agreement Borrowing Base as of such date, all amounts receivable, as of such date, by AESOP Leasing II from such DBRS Non-Investment Grade Manufacturer and (2) the DBRS Excluded Manufacturer Receivable Specified Percentage for such DBRS Non-Investment Grade Manufacturer as of such date over (y) the sum of the following amounts with respect to each DBRS Non-Investment Grade Manufacturer as of such date: the product of (i) the aggregate Net Book Value of any Vehicles subject to a Manufacturer Program from such Manufacturer that have had a Turnback Date but for which (A) AESOP Leasing II or its Permitted Nominee continues to be named as the owner of the Vehicle on the Certificate of Title for such Vehicle and (B) AESOP Leasing II or its agent continues to hold the Certificate of Title for such Vehicle and (ii) the DBRS Turnback Vehicle Specified Percentage for such DBRS Non-Investment Grade Manufacturer as of such date.

“Affected Party” means any Non-Conduit Purchaser, CP Conduit Purchaser and any Program Support Provider with respect to any CP Conduit Purchaser.

“Alternate Base Rate” means, for any day, a rate per annum equal to the greatest of (a) the Prime Rate in effect on such day, (b) the Federal Funds Effective Rate in effect on such day plus ½ of 1% and (c) the LIBO Rate in effect on such date plus 1%. Any change in the Alternate Base Rate due to a change in the Prime Rate, the Federal Funds Effective Rate or the LIBO Rate shall be effective from and including the effective day of such change in the Prime Rate, the Federal Funds Effective Rate or the LIBO Rate, respectively.

“Anti-Corruption Laws” means all laws, rules, and regulations of any jurisdiction applicable to ABCR or its Affiliates from time to time concerning or relating to bribery or corruption.

“APA Bank” means, with respect to a CP Conduit Purchaser, each bank or other Person set forth opposite the name of such CP Conduit Purchaser on Schedule I or in the Purchaser Group Supplement pursuant to which such CP Conduit Purchaser became a party to this Supplement and any assignee thereof, to the extent such assignee has assumed all or a portion of the Commitments of an APA Bank pursuant to a Transfer Supplement entered into in accordance with Section 11.1(c).

“APA Bank Funded Amount” means, with respect to any CP Conduit Purchaser Group for any day, the excess, if any, of the Purchaser Group Invested Amount with respect to such CP Conduit Purchaser Group over the CP Conduit Funded Amount with respect to such CP Conduit Purchaser Group for such day.

“APA Bank Participants” is defined in Section 11.1(d).

“APA Bank Percentage” means, with respect to any APA Bank, the percentage set forth opposite the name of such APA Bank on Schedule I or the Transfer Supplement or the Purchaser Group Supplement pursuant to which such APA Bank became a party to this Supplement.

“Applicable Margin” is defined in the Fee Letter.

“ARAC” means Avis Rent A Car System, LLC.

“Article VII Costs” means any amounts due pursuant to Article VII and any interest accrued on such amounts pursuant to Section 3.4.

“Asset Purchase Agreement” means, with respect to any CP Conduit Purchaser, the asset purchase agreement, liquidity agreement or other agreement among such CP Conduit Purchaser, the Funding Agent with respect to such CP Conduit Purchaser and the APA Bank with respect to such CP Conduit Purchaser, as amended, modified or supplemented from time to time.

“Available APA Bank Funding Amount” means, with respect to any CP Conduit Purchaser Group for any Business Day, the sum of (i) the portion of such CP Conduit Purchaser Group’s Commitment Percentage of the Class A Initial Invested Amount not to be funded by such CP Conduit Purchaser Group by issuing Commercial Paper if such Business Day is the Series 2015-3 Closing Date, (ii) the portion of the APA Bank Funded Amount with respect to such CP Conduit Purchaser Group not allocated to a Eurodollar Tranche on such Business Day, (iii) the portion of the APA Bank Funded Amount with respect to such CP Conduit Purchaser Group allocated to any

Eurodollar Tranche the Eurodollar Period in respect of which expires on such Business Day and (iv) the portion of such CP Conduit Purchaser Group's Purchaser Group Increase Amount for such Business Day not to be funded by such CP Conduit Purchaser Group by issuing Commercial Paper.

“Available CP Funding Amount” means, with respect to any CP Conduit Purchaser Group for any Business Day, the sum of (i) the portion of such CP Conduit Purchaser Group's Commitment Percentage of the Class A Initial Invested Amount to be funded by such CP Conduit Purchaser Group by issuing Commercial Paper if such Business Day is the Series 2015-3 Closing Date, (ii) the portion of the CP Conduit Funded Amount with respect to such CP Conduit Purchaser Group allocated to any CP Tranche, the CP Rate Period in respect of which expires on such Business Day and (iii) the portion of such CP Conduit Purchaser Group's Purchaser Group Increase Amount for such Business Day to be funded by such CP Conduit Purchaser Group by issuing Commercial Paper.

“Bail-In Action” means the exercise of any Write-Down and Conversion Powers by the applicable EEA Resolution Authority in respect of any liability of an EEA Financial Institution.

“Bail-In Legislation” means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

“Bank Accounts” is defined in Section 11.16(f).

“Basel II” means the revised Basel Accord prepared by the Basel Committee on Banking Supervision as set out in the publication entitled “International Convergence of Capital Measurements and Capital Standards: a Revised Framework,” as updated from time to time, and any rules, regulations, guidance, requests, interpretations or directives from any Official Body relating thereto (whether or not having the force of law).

“Basel III” means the revised Basel Accord prepared by the Basel Committee on Banking Supervision as set out in the publication entitled “A Global Regulatory Framework for More Resilient Banks and Banking Systems,” as updated from time to time, and any rules, regulations, guidance, requests, interpretations or directives from any Official Body relating thereto (whether or not having the force of law).

“Benefited Purchaser Group” is defined in Section 11.3(a).

“Board” means the Board of Governors of the Federal Reserve System or any successor thereto.

“BRAC” means Budget Rent A Car System, Inc.

“Business Day” means any day other than (a) a Saturday or a Sunday or (b) a day on which banking institutions in New York, New York, Charlotte, North Carolina, Chicago, Illinois

or the city in which the corporate trust office of the Trustee is located are authorized or obligated by law or executive order to close.

“Certificate of Lease Deficit Demand” means a certificate substantially in the form of Annex A to any Series 2015-3 Letter of Credit.

“Certificate of Termination Date Demand” means a certificate substantially in the form of Annex D to any Series 2015-3 Letter of Credit.

“Certificate of Termination Demand” means a certificate substantially in the form of Annex C to any Series 2015-3 Letter of Credit.

“Certificate of Unpaid Demand Note Demand” means a certificate substantially in the form of Annex B to any Series 2015-3 Letter of Credit.

“Change in Control” means (a) ABG shall at any time cease to own or control, directly or indirectly, greater than 50% of the Voting Stock of ABCR, ARAC or BRAC or (b) either ABRCF or AESOP Leasing is no longer indirectly wholly-owned by ABCR.

“Change in Law” means (a) any law, rule or regulation or any change therein or in the interpretation or application thereof (whether or not having the force of law), in each case, adopted, issued or occurring after February 15, 2008, (b) any request, guideline or directive (whether or not having the force of law) from any government or political subdivision or agency, authority, bureau, central bank, commission, department or instrumentality thereof, or any court, tribunal, grand jury or arbitrator, or any accounting board or authority (whether or not part of government) which is responsible for the establishment or interpretation of national or international accounting principles, in each case, whether foreign or domestic (each an “Official Body”) charged with the administration, interpretation or application thereof, or the compliance with any request or directive of any Official Body (whether or not having the force of law) made, issued or occurring after the Series 2015-3 Closing Date or (c) the compliance with, or application or implementation of, any of the foregoing or Basel II and/or Basel III by an Affected Party after the Series 2015-3 Closing Date.

“Claim” is defined in Section 2.8.

“Class” means a class of the Series 2015-3 Notes, which may be the Class A Notes or the Class R Notes.

“Class A Controlled Distribution Amount” means, with respect to any Related Month during the Series 2015-3 Controlled Amortization Period, an amount equal to the excess of (x) one-third of the Class A Invested Amount on the Scheduled Expiry Date (after giving effect to any Increase or Decrease on the Scheduled Expiry Date) over (y) the aggregate amount of any Decreases made during such Related Month pursuant to Section 2.5.

“Class A Initial Invested Amount” has the meaning specified in Section 2.3(a)(iii).

“Class A Invested Amount” means, on any date of determination, the sum of the Purchaser Group Invested Amounts with respect to each of the Purchaser Groups on such date.

“Class A Maximum Invested Amount” means, on any date of determination, the sum of the Maximum Purchaser Group Invested Amounts with respect to each of the Purchaser Groups on such date. The Class A Maximum Invested Amount shall be reduced by the Maximum Purchaser Group Invested Amount of each Non-Extending Purchaser Group on the Scheduled Expiry Date with respect to such Purchaser Group.

“Class A Note” means any one of the Series 2010-6 Variable Funding Rental Car Asset Backed Notes, Class A, executed by ABCRF and authenticated by or on behalf of the Trustee, substantially in the form of Exhibit A-1.

“Class A Noteholder” means a Person in whose name a Class A Note is registered in the Note Register.

“Class A Senior Monthly Interest” means, with respect to any Series 2015-3 Interest Period, an amount equal to the product of (a) the average daily Class A Invested Amount during such Series 2015-3 Interest Period, (b) the Class A Senior Note Rate for such Series 2015-3 Interest Period and (c) the number of days in such Series 2015-3 Interest Rate Period divided by 360.

“Class A Senior Monthly Interest Shortfall” has the meaning specified in Section 3.3(f).

“Class A Senior Note Rate” means for any Series 2015-3 Interest Period, the interest rate equal to the product of (a) the percentage equivalent of a fraction, the numerator of which is equal to the sum of the Senior Monthly Funding Costs with respect to each Purchaser Group for such Series 2015-3 Interest Period and the denominator of which is equal to the average daily Class A Invested Amount during such Series 2015-3 Interest Period and (b) a fraction, the numerator of which is 360 and the denominator of which is the number of days in such Series 2015-3 Interest Period; provided, however, that the Class A Senior Note Rate will in no event be higher than the maximum rate permitted by applicable law.

“Class R Controlled Distribution Amount” means, with respect to any Related Month during the Series 2015-3 Controlled Amortization Period, an amount equal to (1) if the Class A Invested Amount is greater than \$0 as of the Distribution Date with respect to such Related Month, \$0 and (2) if the Class A Invested Amount has been reduced to \$0 as of the Distribution Date with respect to such Related Month, the Class R Invested Amount as of the last day of such Related Month.

“Class R Initial Invested Amount” has the meaning specified in Section 2.3(a)(ii).

“Class R Invested Amount” means, as of any date of determination, (a) when used with respect to the A&R Effective Date, the Class R Initial Invested Amount and (b) when used with respect to any other date, an amount equal to (i) the Class R Invested Amount on the immediately preceding Business Day plus (ii) the Increase Amount with respect to the Class R Notes on such

date minus (iii) the amount of principal payments made on the Class R Notes pursuant to Section 3.5(e)(ii) or Section 3.5(f) on such date.

“Class R Maximum Invested Amount” means, with respect to any Committed Note Purchaser, the amount set forth opposite the name of such Committed Note Purchaser on Schedule I or in the Class R Supplement pursuant to which such Committed Note Purchaser became a party to this Supplement, as such amount may be increased from time to time as provided in Section 2.6.

“Class R Monthly Interest” means, with respect to any Series 2015-3 Interest Period, an amount equal to the product of (a) the average daily Class R Invested Amount during such Series 2015-3 Interest Period, (b) the Class R Note Rate for such Series 2015-3 Interest Period and (c) the number of days in such Series 2015-3 Interest Rate Period (assuming a 360-day year consisting of twelve 30-day months) divided by 360.

“Class R Monthly Interest Shortfall” is defined in Section 3.3(j).

“Class R Note” means any one of the Series 2015-3 Variable Funding Rental Car Asset Backed Notes, Class R, executed by ABRCF and authenticated by or on behalf of the Trustee, substantially in the form of Exhibit A-2.

“Class R Note Rate” means 5.85%.

“Class R Noteholder” means a Person in whose name a Class R Note is registered in the Note Register.

“Class R Supplement” is defined in Section 11.1(a).

“Commercial Paper” means, with respect to any CP Conduit Purchaser, the promissory notes issued by, or for the benefit of, such CP Conduit Purchaser in the commercial paper market.

“Committed Note Purchasers” means each entity listed as such on Schedule I or in the Class R Supplement pursuant to which such entity became a party to this Supplement.

“Commitment” means, with respect to (a) the APA Banks included in any CP Conduit Purchaser Group, the obligation of such APA Banks to purchase a Class A Note on the A&R Effective Date and, thereafter, to maintain and, subject to certain conditions, increase the Purchaser Group Invested Amount with respect to such CP Conduit Purchaser Group, in each case, in an amount up to the Maximum Purchaser Group Invested Amount with respect to such CP Conduit Purchaser Group, (b) any Non-Conduit Purchaser Group, the obligation of the Related Non-Conduit Purchaser to purchase a Class A Note on the A&R Effective Date and, thereafter, to maintain and, subject to certain conditions, increase the Purchaser Group Invested Amount with respect to such Non-Conduit Purchaser Group, in each case, in an amount up to the Maximum Purchaser Group Invested Amount with respect to such Non-Conduit Purchaser Group or (c) any Committed Note Purchaser, the obligation of the Committed Note Purchaser to purchase a Class R Note on the A&R Effective Date in an amount equal to \$0 and, thereafter, to maintain and, subject to certain conditions, increase the

Class R Invested Amount with respect to such Committed Note Purchaser, in each case, in an amount that satisfies the Retention Test on the applicable Increase Date, up to the Class R Maximum Invested Amount with respect to such Committed Note Purchaser.

“Commitment Amount” means, (A) with respect to the APA Banks included in any CP Conduit Purchaser Group, an amount equal to 102% of the Maximum Purchaser Group Invested Amount with respect to such CP Conduit Purchaser Group or (B) with respect to any Non-Conduit Purchaser, an amount equal to the Maximum Purchaser Group Invested Amount with respect to such Non-Conduit Purchaser.

“Commitment Fee” is defined in Section 2.7(e).

“Commitment Fee Rate” is defined in the Fee Letter.

“Commitment Percentage” means, on any date of determination, with respect to any Purchaser Group, the ratio, expressed as a percentage, which such Purchaser Group’s Maximum Purchaser Group Invested Amount bears to the Class A Maximum Invested Amount on such date.

“Company indemnified person” is defined in Section 2.8.

“Conduit Assignee” means, with respect to any CP Conduit Purchaser, any commercial paper conduit administered by the Funding Agent with respect to such CP Conduit Purchaser and designated by such Funding Agent to accept an assignment from such CP Conduit Purchaser of the Purchaser Group Invested Amount or a portion thereof with respect to such CP Conduit Purchaser pursuant to Section 11.1(b).

“Confirmation Condition” means, with respect to any Bankrupt Manufacturer which is a debtor in Chapter 11 Proceedings, a condition that shall be satisfied upon the bankruptcy court having competent jurisdiction over such Chapter 11 Proceedings issuing an order that remains in effect approving (i) the assumption of such Bankrupt Manufacturer’s Manufacturer Program (and the related Assignment Agreements) by such Bankrupt Manufacturer or the trustee in bankruptcy of such Bankrupt Manufacturer under Section 365 of the Bankruptcy Code and at the time of such assumption, the payment of all amounts due and payable by such Bankrupt Manufacturer under such Manufacturer Program and the curing of all other defaults by the Bankrupt Manufacturer thereunder or (ii) the execution, delivery and performance by such Bankrupt Manufacturer of a new post-petition Manufacturer Program (and the related assignment agreements) on the same terms and covering the same Vehicles as such Bankrupt Manufacturer’s Manufacturer Program (and the related Assignment Agreements) in effect on the date such Bankrupt Manufacturer became subject to such Chapter 11 Proceedings and, at the time of the execution and delivery of such new post-petition Manufacturer Program, the payment of all amounts due and payable by such Bankrupt Manufacturer under such Manufacturer Program and the curing of all other defaults by the Bankrupt Manufacturer thereunder; provided that notwithstanding the foregoing, the Confirmation Condition shall be deemed satisfied until the 90th calendar day following the initial filing in respect of such Chapter 11 Proceedings.

“Consent” is defined in Article V.

“Consent Period Expiration Date” is defined in Article V.

“Contingent Monthly Funding Costs” means, with respect to each Series 2015-3 Interest Period and any Purchaser Group, the excess, if any, of (i) the Monthly Funding Costs of such Purchaser Group for such Series 2015-3 Interest Period over (ii) an amount equal to the sum for each day during such Series 2015-3 Interest Period of the product of (x) the Purchaser Group Invested Amount with respect to such Purchaser Group on such day and (y) the sum of the Applicable Margin with respect to the Floating Tranche on any date that an Amortization Event shall have occurred and be continuing and the rate appearing on Reuters Screen LIBOR01 Page (or any successor or substitute page of such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent or any Purchaser Group from time to time in accordance with its customary practices for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) for a term of thirty (30) days at approximately 11:00 a.m. (London time) on such day, or if such day is not a London Banking Day, the immediately preceding London Banking Day, divided by 360.

“Contingent Monthly Funding Costs Shortfall” is defined in Section 3.3(h).

“CP Conduit Funded Amount” means, with respect to any CP Conduit Purchaser Group for any day, the portion of the Purchaser Group Invested Amount with respect to such CP Conduit Purchaser Group funded by such CP Conduit Purchaser Group through the issuance of Commercial Paper outstanding on such day.

“CP Conduit Purchaser” means each commercial paper conduit listed on Schedule I or party to a Purchaser Group Supplement pursuant to which such commercial paper conduit became a party to this Supplement

“CP Conduit Purchaser Group” means, collectively, a CP Conduit Purchaser and the APA Banks with respect to such CP Conduit Purchaser.

“CP Rate Period” means, with respect to any CP Tranche, a period of days not to exceed 270 days commencing on a Business Day selected in accordance with Section 2.7(b); provided that (x) if a CP Rate Period would end on a day that is not a Business Day, such CP Rate Period shall end on the next succeeding Business Day and (y) during the Series 2015-3 Controlled Amortization Period and the Series 2015-3 Rapid Amortization Period, each CP Rate Period shall end on or prior to the next succeeding Distribution Date.

“CP Tranche” means, with respect to a Match Funding CP Conduit Purchaser, a portion of the CP Conduit Funded Amount with respect to such Match Funding CP Conduit Purchaser for which the Monthly Funding Costs with respect to such Match Funding CP Conduit Purchaser is calculated by reference to a particular Discount and a particular CP Rate Period.

“Credit Agreement” means the Fifth Amended and Restated Credit Agreement, dated as of February 13, 2018, among Avis Budget Holdings, LLC, as Borrower, ABCR, as Borrower, the subsidiary borrowers referred to therein, the several lenders referred to therein, JPMorgan Chase, as Administrative Agent, Deutsche Bank Securities Inc., as Syndication Agent, each of Citibank,

N.A., Bank of America, N.A., Barclays Bank PLC and Credit Agricole Corporate and Investment Bank, as Co-Documentation Agents, as amended, restated, modified, supplemented or waived from time to time in accordance with its terms.

“CRR” means Articles 404-410 of the Capital Requirements Regulation No. 575/2013 of the European Parliament and of the Council of 26 June 2013 and any related guidelines and regulatory technical standards or implementing technical standards published by the European Banking Authority and adopted by the European Commission.

“DBRS” means DBRS, Inc.

“DBRS Equivalent Rating” means, with respect to any Person not rated by DBRS, (i) if such Person is rated by all three of Moody’s, Standard & Poor’s and Fitch Ratings, Ltd. (together, the “Equivalent Rating Agencies”), either (A) if at least two Equivalent Rating Agencies have provided equivalent long-term senior unsecured debt ratings with respect to such Person, the DBRS equivalent of such equivalent ratings (regardless of any rating from the other Equivalent Rating Agency) or (B) otherwise, the median of the DBRS equivalents of the long-term senior unsecured debt ratings for such Person provided by each of the three Equivalent Rating Agencies, (ii) if such Person is rated by any two of the Equivalent Rating Agencies, the DBRS equivalent of the lower of the long-term senior unsecured debt ratings for such Person provided by the relevant Equivalent Rating Agencies or (iii) if such Person is rated by only one of the Equivalent Rating Agencies, the DBRS equivalent of the long-term senior unsecured debt rating for such Person provided by such Equivalent Rating Agency.

“DBRS Excluded Manufacturer Amount” means, as of any date of determination, an amount equal to the excess, if any, of (x) the sum of the following amounts with respect to each DBRS Non-Investment Grade Manufacturer as of such date: the product of (i) to the extent such amounts are included in the calculation of AESOP I Operating Lease Loan Agreement Borrowing Base as of such date, all amounts receivable as of such date by AESOP Leasing or the Intermediary from such DBRS Non-Investment Grade Manufacturer and (ii) the DBRS Excluded Manufacturer Receivable Specified Percentage for such DBRS Non-Investment Grade Manufacturer as of such date over (y) the sum of the following amounts with respect to each DBRS Non-Investment Grade Manufacturer as of such date: the product of (i) the aggregate Net Book Value of any Vehicles subject to a Manufacturer Program from such Manufacturer that have had a Turnback Date but for which (A) AESOP Leasing or its Permitted Nominee continues to be named as the owner of the Vehicle on the Certificate of Title for such Vehicle and (B) AESOP Leasing or its agent continues to hold the Certificate of Title for such Vehicle and (ii) the DBRS Turnback Vehicle Specified Percentage for such DBRS Non-Investment Grade Manufacturer as of such date.

“DBRS Excluded Manufacturer Receivable Specified Percentage” means, as of any date of determination, with respect to each DBRS Non-Investment Grade Manufacturer as of such date, the percentage (not to exceed 100%) most recently specified in writing by DBRS to ABRCF and the Trustee and consented to by the Requisite Noteholders with respect to such DBRS Non-Investment Grade Manufacturer; provided, however, that as of the A&R Effective Date the DBRS Excluded Manufacturer Receivable Specified Percentage for each DBRS Non-Investment Grade Manufacturer shall be 100%; provided, further, that the initial DBRS Excluded Manufacturer

Receivable Specified Percentage with respect to any Manufacturer that becomes a DBRS Non-Investment Grade Manufacturer after the A&R Effective Date shall be 100%.

“DBRS Non-Investment Grade Manufacturer” means, as of any date of determination, any Manufacturer that (i) is not a Bankrupt Manufacturer and (ii) does not have a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) of at least “BBB (low)”; provided that any Manufacturer whose long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, its DBRS Equivalent Rating) is downgraded from at least “BBB (low)” to below “BBB (low)” after the A&R Effective Date shall not be deemed a DBRS Non-Investment Grade Manufacturer until the thirtieth (30th) calendar day following such downgrade.

“DBRS Turnback Vehicle Specified Percentage” means, as of any date of determination: (i) with respect to each Manufacturer that has a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) on such date of determination of at least “BB (low)” but less than “BBB (low)”, 65%; (ii) with respect to each Manufacturer that has a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) on such date of determination of at least “B (low)” but less than “BB (low)”, 25%; and (iii) with respect to each Manufacturer that has a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) on such date of determination of “CCC (high)” or below (or is not rated by DBRS or any Equivalent Rating Agency on such date of determination), 0%; provided that any Manufacturer whose long-term senior unsecured debt rating from DBRS is downgraded after the A&R Effective Date (or, if such Manufacturer is not rated by DBRS, its DBRS Equivalent Rating is lowered as a result of such Manufacturer being downgraded by an Equivalent Rating Agency after the A&R Effective Date) shall be deemed to retain its long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, its DBRS Equivalent Rating) in effect immediately prior to such downgrade until the thirtieth (30th) calendar day following such downgrade.

“Decrease” is defined in Section 2.5(a).

“Deferrable Increase Notice” means a notice of Increase that provides that a Delayed Funding Notice may be provided by any Purchaser Group with respect to such Increase in accordance with Section 2.3(e).

“Delayed Amount” is defined in Section 2.3(e).

“Delayed Funding Date” is defined in Section 2.3(e).

“Delayed Funding Notice” is defined in Section 2.3(e).

“Delayed Funding Purchaser Group” is defined in Section 2.3(e).

“Delayed Funding Reimbursement Amount” means, with respect to any Delayed Amount of a Delayed Funding Purchaser Group funded by Non-Delayed Funding Purchaser Groups

on an Increase Date, an amount equal to the excess, if any, of (a) such Delayed Amount over (b) the amount, if any, by which the portion of any principal payment made by ABRCF to such Non-Delayed Funding Purchaser Group pursuant to Section 2.5, Section 2.6 or Section 3.5 on any date during the period from and including such Increase Date to but excluding the Delayed Funding Date for such Delayed Amount, was greater than what it would have been had such Delayed Amount been funded by such Delayed Funding Purchaser Group on such Increase Date.

“Demand Note Issuer” means each issuer of a Series 2015-3 Demand Note.

“Demand Note Preference Payment Amount” means, as of any day, (i) the aggregate amount of all proceeds of demands made on the Series 2015-3 Demand Notes pursuant to Section 3.5(c)(iii) or 3.5(d)(ii) that were deposited into the Series 2015-3 Distribution Account and paid to the Series 2015-3 Noteholders during the one-year period ending on such day; provided, however, that if an Event of Bankruptcy (or the occurrence of an event described in clause (a) of the definition thereof, without the lapse of a period of 60 consecutive days) with respect to a Demand Note Issuer shall have occurred during such one-year period, the Demand Note Preference Payment Amount as of such day shall equal the Demand Note Preference Payment Amount as if it were calculated as of the date of such occurrence minus (ii) the aggregate amount withdrawn from the Series 2015-3 Reserve Account or the Series 2015-3 Cash Collateral Account and paid to a Funding Agent pursuant to Section 3.7(e) on account of a Preference Amount.

“Designated Amounts” is defined in Article V.

“Disbursement” means any Lease Deficit Disbursement, any Unpaid Demand Note Disbursement, any Termination Date Disbursement or any Termination Disbursement under a Series 2015-3 Letter of Credit, or any combination thereof, as the context may require.

“Discount” means, (a) with respect to any Match Funding CP Conduit Purchaser, the interest or discount component of the Commercial Paper issued by, or for the benefit of, such Match Funding CP Conduit Purchaser to fund or maintain the CP Conduit Funded Amount with respect to such Match Funding CP Conduit Purchaser, including an amount equal to the portion of the face amount of the outstanding Commercial Paper issued to fund or maintain the CP Conduit Funded Amount with respect to such CP Conduit Purchaser that corresponds to the portion of the proceeds of such Commercial Paper that was used to pay the interest or discount component of maturing Commercial Paper issued to fund or maintain such CP Conduit Funded Amount, to the extent that such CP Conduit Purchaser has not received payments of interest in respect of such interest component prior to the maturity date of such maturing Commercial Paper, and including the portion of such interest or discount component constituting dealer or placement agent commissions and (b) with respect to any Pooled Funding CP Conduit Purchaser, the amount of interest or discount to accrue on or in respect of the Commercial Paper issued by, or for the benefit of, such Pooled Funding CP Conduit Purchaser allocated, in whole or in part, by the Funding Agent with respect to such Pooled Funding CP Conduit Purchaser, to fund the purchase or maintenance of the CP Conduit Funded Amount with respect to such Pooled Funding CP Conduit Purchaser (including, without limitation, any interest attributable to the commissions of placement agents and dealers in respect of such Commercial Paper and any costs associated with funding small or odd-

lot amounts, to the extent that such commissions or costs are allocated, in whole or in part, to such Commercial Paper by such Funding Agent).

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

“EEA Member Country” means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

“EEA Resolution Authority” means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

“Effective Date” is defined in Section 6.1.

“Eligible Assignee” means a financial institution having short-term debt ratings of at least “A-1” from Standard & Poor’s and “P-1” from Moody’s.

“EU Bail-In Legislation Schedule” means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

“Eurodollar Period” means, with respect to any Eurodollar Tranche and any CP Conduit Purchaser Group:

(a) initially, the period commencing on the Series 2015-3 Closing Date, the Increase Date or a conversion date, as the case may be, with respect to such Eurodollar Tranche and ending one month thereafter (or such other period which is acceptable to the Funding Agent with respect to such CP Conduit Purchaser Group and which in no event will be less than 7 days); and

(b) thereafter, each period commencing on the last day of the immediately preceding Eurodollar Period applicable to such Eurodollar Tranche and ending one month thereafter (or such other period which is acceptable to the Funding Agent with respect to such CP Conduit Purchaser Group and which in no event will be less than 7 days);

provided that all Eurodollar Periods must end on the next Distribution Date and all of the foregoing provisions relating to Eurodollar Periods are subject to the following:

(i) if any Eurodollar Period would otherwise end on a day that is not a Business Day, such Eurodollar Period shall be extended to the next succeeding Business Day unless the result of such extension would be to carry such Eurodollar Period into another calendar month, in which event such Eurodollar Period shall end on the immediately preceding Business Day; and

(ii) any Eurodollar Period that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Eurodollar Period) shall end on the last Business Day of the calendar month at the end of such Eurodollar Period.

“Eurodollar Tranche” means, with respect to any CP Conduit Purchaser Group, a portion of the APA Bank Funded Amount with respect to such CP Conduit Purchaser Group allocated to a particular Eurodollar Period and an Adjusted LIBO Rate determined by reference thereto.

“Excess Collections” is defined in Section 3.3(e)(i).

“Excluded Taxes” means, with respect to the Administrative Agent, any Non-Conduit Purchaser, any CP Conduit Purchaser, any Committed Note Purchaser, any APA Bank, any Funding Agent, any Program Support Provider or any other recipient of any payment to be made by or on account of any obligation of ABRCF hereunder, (a) income or franchise taxes imposed on (or measured by) its net income by the United States of America or by any other Governmental Authority, in each case, as a result of a present or former connection between the United States of America or the jurisdiction of such Governmental Authority imposing such tax, as the case may be, and the Administrative Agent, such Non-Conduit Purchaser, such CP Conduit Purchaser, such Committed Note Purchaser, such APA Bank, such Funding Agent, such Program Support Provider or any other such recipient (except a connection arising solely from the Administrative Agent’s, such Non-Conduit Purchaser’s, such CP Conduit Purchaser’s, such Committed Note Purchaser’s, such APA Bank’s, such Program Support Provider’s or such recipient’s having executed, delivered or performed its obligations hereunder, receiving a payment hereunder or enforcing the Series 2015-3 Notes) and (b) any branch profits tax imposed by the United States of America or any similar tax imposed by any other jurisdiction in which ABRCF is located (except any such branch profits or similar tax imposed as a result of a connection with the United States of America or other jurisdiction as a result of a connection arising solely from the Administrative Agent’s, such Non-Conduit Purchaser’s, such CP Conduit Purchaser’s, such Committed Note Purchaser’s, such APA Bank’s, such Program Support Provider’s or such recipient’s having executed, delivered or performed its obligations hereunder, receiving a payment hereunder or enforcing the Series 2015-3 Notes).

“Expiry Date” means, with respect to any Purchaser Group, the earlier of (a) the Scheduled Expiry Date with respect to such Purchaser Group and (b) the date on which an Amortization Event with respect to the Series 2015-3 Notes shall have been declared or automatically occurred.

“Extending Purchaser Group” means a Purchaser Group other than a Non-Extending Purchaser Group.

“FATCA” shall mean The Foreign Account Tax Compliance Act as contained in Sections 1471 through 1474 of the Code, as amended, along with any regulations or official interpretations thereof and any agreement (including any intergovernmental agreement or any law implementing such intergovernmental agreement) entered into in connection therewith.

“Federal Funds Effective Rate” means, for any day, the weighted average (rounded upwards, if necessary, to the next 1/100 of 1%) of the rates on overnight Federal funds transactions with members of the Federal Reserve System arranged by Federal funds brokers, as published on the next succeeding Business Day by the Federal Reserve Bank of New York, or, if such rate is not so published for any day that is a Business Day, the average (rounded upwards, if necessary, to the next 1/100 of 1%) of the quotations for such day of such transactions received by the Administrative Agent from three Federal funds brokers of recognized standing selected by it.

“Fee Letter” means the letter dated the A&R Effective Date, from ABRCF addressed to the Administrative Agent, each Non-Conduit Purchaser and each of the CP Conduit Purchasers, the Funding Agents and the APA Banks, setting forth certain fees payable from time to time to the Purchaser Groups, as such letter may be amended or replaced from time to time.

“Finance Guide” means the Black Book Official Finance/Lease Guide.

“Fitch” means Fitch Ratings, Inc.

“Floating Tranche” means, with respect to any CP Conduit Purchaser Group, the portion of the APA Bank Funded Amount with respect to such CP Conduit Purchaser Group not allocated to a Eurodollar Tranche.

“Funding Agent” means, with respect to each CP Conduit Purchaser and its CP Conduit Purchaser Group, the agent bank set forth opposite the name of such CP Conduit Purchaser on Schedule I or in the Purchaser Group Supplement pursuant to which such CP Conduit Purchaser became a party to this Supplement.

“Inclusion Date” means, with respect to any Vehicle, the date that is three months after the earlier of (i) the date such Vehicle became a Redesignated Vehicle and (ii) if the Manufacturer of such Vehicle is a Bankrupt Manufacturer, the date upon which the Event of Bankruptcy which caused such Manufacturer to become a Bankrupt Manufacturer first occurred.

“Increase” is defined in Section 2.3(a).

“Increase Amount” is defined in Section 2.3(a).

“Increase Date” is defined in Section 2.3(a).

“Indemnified Taxes” means Taxes other than Excluded Taxes.

“Interest Rate Cap Counterparty” means ABRCF’s counterparty under a Series 2015-3 Interest Rate Cap.

“JPMorgan Chase” is defined in the recitals hereto.

“Lease Deficit Disbursement” means an amount drawn under a Series 2015-3 Letter of Credit pursuant to a Certificate of Lease Deficit Demand.

“LIBO Rate” means, (i) the greater of 0% and (ii) (a) with respect to each day during each Eurodollar Period pertaining to a Eurodollar Tranche, the rate appearing on Reuters Screen LIBOR01 Page (or on any successor or substitute page of such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent from time to time in accordance with its customary practices for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) at approximately 11:00 a.m. (London time) on the second London Banking Day prior to the commencement of such Eurodollar Period, as the rate for dollar deposits with a maturity comparable to the Eurodollar Period applicable to such Eurodollar Tranche, (b) other than with respect to a LIBOR Funding CP Conduit Purchaser, with respect to each day during a Series 2015-3 Interest Period the rate appearing on Reuters Screen LIBOR01 Page (or on any successor or substitute page of such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by the Administrative Agent or any Funding Agent with respect to any Non-Conduit Purchaser, as applicable, from time to time in accordance with its customary practices for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) for a term of thirty (30) days at approximately 11:00 a.m. (London time) on such day, or if such day is not a London Banking Day, the immediately preceding London Banking Day or (c) with respect to a LIBOR Funding CP Conduit Purchaser and each day during a Series 2015-3 Interest Period the rate appearing on Reuters Screen LIBOR01 Page (or on any successor or substitute page of such service, providing rate quotations comparable to those currently provided on such page of such service, as determined by such LIBOR Funding CP Conduit Purchaser, from time to time in accordance with its customary practices for purposes of providing quotations of interest rates applicable to dollar deposits in the London interbank market) for a term of three months at approximately 11:00 a.m. (London time) on such day, or if such day is not a London Banking Day, the immediately preceding London Banking Day; provided, however, that a Non-Conduit Purchaser may in its sole discretion, but only to the extent it is in accordance with its customary practices, determine the daily LIBO Rate for a period not to exceed seven days on the first day of such period (or, if such day is not a London Banking Day, the immediately preceding London Banking Day) in accordance with the procedure set forth above; provided, further that if a Funding Agent with respect to a LIBOR Funding CP Conduit Purchaser is for any reason unable to determine the LIBO Rate in the foregoing manner, the LIBO Rate for such day shall be the Alternate Base Rate for such day.

“LIBOR Funding CP Conduit Purchaser” means each CP Conduit Purchaser that is designated as such on Schedule I or in the Purchaser Group Supplement pursuant to which such CP Conduit Purchaser became a party to this Supplement.

“LOC Pro Rata Share” means, with respect to any Series 2015-3 Letter of Credit Provider as of any date, the fraction (expressed as a percentage) obtained by dividing (A) the available amount under such Series 2015-3 Letter of Credit Provider’s Series 2015-3 Letter of Credit as of such date by (B) an amount equal to the aggregate available amount under all Series 2015-3 Letters of Credit as of such date; provided that only for purposes of calculating the LOC Pro Rata Share with respect to any Series 2015-3 Letter of Credit Provider as of any date, if such Series 2015-3 Letter of Credit Provider has not complied with its obligation to pay the Trustee the amount of any draw under its Series 2015-3 Letter of Credit made prior to such date, the available amount under such Series 2015-3 Letter of Credit Provider’s Series 2015-3 Letter of Credit as of such date

shall be treated as reduced (for calculation purposes only) by the amount of such unpaid demand and shall not be reinstated for purposes of such calculation unless and until the date as of which such Series 2015-3 Letter of Credit Provider has paid such amount to the Trustee and been reimbursed by the Lessee or the applicable Demand Note Issuer, as the case may be, for such amount (provided that the foregoing calculation shall not in any manner reduce the undersigned's actual liability in respect of any failure to pay any demand under its Series 2015-3 Letter of Credit).

"London Banking Day" means any business day on which dealings in deposits in United States dollars are transacted in the London interbank market.

"Market Value Average" means, as of any day, the percentage equivalent of a fraction, the numerator of which is the average of the Selected Fleet Market Value as of the preceding Determination Date and the two Determination Dates precedent thereto and the denominator of which is the sum of (a) the average of the aggregate Net Book Value of all Non-Program Vehicles (excluding (i) any Unaccepted Program Vehicles, (ii) any Excluded Redesignated Vehicles and (iii) any other Non-Program Vehicles that are subject to a Manufacturer Program with an Eligible Non-Program Manufacturer with respect to which no Manufacturer Event of Default has occurred and is continuing) and (b) the average of the aggregate Adjusted Net Book Value of all Adjusted Program Vehicles, in the case of each of clause (a) and (b) leased under the AESOP I Operating Lease and the Finance Lease as of the preceding Determination Date and the two Determination Dates precedent thereto.

"Match Funding CP Conduit Purchaser" means each CP Conduit Purchaser that is designated as such on Schedule I (or in the Purchaser Group Supplement pursuant to which such CP Conduit Purchaser became a party to this Supplement) or that, after the Series 2015-3 Closing Date, notifies ABRCF and the Administrative Agent in accordance with Section 2.7(d) in writing that it is funding its CP Conduit Funded Amount with Commercial Paper issued by it, or for its benefit, in specified CP Tranches selected in accordance with Sections 2.7(b) and (c) and that, in each case, has not subsequently notified ABRCF and the Administrative Agent in writing that ABRCF will no longer be permitted to select CP Tranches in accordance with Sections 2.7(b) and (c) in respect of the CP Conduit Funded Amount with respect to such CP Conduit Purchaser.

"Maximum Purchaser Group Invested Amount" means, with respect to (a) any CP Conduit Purchaser Group, the amount set forth opposite the name of the CP Conduit Purchaser included in such CP Conduit Purchaser Group on Schedule I or in the Purchaser Group Supplement pursuant to which such CP Conduit Purchaser Group became a party to this Supplement or (b) any Non-Conduit Purchaser Group, the amount set forth opposite the name of such Non-Conduit Purchaser Group on Schedule I or in the Purchaser Group Supplement pursuant to which such Non-Conduit Purchaser Group became a party to this Supplement, in each case, as such amount may be increased or reduced from time to time as provided in Section 2.6. The Maximum Purchaser Group Invested Amount with respect to each Non-Extending Purchaser Group shall be reduced to zero on the Scheduled Expiry Date with respect to such Purchaser Group.

"Monthly Funding Costs" means, with respect to each Series 2015-3 Interest Period and:

(a) any CP Conduit Purchaser Group, the sum of:

(i) for each day during such Series 2015-3 Interest Period, (A) with respect to a Match Funding CP Conduit Purchaser, the aggregate amount of Discount accruing on all outstanding Commercial Paper issued by, or for the benefit of, such Match Funding CP Conduit Purchaser to fund the CP Conduit Funded Amount with respect to such Match Funding CP Conduit Purchaser on such day, (B) with respect to a Pooled Funding CP Conduit Purchaser, the aggregate amount of Discount accruing on or otherwise in respect of the Commercial Paper issued by, or for the benefit of, such Pooled Funding CP Conduit Purchaser allocated, in whole or in part, by the Funding Agent with respect to such Pooled Funding CP Conduit Purchaser, to fund the purchase or maintenance of the CP Conduit Funded Amount with respect to such Pooled Funding CP Conduit Purchaser or (C) with respect to a LIBOR Funding CP Conduit Purchaser, the product of (x) the CP Conduit Funded Amount with respect to such CP Conduit Purchaser Group on such day *times* (y) the LIBO Rate for such day, *divided* by (z) 360; *plus*

(ii) for each day during such Series 2015-3 Interest Period, the sum of:

(A) the product of (I) the portion of the APA Bank Funded Amount with respect to such CP Conduit Purchaser Group allocated to the Floating Tranche with respect to such CP Conduit Purchaser Group on such day *times* (II) the Alternate Base Rate *plus* the Applicable Margin on such day, *divided* by (III) 365 (or 366, as the case may be) *plus*

(B) the product of (I) the portion of the APA Bank Funded Amount with respect to such CP Conduit Purchaser Group allocated to Eurodollar Tranches with respect to such CP Conduit Purchaser Group on such day *times* (II) the weighted average Adjusted LIBO Rate with respect to such Eurodollar Tranches *plus* the Applicable Margin on such day in effect with respect thereto *divided* by (III) 360; *plus*

(iii) for each day during such Series 2015-3 Interest Period, the product of (A) the CP Conduit Funded Amount with respect to such CP Conduit Purchaser Group on such day *times* (B) the Program Fee Rate on such day *divided* by (C) 360; or

(b) any Non-Conduit Purchaser Group, the sum for each day during such Series 2015-3 Interest Period of the product of (i) the Purchaser Group Invested Amount with respect to such Non-Conduit Purchaser Group on such day *times* (ii) the sum of (A) the LIBO Rate with respect to such day and (B) either (1) the Program Fee Rate on such day or (2) in accordance with the terms of Section 2.7(h), the Applicable Margin with respect to any Eurodollar Tranche on such day, as applicable, *divided* by (iii) 360; provided, however, that if (x) any Change in Law shall make it unlawful for any Non-Conduit Purchaser Group to fund its Purchaser Group Invested Amount at the LIBO Rate, (y) the Administrative Agent or any Non-Conduit Purchaser determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the LIBO Rate or (z) any Non-Conduit Purchaser determines that the LIBO Rate will not adequately and fairly reflect the cost to such Non-Conduit Purchaser of funding the

Purchaser Group Invested Amount with respect to its Related Purchaser Group, and in each such case such Non-Conduit Purchaser Group shall have notified the Administrative Agent in writing thereof (and not subsequently notified the Administrative Agent such circumstances no longer exist), the amount of Monthly Funding Costs for each day with respect to such Non-Conduit Purchaser Group will be calculated using the sum of (1) the Alternate Base Rate and (2) the Program Fee Rate or, if the Applicable Margin with respect to any Eurodollar Tranche would otherwise be used in clause (ii) above in this clause (b), the Applicable Margin with respect to any Floating Tranche, on such day in such clause (ii) (rather than the sum of (1) the LIBO Rate and (2) the Program Fee Rate or the Applicable Margin with respect to any Eurodollar Tranche, as applicable); provided further that, notwithstanding anything herein to the contrary, on any day on which an Amortization Event shall have occurred and be continuing, the amount of Monthly Funding Costs for such day with respect to such Non-Conduit Purchaser will be calculated using the sum of (1) the Alternate Base Rate for such day and (2) the Applicable Margin with respect to any Floating Tranche on such day (rather than the sum of (1) the LIBO Rate and (2) the Program Fee Rate or the Applicable Margin with respect to any Eurodollar Tranche, as applicable).”

“Monthly Total Principal Allocation” means for any Related Month the sum of all Series 2015-3 Principal Allocations with respect to such Related Month.

“Moody’s” means Moody’s Investors Service, Inc.

“Non-Conduit Purchaser” means each financial institution or other entity (other than a commercial paper conduit, APA Bank or Funding Agent) listed on Schedule I or party to a Purchaser Group Supplement pursuant to which such financial institution or entity became a party to this Supplement.

“Non-Conduit Purchaser Group” means a Non-Conduit Purchaser.

“Non-Conduit Purchaser Participants” is defined in Section 11.1(f).

“Non-Deferrable Draw Amount” means, with respect to any Purchaser Group as of any Increase Date, an amount equal to the lesser of (i) the excess, if any, of (x) 10% of the Maximum Purchaser Group Invested Amount with respect to such Purchaser Group over (y) the portion of any Increase Amounts funded by such Purchaser Group during the preceding thirty-five (35) days pursuant to a Non-Deferrable Increase Notice or, to the extent of any decrease pursuant to Section 2.3(e) in the Delayed Amount set forth in a Delayed Funding Notice delivered by such Purchaser Group, a Deferrable Increase Notice and (ii) the excess, if any, of (x) the Maximum Purchaser Group Invested Amount with respect to such Purchaser Group over (y) the sum of (1) the Purchaser Group Invested Amount with respect to such Purchaser Group and (2) any unfunded Delayed Amounts with respect to such Purchaser Group, in each case as of such Increase Date.

“Non-Deferrable Increase Notice” means a notice of Increase that provides that a Delayed Funding Notice may not be provided by any Purchaser Group with respect to such Increase in accordance with Section 2.3(e).

“Non-Delayed Funding Purchaser Group” is defined in Section 2.3(f).

“Non-Extending Purchaser Group” means any Purchaser Group who shall not have agreed to an extension of its Scheduled Expiry Date pursuant to Section 2.6(b).

“Optional Termination Date” is defined in Section 2.5(b).

“Optional Termination Notice” is defined in Section 2.5(b).

“Other Taxes” means any and all current or future stamp or documentary taxes or other excise or property taxes, charges or similar levies arising from any payment made under this Supplement, the Base Indenture, or any Related Documents or from the execution, delivery or enforcement of, or otherwise with respect to, this Supplement, the Base Indenture or any Related Document.

“Outstanding” means, with respect to the Series 2015-3 Notes, the Series 2015-3 Invested Amount shall not have been reduced to zero and all accrued interest and other amounts owing on the Series 2015-3 Notes and to the Administrative Agent, the Funding Agents, the CP Conduit Purchasers, the Committed Note Purchasers, the APA Banks and the Non-Conduit Purchasers hereunder shall not have been paid in full.

“Past Due Rent Payment” is defined in Section 3.2(g).

“Patriot Act” is defined in Section 11.25.

“Permitted Investments” means negotiable instruments or securities maturing on or before the Distribution Date next occurring after the investment therein, payable in Dollars, issued by an entity organized under the laws of the United States of America and represented by instruments in bearer or registered or in book-entry form which evidence (i) obligations the full and timely payment of which are to be made by or is fully guaranteed by the United States of America other than financial contracts whose value depends on the values or indices of asset values; (ii) demand deposits of, time deposits in, or certificates of deposit issued by, any depository institution or trust company incorporated under the laws of the United States of America or any state thereof whose short-term debt is rated “P-1” by Moody’s and “A-1” or higher by Standard & Poor’s and subject to supervision and examination by Federal or state banking or depository institution authorities; provided, however, that at the earlier of (x) the time of the investment and (y) the time of the contractual commitment to invest therein, the certificates of deposit or short-term deposits, if any, or long-term unsecured debt obligations (other than such obligation whose rating is based on collateral or on the credit of a Person other than such institution or trust company) of such depository institution or trust company shall have a credit rating from Standard & Poor’s of “A-1+”, in the case of certificates of deposit or short-term deposits, or a rating from Standard & Poor’s not lower than “AA”, in the case of long-term unsecured debt obligations; (iii) commercial paper having, at the earlier of (x) the time of the investment and (y) the time of the contractual commitment to invest therein, a rating from Standard & Poor’s of “A-1+” and a rating from Moody’s of “P-1”; (iv) bankers’ acceptances issued by any depository institution or trust company described in clause (ii) above; (v) investments in money market funds (x) rated “AAM” by Standard & Poor’s or otherwise approved in writing by Standard & Poor’s and (y) rated “Aaa” by Moody’s or otherwise approved in writing by Moody’s; (vi) Eurodollar time deposits having a credit rating from Standard & Poor’s of “A-1+”

and a credit rating from Moody's of at least "A3" or "P-1"; (vii) repurchase agreements involving any of the Permitted Investments described in clauses (i) and (vi) above and the certificates of deposit described in clause (ii) above which are entered into with a depository institution or trust company, having a commercial paper or short-term certificate of deposit rating of "A-1+" by Standard & Poor's and "P-1" by Moody's or which otherwise is approved as to collateralization by the Rating Agencies; and (viii) any other instruments or securities, if the Rating Agencies confirm in writing that the investment in such instruments or securities will not adversely affect any rating with respect to the Series 2015-3 Notes and, so long as Standard & Poor's and/or Moody's rates the Commercial Paper issued by any CP Conduit Purchaser, Standard & Poor's and/or Moody's, as applicable, confirms in writing that the investment in such instruments or securities will not adversely affect any rating of the Commercial Paper issued by any CP Conduit Purchaser whose Commercial Paper is rated by Standard & Poor's or Moody's, as applicable, at such time.

"Pooled Funding CP Conduit Purchaser" means each CP Conduit Purchaser that is not (x) a Match Funding CP Conduit Purchaser (or that was a Match Funding Conduit Purchaser and that, after the Series 2015-3 Closing Date, notifies ABRCF and the Administrative Agent in accordance with Section 2.7(d) in writing that ABRCF may no longer be permitted to select CP Tranches in respect to the CP Conduit Funded Amount with respect to such CP Conduit Purchaser) or (y) a LIBOR Funding CP Conduit Purchaser.

"Preference Amount" means any amount previously distributed to a member or members of a Purchaser Group on or relating to a Series 2015-3 Note that is recoverable or that has been recovered as a voidable preference by the trustee in a bankruptcy proceeding of a Demand Note Issuer pursuant to the Bankruptcy Code in accordance with a final nonappealable order of a court having competent jurisdiction.

"Pre-Preference Period Demand Note Payments" means, as of any date of determination, the aggregate amount of all proceeds of demands made on the Series 2015-3 Demand Notes included in the Series 2015-3 Demand Note Payment Amount as of the Series 2015-3 Letter of Credit Termination Date that were paid by the Demand Note Issuers more than one year before such date of determination; provided, however, that if an Event of Bankruptcy (or the occurrence of an event described in clause (a) of the definition thereof, without the lapse of a period of 60 consecutive days) with respect to a Demand Note Issuer occurs during such one-year period, (x) the Pre-Preference Period Demand Note Payments as of any date during the period from and including the date of the occurrence of such Event of Bankruptcy to and including the conclusion or dismissal of the proceedings giving rise to such Event of Bankruptcy without continuing jurisdiction by the court in such proceedings shall equal the Pre-Preference Period Demand Note Payments as of the date of such occurrence and (y) the Pre-Preference Period Demand Note Payments as of any date after the conclusion or dismissal of such proceedings shall equal the Series 2015-3 Demand Note Payment Amount as of the date of the conclusion or dismissal of such proceedings.

"Pricing Increase Notice" is defined in Section 2.7(h).

"Pricing Increase Rescission" is defined in Section 2.7(h).

“Prime Rate” means the rate of interest per annum publicly announced from time to time by JPMorgan Chase as its prime rate in effect at its principal office in New York City. Each change in the Prime Rate shall be effective from and including the date such change is publicly announced as being effective.

“Principal Deficit Amount” means, on any date of determination, the excess, if any, of (i) the Class A Invested Amount on such date (after giving effect to the distribution of the Monthly Total Principal Allocation for the Related Month if such date is a Distribution Date) over (ii) the sum of (a) the Series 2015-3 AESOP I Operating Lease Loan Agreement Borrowing Base and (b) the Series 2015-3 VFN Percentage of the excess, if any, of (1) the AESOP II Loan Agreement Borrowing Base over (2) the AESOP II DBRS Excluded Manufacturer Amount on such date.

“Pro Rata Share” means, with respect to any Purchaser Group, on any date, the ratio, expressed as a percentage, which the Purchaser Group Invested Amount with respect to such Purchaser Group bears to the Class A Invested Amount on such date.

“Program Fee Rate” is defined in the Fee Letter.

“Program Support Provider” means, with respect to any CP Conduit Purchaser, the APA Bank with respect to such CP Conduit Purchaser and any other or additional Person now or hereafter extending credit, or having a commitment to extend credit to or for the account of, or to make purchases from, such CP Conduit Purchaser or issuing a letter of credit, surety bond or other instrument to support any obligations arising under or in connection with such CP Conduit Purchaser’s securitization program.

“Purchase Effective Date” is defined in Section 2.6(d).

“Purchaser Group” means a CP Conduit Purchaser Group or a Non-Conduit Purchaser Group.

“Purchaser Group Addition Date” is defined in Section 2.6(e).

“Purchaser Group Increase Amount” means, with respect to any Purchaser Group, for any Business Day, such Purchaser Group’s Commitment Percentage of the Increase Amount with respect to the Class A Notes, if any, on such Business Day.

“Purchaser Group Invested Amount” means, with respect to any Purchaser Group, (a) when used with respect to the A&R Effective Date, such Purchaser Group’s Commitment Percentage of the Class A Initial Invested Amount and (b) when used with respect to any other date, an amount equal to (i) the Purchaser Group Invested Amount with respect to such Purchaser Group on the immediately preceding Business Day plus (ii) the Purchaser Group Increase Amount with respect to such Purchaser Group on such date minus (iii) the amount of principal payments made to such Purchaser Group pursuant to Section 3.5(f) on such date plus (iv) the amount of principal payments recovered from such Purchaser Group by a trustee as a preference payment in a bankruptcy proceeding of a Demand Note Issuer or otherwise. For the avoidance of doubt, (x) so long as any Purchaser Group has failed to fund any portion of its Purchaser Group Increase Amount with respect

to any Increase Date (including any Delayed Amount), such unfunded amount shall not be included in the Purchaser Group Invested Amount for such Purchaser Group unless and until such amount has been funded (including by Funding any Delayed Funding Reimbursement Amount, if applicable) and (y) any Delayed Amounts funded on an Increase Date by a Non-Delayed Funding Purchaser Group shall be included in the Purchaser Group Invested Amount for such Non-Delayed Funding Purchaser Group until the related Delayed Funding Reimbursement Amount has been funded.

“Purchaser Group Supplement” is defined in Section 11.1(e).

“Qualified Interest Rate Cap Counterparty” means a counterparty to a Series 2015-3 Interest Rate Cap that is a bank, other financial institution or Person which has, or has all of its obligations under its Series 2015-3 Interest Rate Cap guaranteed by a Person that has a long-term senior, unsecured debt, deposit, claims paying or credit (as the case may be) rating of at least “BBB” from DBRS, a long-term senior unsecured debt, deposit, claims paying or credit (as the case may be) rating of at least “Baa2” from Moody’s or a long-term senior unsecured debt, deposit, claims paying or credit (as the case may be) rating of at least “BBB” from Standard & Poor’s.

“Record Date” means, with respect to each Distribution Date, the immediately preceding Business Day.

“Reference Banks” means four major banks in the London interbank market selected by the Administrative Agent.

“Related Additional APA Banks” is defined in Section 2.6(e).

“Related Non-Conduit Purchaser” means, with respect to any Non-Conduit Purchaser Group, the Non-Conduit Purchaser that constitutes such Non-Conduit Purchaser Group.

“Related Purchaser Group” means, with respect to (a) any Funding Agent, the CP Conduit Purchaser identified next to such Funding Agent on Schedule I and each APA Bank identified on Schedule I next to such CP Conduit Purchaser or the CP Conduit Purchaser and APA Bank party to the Purchaser Group Supplement pursuant to which such Funding Agent became a party to this Supplement, (b) any CP Conduit Purchaser, the CP Conduit Purchaser Group of which such CP Conduit Purchaser is a member and (c) any Non-Conduit Purchaser, the Non-Conduit Purchaser Group that such Non-Conduit Purchaser constitutes.

“Replacement Credit Agreement” means any credit agreement or similar facility entered into by Avis Budget Holdings, LLC, ABCR and/or any affiliate of either entity, that refinances or replaces the Credit Agreement, as such Replacement Credit Agreement may be amended, restated, modified, supplemented or waived from time to time in accordance with its terms.

“Requisite Noteholders” means Purchaser Groups having Commitment Percentages aggregating more than 50% (or if all Commitments have terminated, Purchaser Groups whose aggregate Purchaser Group Invested Amounts exceed 50% of the Series 2015-3 Invested Amount); provided, however, that on any date on which there are fewer than three Purchaser Groups (solely

for the purposes of this proviso, Purchaser Groups members of which are Affiliates of members of another Purchaser Group shall be deemed to be one Purchaser Group), “Requisite Noteholders” shall mean all Purchaser Groups, collectively.

“Retained Interest” means a material net economic interest, initially held in the form of a first loss position represented by the Administrator’s indirect ownership of 100% of the outstanding membership interests in ABRCE, AESOP Leasing and AESOP Leasing II and the associated indirect rights to residual cash flow under Section 3.2(f), in an initial amount of not less than 5% of the sum of (x) the AESOP I Operating Lease Loan Agreement Borrowing Base and (y) the AESOP II Loan Agreement Borrowing Base in accordance with the CRR.

“Retention Test” means a test that will be satisfied if as of (x) the A&R Effective Date, the Class R Initial Invested Amount equals or exceeds 5.21% of the Series 2015-3 Invested Amount (after giving effect to the funding of the Class A Notes and the Class R Notes on the Series 2015-3 Closing Date) and (y) any Increase Date, the Class R Invested Amount equals or exceeds the higher of (1) 5.21% of the Series 2015-3 Invested Amount (after giving effect to the funding of Class A Notes and Class R Notes on such Increase Date) and (2) the amount determined by the Administrator that is required to maintain compliance with the U.S. Risk Retention Rules.

“Sanctions” means all economic or financial sanctions or trade embargoes imposed, administered or enforced from time to time by (a) the U.S. government, including those administered by the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State, or (b) the United Nations Security Council, the European Union, any European Union member state, Her Majesty’s Treasury of the United Kingdom or other relevant sanctions authority.

“Sanctioned Country” means at any time, a country, region or territory which is itself the subject or target of any Sanctions (including, as of August 16, 2018, Crimea, Cuba, Iran, North Korea and Syria).

“Sanctioned Person” means at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. Department of State, or by the United Nations Security Council, the European Union, any European Union member state, Her Majesty’s Treasury of the United Kingdom or other relevant sanctions authority, (b) any Person operating, organized or resident in a Sanctioned Country or (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b).

“Scheduled Expiry Date” means, with respect to any Purchaser Group, November 30, 2020, as such date may be extended in accordance with Section 2.6(b).

“Selected Fleet Market Value” means, with respect to all Adjusted Program Vehicles and all Non-Program Vehicles (excluding (i) any Unaccepted Program Vehicles, (ii) any Excluded Redesignated Vehicles and (iii) any other Non-Program Vehicles that are subject to a Manufacturer Program with an Eligible Non-Program Manufacturer with respect to which no Manufacturer Event of Default has occurred and is continuing) as of any date of determination, the sum of the respective

Market Values of each such Adjusted Program Vehicle and each such Non-Program Vehicle, in each case subject to the AESOP I Operating Lease or the Finance Lease as of such date. For purposes of computing the Selected Fleet Market Value, the “Market Value” of an Adjusted Program Vehicle or a Non-Program Vehicle means the market value of such Vehicle as specified in the most recently published NADA Guide for the model class and model year of such Vehicle based on the average equipment and the average mileage of each Vehicle of such model class and model year then leased under the AESOP I Operating Lease and the Finance Lease; *provided*, that if the NADA Guide is not being published or the NADA Guide is being published but such Vehicle is not included therein, the Market Value of such Vehicle shall be based on the market value specified in the most recently published Finance Guide for the model class and model year of such Vehicle based on the average equipment and the average mileage of each Vehicle of such model class and model year then leased under the AESOP I Operating Lease or the Finance Lease; *provided, further*, that if the Finance Guide is being published but such Vehicle is not included therein, the Market Value of such Vehicle shall mean (x) in the case of an Adjusted Program Vehicle, the Adjusted Net Book Value of such Adjusted Program Vehicle and (y) in the case of a Non-Program Vehicle, the Net Book Value of such Non-Program Vehicle *provided, further*, that if the Finance Guide is not being published, the Market Value of such Vehicle shall be based on an independent third-party data source selected by the Administrator and approved by each Rating Agency that is rating any Series of Notes at the request of ABRCF based on the average equipment and average mileage of each Vehicle of such model class and model year then leased under the AESOP I Operating Lease or the Finance Lease; provided, further, that if no such third-party data source or methodology shall have been so approved or any such third-party data source or methodology is not available, the Market Value of such Vehicle shall be equal to a reasonable estimate of the wholesale market value of such Vehicle as determined by the Administrator, based on the Net Book Value of such Vehicle and any other factors deemed relevant by the Administrator.

“Senior Monthly Funding Costs” means, with respect to each Series 2015-3 Interest Period and any Purchaser Group, the excess of (a) the Monthly Funding Costs over (b) the Contingent Monthly Funding Costs, in each case, with respect to such Series 2015-3 Interest Period and such Purchaser Group.

“Series 2010-6 Class A Invested Amount” means the “Class A Invested Amount” as defined in the Series 2010-6 Supplement.

“Series 2010-6 Notes” has the meaning assigned thereto in the Series 2010-6 Supplement.

“Series 2010-6 Overcollateralization Amount” has the meaning assigned thereto in the Series 2010-6 Supplement.

“Series 2010-6 Supplement” means the Third Amended and Restated Series 2010-6 Supplement, dated as of August 16, 2018, among ABRCF, the Administrator, the Administrative Agent, the Non-Conduit Purchasers, CP Conduit Purchasers, APA Banks, Funding Agents and the Committed Note Purchasers party thereto, the Trustee and The Bank of New York Mellon Trust Company, N.A., as Series 2010-6 Agent, as amended, restated, modified or supplemented from time to time in accordance with its terms.

“Series 2015-3 Accrued Interest Account” is defined in Section 3.1(b).

“Series 2015-3 AESOP I Operating Lease Loan Agreement Borrowing Base” means, as of any date of determination, the product of (a) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage as of such date and (b) the excess of (i) the AESOP I Operating Lease Loan Agreement Borrowing Base as of such date over (ii) the DBRS Excluded Manufacturer Amount as of such date.

“Series 2015-3 AESOP I Operating Lease Vehicle Percentage” means, as of any date of determination, a fraction, expressed as a percentage (which percentage shall never exceed 100%), the numerator of which is the Series 2015-3 Required AESOP I Operating Lease Vehicle Amount as of such date and the denominator of which is the sum of the Required AESOP I Operating Lease Vehicle Amounts for all Series of Notes as of such date.

“Series 2015-3 Agent” is defined in the recitals hereto.

“Series 2015-3 Available Cash Collateral Account Amount” means, as of any date of determination, the amount on deposit in the Series 2015-3 Cash Collateral Account (after giving effect to any deposits thereto and withdrawals and releases therefrom on such date).

“Series 2015-3 Available Reserve Account Amount” means, as of any date of determination, the amount on deposit in the Series 2015-3 Reserve Account (after giving effect to any deposits thereto and withdrawals and releases therefrom on such date).

“Series 2015-3 Cash Collateral Account” is defined in Section 3.8(e).

“Series 2015-3 Cash Collateral Account Collateral” is defined in Section 3.8(a).

“Series 2015-3 Cash Collateral Account Surplus” means, with respect to any Distribution Date, the lesser of (a) the Series 2015-3 Available Cash Collateral Account Amount and (b) the lesser of (A) the excess, if any, of the Series 2015-3 Liquidity Amount (after giving effect to any withdrawal from the Series 2015-3 Reserve Account on such Distribution Date) over the Series 2015-3 Required Liquidity Amount on such Distribution Date and (B) the excess, if any, of the Series 2015-3 Enhancement Amount (after giving effect to any withdrawal from the Series 2015-3 Reserve Account on such Distribution Date) over the Series 2015-3 Required Enhancement Amount on such Distribution Date; provided, however, that, on any date after the Series 2015-3 Letter of Credit Termination Date, the Series 2015-3 Cash Collateral Account Surplus shall mean the excess, if any, of (x) the Series 2015-3 Available Cash Collateral Account Amount over (y) the Series 2015-3 Demand Note Payment Amount minus the Pre-Preference Period Demand Note Payments as of such date.

“Series 2015-3 Cash Collateral Percentage” means, as of any date of determination, the percentage equivalent of a fraction, the numerator of which is the Series 2015-3 Available Cash Collateral Amount as of such date and the denominator of which is the Series 2015-3 Letter of Credit Liquidity Amount as of such date.

“Series 2015-3 Closing Date” means November 19, 2015.

“Series 2015-3 Collateral” means the Collateral, each Series 2015-3 Letter of Credit, each Series 2015-3 Demand Note, the Series 2015-3 Interest Rate Cap Collateral, the Series 2015-3 Distribution Account Collateral, the Series 2015-3 Cash Collateral Account Collateral and the Series 2015-3 Reserve Account Collateral.

“Series 2015-3 Collection Account” is defined in Section 3.1(b).

“Series 2015-3 Controlled Amortization Period” means the period commencing at the close of business on the Business Day immediately preceding the date on which the Scheduled Expiry Date with respect to each Purchaser Group shall have occurred and continuing to the earliest of (i) the commencement of the Series 2015-3 Rapid Amortization Period, (ii) the date on which the Series 2015-3 Notes are fully paid and (iii) the termination of the Indenture.

“Series 2015-3 Controlled Distribution Amount” means, with respect to any Related Month during the Series 2015-3 Controlled Amortization Period, the sum of the Class A Controlled Distribution Amount and the Class R Controlled Distribution Amount with respect to such Related Month.

“Series 2015-3 DBRS Below Investment Grade Non-Program Enhancement Rate” means, as of any date of determination, the sum of (a) 36.25% and (b) the highest, for any calendar month within the preceding twelve calendar months, of the greater of (x) an amount (not less than zero) equal to 100% minus the Measurement Month Average for the immediately preceding Measurement Month and (y) an amount (not less than zero) equal to 100% minus the Market Value Average as of the Determination Date within such calendar month (excluding the Market Value Average for any Determination Date which has not yet occurred).

“Series 2015-3 DBRS Below Investment Grade Non-Program Vehicle Percentage” means as of any date of determination, a fraction, expressed as a percentage, (a) the numerator of which is the excess of (x) the aggregate Net Book Value of all Non-Program Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease that were manufactured by a Manufacturer that does not have a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) of at least “BBB (low)” over (y) the aggregate Net Book Value of all the Non-Program Vehicles included in the numerator of the Series 2015-3 DBRS Below Investment Grade Program Vehicle Percentage as of such date of determination (b) the denominator of which is the aggregate Net Book Value of all Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease as of such date.

“Series 2015-3 DBRS Below Investment Grade Program Enhancement Rate” means, as of any date of determination, 36.25%.

“Series 2015-3 DBRS Below Investment Grade Program Vehicle Percentage” means, as of any date of determination, a fraction, expressed as a percentage, (a) the numerator of which is the sum, without duplication, of (1) the aggregate Net Book Value of all Program Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease that were manufactured

by an Eligible Program Manufacturer that does not have a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) of at least “BBB (low)” and (2) so long as no Manufacturer Event of Default has occurred and is continuing with respect to such Eligible Non-Program Manufacturer, the aggregate Net Book Value of all Non-Program Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease that (i) were manufactured by an Eligible Non-Program Manufacturer that does not have a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) of at least “BBB (low)” and (ii) are subject to a Manufacturer Program and remain eligible for repurchase thereunder as of such date and (b) the denominator of which is the aggregate Net Book Value of all Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease as of such date.

“Series 2015-3 DBRS Investment Grade Non-Program Enhancement Rate” means, as of any date of determination, the sum of (a) 27.25% and (b) the highest, for any calendar month within the preceding twelve calendar months, of the greater of (x) an amount (not less than zero) equal to 100% minus the Measurement Month Average for the immediately preceding Measurement Month and (y) an amount (not less than zero) equal to 100% minus the Market Value Average as of the Determination Date within such calendar month (excluding the Market Value Average for any Determination Date which has not yet occurred).

“Series 2015-3 DBRS Investment Grade Non-Program Vehicle Percentage” means as of any date of determination, a fraction, expressed as a percentage, (a) the numerator of which is the excess of (x) the aggregate Net Book Value of all Non-Program Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease that were manufactured by a Manufacturer that has a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) of “BBB (low)” or higher over (y) the aggregate Net Book Value of all the Non-Program Vehicles included in the numerator of the Series 2015-3 DBRS Investment Grade Program Vehicle Percentage as of such date of determination and (b) the denominator of which is the aggregate Net Book Value of all Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease as of such date.

“Series 2015-3 DBRS Investment Grade Program Enhancement Rate” means, as of any date of determination, 13.25%.

“Series 2015-3 DBRS Investment Grade Program Vehicle Percentage” means, as of any date of determination, a fraction, expressed as a percentage, (a) the numerator of which is the sum, without duplication, of (1) the aggregate Net Book Value of all Program Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease that were manufactured by an Eligible Program Manufacturer that has a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS Equivalent Rating) of “BBB (low)” or higher and (2) so long as no Manufacturer Event of Default has occurred and is continuing with respect to such Eligible Non-Program Manufacturer, the aggregate Net Book Value of all Non-Program Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease that (i) were manufactured by an Eligible Non-Program Manufacturer that has a long-term senior unsecured debt rating from DBRS (or, if such Manufacturer is not rated by DBRS, a DBRS

Equivalent Rating) of “BBB (low)” or higher and (ii) are subject to a Manufacturer Program and remain eligible for repurchase thereunder as of such date and (b) the denominator of which is the aggregate Net Book Value of all Vehicles leased under the AESOP I Operating Lease or the AESOP II Operating Lease as of such date.

“Series 2015-3 DBRS Required Enhancement Percentage” means, as of any date of determination, the sum of (i) the product of (A) the Series 2015-3 DBRS Investment Grade Program Enhancement Rate as of such date and (B) the Series 2015-3 DBRS Investment Grade Program Vehicle Percentage as of such date, (ii) the product of (A) the Series 2015-3 DBRS Investment Grade Non-Program Enhancement Rate as of such date and (B) the Series 2015-3 DBRS Investment Grade Non-Program Vehicle Percentage as of such date, (iii) the product of (A) the Series 2015-3 DBRS Below Investment Grade Program Enhancement Rate as of such date and (B) the Series 2015-3 Below Investment Grade Program Vehicle Percentage as of such date, and (iv) the product of (A) the Series 2015-3 DBRS Below Investment Grade Non-Program Enhancement Rate as of such date and (B) the Series 2015-3 DBRS Below Investment Grade Non-Program Vehicle Percentage as of such date.

“Series 2015-3 Demand Note” means each demand note made by a Demand Note Issuer, substantially in the form of Exhibit D as amended, modified or restated from time to time.

“Series 2015-3 Demand Note Payment Amount” means, as of the Series 2015-3 Letter of Credit Termination Date, the aggregate amount of all proceeds of demands made on the Series 2015-3 Demand Notes pursuant to Section 3.5(c)(iii) or 3.5(d)(ii) that were deposited into the Series 2015-3 Distribution Account and paid to the Series 2015-3 Noteholders during the one-year period ending on the Series 2015-3 Letter of Credit Termination Date; provided, however, that if an Event of Bankruptcy (or the occurrence of an event described in clause (a) of the definition thereof, without the lapse of a period of 60 consecutive days) with respect to a Demand Note Issuer shall have occurred during such one-year period, the Series 2015-3 Demand Note Payment Amount as of the Series 2015-3 Letter of Credit Termination Date shall equal the Series 2015-3 Demand Note Payment Amount as if it were calculated as of the date of such occurrence.

“Series 2015-3 Deposit Date” is defined in Section 3.2.

“Series 2015-3 Distribution Account” is defined in Section 3.9(a).

“Series 2015-3 Distribution Account Collateral” is defined in Section 3.9(d).

“Series 2015-3 Documents” means each of this Supplement, the Series 2015-3 Notes, the Series 2015-3 Interest Rate Cap, the Fee Letter, the Series 2015-3 Demand Notes, the Series 2015-3 Letter of Credit and any other related documents executed in connection with an issuance of the Series 2015-3 Notes or activities related thereto.

“Series 2015-3 Eligible Letter of Credit Provider” means a Person satisfactory to ABCR and the Demand Note Issuers and having, at the time of the issuance of the related Series 2015-3 Letter of Credit, a long-term senior unsecured debt, deposit, claims paying or credit (as the case may be) rating of at least “BBB” from DBRS; provided, however, that if such Person is not

rated by DBRS it will qualify as a Series 2015-3 Letter of Credit Provider so long as it has a long-term senior unsecured debt, deposit, claims paying or credit (as the case may be) rating of at least “Baa2” from Moody’s or a long-term senior unsecured debt, deposit, claims paying or credit (as the case may be) rating of at least “BBB” from Standard & Poor’s; provided that if a Person is not a Series 2015-3 Letter of Credit Provider (or a letter of credit provider under the Supplement for any other Series of Notes), then such Person shall not be a Series 2015-3 Eligible Letter of Credit Provider until ABCR has provided 10 days’ prior notice to the Rating Agencies, Standard & Poor’s, Moody’s and the Administrative Agent that such a Person has been proposed as a Series 2015-3 Letter of Credit Provider.

“Series 2015-3 Enhancement” means the Series 2015-3 Cash Collateral Account Collateral, the Series 2015-3 Letters of Credit, the Series 2015-3 Demand Notes, the Series 2015-3 Overcollateralization Amount and the Series 2015-3 Reserve Account Amount.

“Series 2015-3 Enhancement Amount” means, as of any date of determination, the sum of (i) the Series 2015-3 Overcollateralization Amount as of such date, (ii) the Series 2015-3 Letter of Credit Amount as of such date, (iii) the Series 2015-3 Available Reserve Account Amount as of such date and (iv) the amount of cash and Permitted Investments on deposit in the Series 2015-3 Collection Account (not including amounts allocable to the Series 2015-3 Accrued Interest Account) and the Series 2015-3 Excess Collection Account as of such date.

“Series 2015-3 Enhancement Deficiency” means, on any date of determination, the amount by which the Series 2015-3 Enhancement Amount is less than the Series 2015-3 Required Enhancement Amount as of such date.

“Series 2015-3 Excess Collection Account” is defined in Section 3.1(b).

“Series 2015-3 Expected Final Distribution Date” means the Distribution Date falling in the fourth calendar month after the calendar month in which the Series 2015-3 Revolving Period ends.

“Series 2015-3 Incremental Enhancement Amount” means, as of any date of determination, the sum of:

(i) the greater of (x) the Series 2015-3 Percentage of the excess, if any, of the Non-Program Vehicle Amount as of the immediately preceding Business Day over the Series 2015-3 Maximum Non-Program Vehicle Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Non-Program Vehicles (other than (i) Unaccepted Program Vehicles and (ii) Vehicles subject to a Manufacturer Program with a Specified Eligible Non-Program Manufacturer) leased under the AESOP I Operating Lease as of the immediately preceding Business Day over (B) the Series 2015-3 Maximum Non-Program Vehicle Percentage of the sum of (1) the Series 2015-3 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2015-3 AESOP I Operating Lease Vehicle

Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day;

(ii) the greater of (x) the Series 2015-3 Percentage of the excess, if any, of the aggregate Net Book Value of all Vehicles manufactured by Mitsubishi and leased under the Leases as of the immediately preceding Business Day over the Series 2015-3 Maximum Mitsubishi Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the sum of (1) the Series 2015-3 VFN Percentage of the aggregate Net Book Value of all Vehicles manufactured by Mitsubishi and leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles manufactured by Mitsubishi and leased under the AESOP I Operating Lease as of the immediately preceding Business Day over (B) 10% of the sum of (1) the Series 2015-3 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day;

(iii) the greater of (x) the Series 2015-3 Percentage of the excess, if any, of the aggregate Net Book Value of all Vehicles manufactured by Isuzu or Subaru, individually, and leased under the Leases as of the immediately preceding Business Day over the Series 2015-3 Maximum Individual Isuzu/Subaru Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the sum of (1) the Series 2015-3 VFN Percentage of the aggregate Net Book Value of all Vehicles manufactured by Isuzu or Subaru, individually, and leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles manufactured by Isuzu or Subaru, individually, and leased under the AESOP I Operating Lease as of the immediately preceding Business Day over (B) 5% of the sum of (1) the Series 2015-3 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day;

(iv) the greater of (x) the Series 2015-3 Percentage of the excess, if any, of the aggregate Net Book Value of all Vehicles manufactured by Hyundai and leased under the Leases as of the immediately preceding Business Day over the Series 2015-3 Maximum Hyundai Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the sum of (1) the Series 2015-3 VFN Percentage of the aggregate Net Book Value of all Vehicles manufactured by Hyundai and leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles manufactured by Hyundai and leased under the AESOP I Operating Lease as of the immediately preceding Business Day over (B) 20% of the sum of (1) the Series 2015-3 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately

preceding Business Day and (2) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day;

(v) the greater of (x) the Series 2015-3 Percentage of the excess, if any, of the aggregate Net Book Value of all Vehicles manufactured by Suzuki and leased under the Leases as of the immediately preceding Business Day over the Series 2015-3 Maximum Suzuki Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the sum of (1) the Series 2015-3 VFN Percentage of the aggregate Net Book Value of all Vehicles manufactured by Suzuki and leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles manufactured by Suzuki and leased under the AESOP I Operating Lease as of the immediately preceding Business Day over (B) 7.5% of the sum of (1) the Series 2015-3 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day;

(vi) the greater of (x) the Series 2015-3 Percentage of the excess, if any, of the aggregate Net Book Value of all Vehicles manufactured by Kia and leased under the Leases as of the immediately preceding Business Day over the Series 2015-3 Maximum Kia Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the sum of (1) the Series 2015-3 VFN Percentage of the aggregate Net Book Value of all Vehicles manufactured by Kia and leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles manufactured by Kia and leased under the AESOP I Operating Lease as of the immediately preceding Business Day over (B) 10% of the sum of (1) the Series 2015-3 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day;

(vii) the greater of (x) the Series 2015-3 Percentage of the excess, if any, of the Specified States Amount as of the immediately preceding Business Day over the Series 2015-3 Maximum Specified States Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the sum of (1) the Series 2015-3 VFN Percentage of the Net Book Value of all Vehicles titled in the States of Ohio, Oklahoma, and Nebraska and leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles titled in the States of Ohio, Oklahoma and Nebraska and leased under the AESOP I Operating Lease as of the immediately preceding Business Day over (B) 7.5% of the sum of (1) the Series 2015-3 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding

Business Day and (2) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day;

(viii) the greater of (x) the Series 2015-3 Percentage of the excess, if any, of the Non-Eligible Manufacturer Amount as of the immediately preceding Business Day over the Series 2015-3 Maximum Non-Eligible Manufacturer Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles manufactured by Manufacturers other than Eligible Non-Program Manufacturers and leased under the AESOP I Operating Lease as of the immediately preceding Business Day over (B) 3% of the sum of (1) the Series 2015-3 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day; and

(ix) the greater of (x) the Series 2015-3 Percentage of the excess, if any, of the aggregate Net Book Value of all Vehicles leased under the Leases as of the immediately preceding Business Day that were used vehicles at the time of their acquisition over the Series 2015-3 Maximum Used Vehicle Amount as of the immediately preceding Business Day and (y) the excess, if any, of (A) the sum of (1) the Series 2015-3 VFN Percentage of the aggregate Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day that were used vehicles at the time of their acquisition and (2) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day that were used vehicles at the time of their acquisition over (B) 5% of the sum of (1) the Series 2015-3 VFN Percentage of the Net Book Value of all Vehicles leased under the AESOP II Operating Lease as of the immediately preceding Business Day and (2) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage of the Net Book Value of all Vehicles leased under the AESOP I Operating Lease as of the immediately preceding Business Day.

“Series 2015-3 Interest Period” means a period commencing on and including a Distribution Date and ending on and including the day preceding the next succeeding Distribution Date; provided, however, that (x) the initial Series 2015-3 Interest Period shall commence on and include the Series 2015-3 Closing Date and end on and include December 20, 2015 and (y) the initial Series 2015-3 Interest Period with respect to the Class R Notes shall commence on and include the A&R Effective Date and end on and include September 20, 2018.

“Series 2015-3 Interest Rate Cap” has the meaning specified in Section 3.11(a).

“Series 2015-3 Interest Rate Cap Collateral” has the meaning specified in Section 3.11(c).

“Series 2015-3 Interest Rate Cap Proceeds” means the amounts received by the Trustee from an Interest Rate Cap Counterparty from time to time in respect of a Series 2015-3 Interest Rate Cap (including amounts received from a guarantor or from collateral).

“Series 2015-3 Invested Amount” means, on any date of determination, the sum of (i) the Class A Invested Amount and (ii) the Class R Invested Amount on such date.

“Series 2015-3 Invested Percentage” means as of any date of determination:

(a) when used with respect to Principal Collections, the percentage equivalent (which percentage shall never exceed 100%) of a fraction the numerator of which shall be equal to the sum of the Series 2015-3 Invested Amount and the Series 2015-3 Overcollateralization Amount, determined during the Series 2015-3 Revolving Period as of the end of the immediately preceding Business Day, or, during the Series 2015-3 Rapid Amortization Period or the Series 2015-3 Controlled Amortization Period, as of the end of the Series 2015-3 Revolving Period and the denominator of which shall be the greater as of the end of the immediately preceding Business Day of (I) the Aggregate Asset Amount and (II) the sum of the numerators used to determine the invested percentages for allocations with respect to Principal Collections (for all Series of Notes and all classes of such Series of Notes); and

(b) when used with respect to Interest Collections, the percentage equivalent (which percentage shall never exceed 100%) of a fraction the numerator of which shall be the Accrued Amounts with respect to the Series 2015-3 Notes on such date of determination, and the denominator of which shall be the aggregate Accrued Amounts with respect to all Series of Notes on such date of determination

“Series 2015-3 Lease Interest Payment Deficit” means on any Distribution Date an amount equal to the excess, if any of (1) the excess, if any, of (a) the aggregate amount of Interest Collections which pursuant to Section 3.2(a), (b), (c) or (d) would have been allocated to the Series 2015-3 Accrued Interest Account if all payments of Monthly Base Rent required to have been made under the Leases from and excluding the preceding Distribution Date to and including such Distribution Date were made in full over (b) the aggregate amount of Interest Collections which pursuant to Section 3.2(a), (b), (c) or (d) have been allocated to the Series 2015-3 Accrued Interest Account (excluding any amounts paid into the Series 2015-3 Accrued Interest Account pursuant to the proviso in Sections 3.2(c)(ii) and 3.2(d)(ii)) from and excluding the preceding Distribution Date to and including such Distribution Date over (2) the Class R Monthly Interest with respect to the Series 2015-3 Interest Period ended on the day preceding such Distribution Date.

“Series 2015-3 Lease Payment Deficit” means either a Series 2015-3 Lease Interest Payment Deficit or a Series 2015-3 Lease Principal Payment Deficit.

“Series 2015-3 Lease Principal Payment Carryover Deficit” means (a) for the initial Distribution Date, zero and (b) for any other Distribution Date, the excess of (x) the Series 2015-3 Lease Principal Payment Deficit, if any, on the preceding Distribution Date over (y) the amount

deposited in the Distribution Account on such preceding Distribution Date pursuant to Section 3.5(c) on account of such Series 2015-3 Lease Principal Payment Deficit.

“Series 2015-3 Lease Principal Payment Deficit” means on any Distribution Date the sum of (a) the Series 2015-3 Monthly Lease Principal Payment Deficit for such Distribution Date and (b) the Series 2015-3 Lease Principal Payment Carryover Deficit for such Distribution Date.

“Series 2015-3 Letter of Credit” means an irrevocable letter of credit, if any, substantially in the form of Exhibit E issued by a Series 2015-3 Eligible Letter of Credit Provider in favor of the Trustee for the benefit of the Class A Noteholders.

“Series 2015-3 Letter of Credit Amount” means, as of any date of determination, the lesser of (a) the sum of (i) the aggregate amount available to be drawn on such date under each Series 2015-3 Letter of Credit on which no draw has been made pursuant to Section 3.8(c), as specified therein, and (ii) if the Series 2015-3 Cash Collateral Account has been established and funded pursuant to Section 3.8, the Series 2015-3 Available Cash Collateral Account Amount on such date and (b) the aggregate outstanding principal amount of the Series 2015-3 Demand Notes on such date.

“Series 2015-3 Letter of Credit Expiration Date” means, with respect to any Series 2015-3 Letter of Credit, the expiration date set forth in such Series 2015-3 Letter of Credit, as such date may be extended in accordance with the terms of such Series 2015-3 Letter of Credit.

“Series 2015-3 Letter of Credit Liquidity Amount” means, as of any date of determination, the sum of (a) the aggregate amount available to be drawn on such date under each Series 2015-3 Letter of Credit on which no draw has been made pursuant to Section 3.8(c), as specified therein, and (b) if the Series 2015-3 Cash Collateral Account has been established and funded pursuant to Section 3.8, the Series 2015-3 Available Cash Collateral Account Amount on such date.

“Series 2015-3 Letter of Credit Provider” means the issuer of a Series 2015-3 Letter of Credit.

“Series 2015-3 Letter of Credit Termination Date” means the first to occur of (a) the date on which the Series 2015-3 Notes are fully paid and (b) the Series 2015-3 Termination Date.

“Series 2015-3 Limited Liquidation Event of Default” means, so long as such event or condition continues, any event or condition of the type specified in clauses (a) through (i) of Article IV; provided, however, that any event or condition of the type specified in clauses (a) through (i) of Article IV shall not constitute a Series 2015-3 Limited Liquidation Event of Default if the Trustee shall have received the written consent of each of the Series 2015-3 Noteholders waiving the occurrence of such Series 2015-3 Limited Liquidation Event of Default.

“Series 2015-3 Liquidity Amount” means, as of any date of determination, the sum of (a) the Series 2015-3 Letter of Credit Liquidity Amount on such date and (b) the Series 2015-3 Available Reserve Account Amount on such date.

“Series 2015-3 Maximum Amount” means any of the Series 2015-3 Maximum Manufacturer Amounts, the Series 2015-3 Maximum Non-Eligible Manufacturer Amount, the Series 2015-3 Maximum Non-Program Vehicle Amount, the Series 2015-3 Maximum Specified States Amount or the Series 2015-3 Maximum Used Vehicle Amount.

“Series 2015-3 Maximum Hyundai Amount” means, as of any day, an amount equal to 20% of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2015-3 Maximum Individual Isuzu/Subaru Amount” means, as of any day, with respect to Isuzu or Subaru individually, an amount equal to 5% of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2015-3 Maximum Invested Amount” means, on any date of determination, the sum of (i) the Class A Maximum Purchaser Group Invested Amount and (ii) the Class R Maximum Invested Amount on such date.

“Series 2015-3 Maximum Kia Amount” means, as of any day, an amount equal to 10% of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2015-3 Maximum Manufacturer Amount” means, as of any day, any of the Series 2015-3 Maximum Mitsubishi Amount, the Series 2015-3 Maximum Individual Isuzu/Subaru Amount, the Series 2015-3 Maximum Hyundai Amount, the Series 2015-3 Maximum Kia Amount or the Series 2015-3 Maximum Suzuki Amount.

“Series 2015-3 Maximum Mitsubishi Amount” means, as of any day, an amount equal to 10% of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2015-3 Maximum Non-Eligible Manufacturer Amount” means, as of any day, an amount equal to 3% of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2015-3 Maximum Non-Program Vehicle Amount” means, as of any day, an amount equal to the Series 2015-3 Maximum Non-Program Vehicle Percentage of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2015-3 Maximum Non-Program Vehicle Percentage” means, as of any date of determination, the sum of (a) 85% and (b) a fraction, expressed as a percentage, the numerator of which is the aggregate Net Book Value of all Redesignated Vehicles manufactured by a Bankrupt Manufacturer or a Manufacturer with respect to which a Manufacturer Event of Default has occurred, and in each case leased under the AESOP I Operating Lease or the Finance Lease as of such date, and the denominator of which is the aggregate Net Book Value of all Vehicles leased under the Leases as of such date.

“Series 2015-3 Maximum Specified States Amount” means, as of any day, an amount equal to 7.5% of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2015-3 Maximum Suzuki Amount” means, as of any day, an amount equal to 7.5% of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2015-3 Maximum Used Vehicle Amount” means, as of any day, an amount equal to 25% of the aggregate Net Book Value of all Vehicles leased under the Leases on such day.

“Series 2015-3 Monthly Lease Principal Payment Deficit” means on any Distribution Date an amount equal to the excess, if any, of (1) the excess, if any, of (a) the aggregate amount of Principal Collections which pursuant to Section 3.2(a), (b) or (c) would have been allocated to the Series 2015-3 Collection Account if all payments required to have been made under the Leases from and excluding the preceding Distribution Date to and including such Distribution Date were made in full over (b) the aggregate amount of Principal Collections which pursuant to Section 3.2(a), (b) or (c) have been allocated to the Series 2015-3 Collection Account (without giving effect to any amounts paid into the Series 2015-3 Accrued Interest Account pursuant to the proviso in Sections 3.2(b)(ii) and/or 3.2(c)(ii)) from and excluding the preceding Distribution Date to and including such Distribution Date over (2) the principal due and payable with respect to the Class R Notes on such Distribution Date.

“Series 2015-3 Noteholder” means any Class A Noteholder or any Class R Noteholder.

“Series 2015-3 Notes” means, collectively, the Class A Notes and the Class R Notes.

“Series 2015-3 Overcollateralization Amount” means the excess, if any, of (x) the sum of (a) the Series 2015-3 AESOP I Operating Lease Loan Agreement Borrowing Base as of such date and (b) the Series 2015-3 VFN Percentage of the excess, if any, of (1) the AESOP II Loan Agreement Borrowing Base over (2) the AESOP II DBRS Excluded Manufacturer Amount as of such date over (y) the Series 2015-3 Invested Amount as of such date.

“Series 2015-3 Past Due Rent Payment” is defined in Section 3.2(g).

“Series 2015-3 Percentage” means, as of any date of determination, a fraction, expressed as a percentage, the numerator of which is the Series 2015-3 Invested Amount as of such date and the denominator of which is the sum of the Invested Amount of each Series of Notes outstanding as of such date.

“Series 2015-3 Principal Allocation” is defined in Section 3.2(a)(ii).

“Series 2015-3 Rapid Amortization Period” means the period beginning at the earlier to occur of (a) the close of business on the Business Day immediately preceding the day on which an Amortization Event is deemed to have occurred with respect to the Series 2015-3 Notes and (b) the close of business on the Optional Termination Date and ending upon the earliest to occur of (i)

the date on which the Series 2015-3 Notes are fully paid, (ii) the Series 2015-3 Termination Date and (iii) termination of the Indenture.

“Series 2015-3 Reimbursement Agreement” means any and each agreement providing for the reimbursement of a Series 2015-3 Letter of Credit Provider for draws under its Series 2015-3 Letter of Credit as the same may be amended, supplemented, restated or otherwise modified from time to time.

“Series 2015-3 Required AESOP I Operating Lease Vehicle Amount” means, as of any date of determination, the sum of (A) the excess, if any, of (x) the sum of the Series 2015-3 Required Overcollateralization Amount and the Series 2015-3 Invested Amount as of such date over (y) the Series 2015-3 VFN Percentage of the excess, if any, of (i) the AESOP II Loan Agreement Borrowing Base as of such date over (ii) the AESOP II DBRS Excluded Manufacturer Amount as of such date and (B) if an Event of Bankruptcy with respect to ABCR, any other Lessee or any Permitted Sublessee (other than a third-party Permitted Sublessee) has occurred on or prior to such date, the Contingent Monthly Funding Costs Shortfall as of the immediately preceding Distribution Date.

“Series 2015-3 Required Enhancement Amount” means, as of any date of determination, the sum of (i) the product of (x) the Series 2015-3 DBRS Required Enhancement Percentage as of such date and (y) the Class A Invested Amount as of such date and (ii) the Series 2015-3 Incremental Enhancement Amount as of such date.

“Series 2015-3 Required Liquidity Amount” means, with respect to any Distribution Date, an amount equal to 2.00% of the Class A Invested Amount on such Distribution Date (after giving effect to any payments of principal to be made on the Series 2015-3 Notes on such Distribution Date).

“Series 2015-3 Required Overcollateralization Amount” means, as of any date of determination, the excess, if any, of the Series 2015-3 Required Enhancement Amount over the sum of (i) the Series 2015-3 Letter of Credit Amount as of such date, (ii) the Series 2015-3 Available Reserve Account Amount on such date and (iii) the amount of cash and Permitted Investments on deposit in the Series 2015-3 Collection Account (not including amounts allocable to the Series 2015-3 Accrued Interest Account) and the Series 2015-3 Excess Collection Account on such date.

“Series 2015-3 Required Reserve Account Amount” means, with respect to any Distribution Date, an amount equal to the sum of (a) the greater of (i) the excess, if any, of the Series 2015-3 Required Liquidity Amount on such Distribution Date over the Series 2015-3 Letter of Credit Liquidity Amount on such Distribution Date (after giving effect to any payments of principal to be made on the Series 2015-3 Notes on such Distribution Date) and (ii) the excess, if any, of the Series 2015-3 Required Enhancement Amount over the Series 2015-3 Enhancement Amount (excluding therefrom the Series 2015-3 Available Reserve Account Amount and calculated after giving effect to any payments of principal to be made on the Series 2015-3 Notes) on such Distribution Date and (b) the Demand Note Preference Payment Amount.

“Series 2015-3 Reserve Account” is defined in Section 3.7(a).

“Series 2015-3 Reserve Account Collateral” is defined in Section 3.7(d).

“Series 2015-3 Reserve Account Surplus” means, with respect to any Distribution Date, the excess, if any, of the Series 2015-3 Available Reserve Account Amount over the sum of (x) the Series 2015-3 Required Reserve Account Amount on such Distribution Date and (y) the sum of (i) the aggregate Contingent Monthly Funding Costs with respect to all Purchaser Groups for the Series 2015-3 Interest Period ending on such date and (ii) any Contingent Monthly Funding Costs Shortfall as of such date (together with accrued interest thereon).

“Series 2015-3 Revolving Period” means the period from and including, the Series 2015-3 Closing Date to the earlier to occur of (x) the commencement of the Series 2015-3 Controlled Amortization Period and (y) the commencement of the Series 2015-3 Rapid Amortization Period.

“Series 2015-3 Termination Date” means the Distribution Date falling in the tenth calendar month after the calendar month in which the Series 2015-3 Revolving Period ends.

“Series 2015-3 Unpaid Demand Amount” means, with respect to any single draw pursuant to Section 3.5(c) or (d) on the Series 2015-3 Letters of Credit, the aggregate amount drawn by the Trustee on all Series 2015-3 Letters of Credit.

“Series 2015-3 VFN Percentage” means, as of any date, the percentage equivalent of a fraction the numerator of which is the sum of the Class A Invested Amount and the Series 2015-3 Overcollateralization Amount as of such date and the denominator of which is the sum of the Class A Invested Amount, the Series 2015-3 Overcollateralization Amount, the Series 2010-6 Class A Invested Amount and the Series 2010-6 Overcollateralization Amount as of such date.

“Standard & Poor’s” means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc.

“Statutory Reserve Rate” means a fraction (expressed as a decimal), the numerator of which is the number one and the denominator of which is the number one *minus* the aggregate of the maximum reserve percentages (including any marginal, special, emergency or supplemental reserves) expressed as a decimal (rounded up to the nearest 1/100th of 1%) established by the Board with respect to the Adjusted LIBO Rate, for eurocurrency funding (currently referred to as “Eurocurrency Liabilities” in Regulation D of the Board). Such reserve percentages shall include those imposed pursuant to Regulation D. Eurodollar Tranches shall be deemed to constitute eurocurrency funding and to be subject to such reserve requirements without benefit of or credit for proration, exemptions or offsets that may be available from time to time under such Regulation D or comparable regulation. The Statutory Reserve Rate shall be adjusted automatically on and as of the effective date of any change in the reserve percentage.

“Supplement” is defined in the recitals hereto.

“Taxes” means any and all present or future taxes, levies, imposts, duties, deductions, charges or withholdings imposed by any Governmental Authority.

“Termination Date Disbursement” means an amount drawn under a Series 2015-3 Letter of Credit pursuant to a Certificate of Termination Date Demand.

“Termination Disbursement” means an amount drawn under a Series 2015-3 Letter of Credit pursuant to a Certificate of Termination Demand.

“Transfer Supplement” is defined in Section 11.1(c).

“Transferee” is defined in Section 11.1(g).

“Trustee” is defined in the recitals hereto.

“U.S. Risk Retention Rules” means the federal interagency credit risk retention rules, codified at 17 C.F.R. Part 246.

“Unpaid Demand Note Disbursement” means an amount drawn under a Series 2015-3 Letter of Credit pursuant to a Certificate of Unpaid Demand Note Demand.

“Volcker Rule” means Section 13 of the U.S. Bank Holding Company Act of 1956, as amended, and the applicable rules and regulations thereunder.

“Voting Stock” means, with respect to any Person, the common stock or membership interests of such Person and any other security of, or ownership interest in, such Person having ordinary voting power to elect a majority of the board of directors or a majority of the managers (or other Persons serving similar functions) of such Person.

“Waiver Event” means the occurrence of the delivery of a Waiver Request and the subsequent waiver of any Series 2015-3 Maximum Amount.

“Waiver Request” is defined in Article V.

“Write-Down and Conversion Powers” means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

ARTICLE II

PURCHASE AND SALE OF SERIES 2015-3 NOTES; INCREASES AND DECREASES OF SERIES 2015-3 INVESTED AMOUNT

Section 2.1. Purchases of the Series 2015-3 Notes.

(a) Initial Purchases.

(i) Subject to the terms and conditions of this Supplement, including delivery of notice in accordance with Section 2.3, (i) each Non-Conduit Purchaser shall purchase,

and each CP Conduit Purchaser may, in its sole discretion, purchase a Class A Note in an amount equal to all or a portion of its Commitment Percentage of the Class A Initial Invested Amount on any Business Day during the period from the A&R Effective Date to and including the Expiry Date with respect to its Related Purchaser Group, and if any such CP Conduit Purchaser shall have notified the Administrative Agent and the Funding Agent with respect to such CP Conduit Purchaser that it has elected not to fund a Class A Note in an amount equal to its Commitment Percentage of the Class A Initial Invested Amount on the A&R Effective Date, each APA Bank with respect to such CP Conduit Purchaser shall fund on the A&R Effective Date its APA Bank Percentage of that portion of such Class A Note not to be funded by such CP Conduit Purchaser and (ii) thereafter, (A) each Non-Conduit Purchaser shall maintain its Class A Note, subject to increase or decrease during the period from the A&R Effective Date to and including the Expiry Date with respect to its Related Purchaser Group, in accordance with the provisions of this Supplement, (B) if a CP Conduit Purchaser shall have purchased a Class A Note on the A&R Effective Date, such CP Conduit Purchaser may, in its sole discretion, maintain its Class A Note, subject to increase or decrease during the period from the A&R Effective Date to and including the Expiry Date with respect to its Related Purchaser Group, in accordance with the provisions of this Supplement and (C) the APA Banks shall maintain their respective APA Bank Percentages of the Class A Note with respect to its Related Purchaser Group, subject to increase or decrease during the period from the Series 2015-3 Closing Date to and including the Expiry Date with respect to such Purchaser Group, in accordance with the provisions of this Supplement. Each Purchaser Group as of the A&R Effective Date shall be deemed to have satisfied its obligation to purchase a Class A Note under this Section 2.1(a) on such date by exchanging the Series 2015-3 Note held by it and outstanding on the day immediately preceding the A&R Effective Date for a Class A Note issued on the A&R Effective Date in accordance with Section 2.1(a)(iii).

(ii) Subject to the terms and conditions of this Supplement, including delivery of notice in accordance with Section 2.3, (i) each Committed Note Purchaser shall purchase a Class R Note in an amount equal to \$0 (the "Class R Initial Invested Amount") on the Series 2015-3 Closing Date and (ii) thereafter, each Committed Note Purchaser shall maintain its Class R Note, subject to increase or, prior to the Series 2015-3 Controlled Amortization Period, decrease during the period from the Series 2015-3 Closing Date to and including the Expiry Date, in accordance with the provisions of this Supplement.

(iii) Subject to the terms and conditions of this Supplement, including delivery of notice in accordance with Section 2.3, each Non-Conduit Purchaser and CP Conduit Purchaser shall deliver its Series 2015-3 Note on the A&R Effective Date to the Trustee for cancellation in accordance with Section 2.14 of the Base Indenture. In exchange for such Series 2015-3 Note, the Trustee shall deliver to each such Non-Conduit Purchaser and CP Conduit Purchaser, a Class A Note in an amount equal to the outstanding principal amount of the Series 2015-3 Note delivered by such Non-Conduit Purchaser or CP Conduit Purchaser, as applicable, in accordance with the terms and conditions of this Supplement. The aggregate outstanding principal amount of such Class A Notes on the A&R Effective Date shall be the "Class A Initial Invested Amount". The parties hereto agree that any amounts

accrued and unpaid as of the A&R Effective Date with respect to the Series 2015-3 Notes under the Original Series 2015-3 Supplement shall be deemed to have accrued with respect to the Class A Notes and shall be payable in accordance with the provisions hereof.

(b) Maximum Purchaser Group Invested Amounts. Notwithstanding anything to the contrary contained in this Supplement, at no time shall a Purchaser Group be required to make the initial purchase of a Class A Note or increase its Purchaser Group Invested Amount if the sum of (x) Purchaser Group Invested Amount with respect to such Purchaser Group, after giving effect to such purchase or increase and (y) the sum of any unfunded Delayed Amounts with respect to such Purchaser Group, would exceed the Maximum Purchaser Group Invested Amount with respect to such Purchaser Group at such time.

(c) Class R Maximum Invested Amounts. Notwithstanding anything to the contrary contained in this Supplement, at no time shall a Committed Note Purchaser be required to make the initial purchase of a Class R Note or increase its Class R Invested Amount if the Class R Invested Amount with respect to such Committed Note Purchaser, after giving effect to such purchase or increase would exceed the Class R Maximum Invested Amount with respect to such Committed Note Purchaser at such time.

(d) Form of Series 2015-3 Notes. The Series 2015-3 Notes shall be issued in fully registered form without interest coupons, substantially in the form set forth in Exhibit A.

Section 2.2. Delivery. (a) On the A&R Effective Date (or on any later date that any Purchaser Group becomes a party to this Supplement), ABRCF shall sign and shall direct the Trustee in writing pursuant to Section 2.2 of the Base Indenture to duly authenticate, and the Trustee, upon receiving such direction, shall so authenticate a Class A Note (i) in the case of a CP Conduit Purchaser Group, in the name of the Funding Agent with respect to such CP Conduit Purchaser Group (or as otherwise requested by such CP Conduit Purchaser Group and agreed to by ABRCF) in an amount equal to the Maximum Purchaser Group Invested Amount with respect to such CP Conduit Purchaser Group and deliver such Class A Note to such Funding Agent in accordance with such written directions or (ii) in the case of a Non-Conduit Purchaser Group, in the name of the Related Non-Conduit Purchaser in an amount equal to the Maximum Purchaser Group Invested Amount with respect to such Related Non-Conduit Purchaser Group and deliver such Class A Note to such Related Non-Conduit Purchaser in accordance with such written directions. On the A&R Effective Date (or on any later date that any Committed Note Purchaser becomes a party to this Supplement), ABRCF shall sign and shall direct the Trustee in writing pursuant to Section 2.2 of the Base Indenture to duly authenticate, and the Trustee, upon receiving such direction, shall so authenticate a Class R Note in an amount equal to the Class R Maximum Invested Amount with respect to such Committed Note Purchaser and deliver such Class R Note to such Committed Note Purchaser in accordance with such written directions.

(b) The Administrative Agent shall maintain a record of (i) the actual Purchaser Group Invested Amount outstanding with respect to each Purchaser Group, (ii) the Class R Invested Amount outstanding with respect to each Committed Note Purchaser and (iii) the actual Series 2015-3 Invested Amount outstanding on any date of determination, which, absent manifest error, shall constitute prima facie evidence of the outstanding Class A Invested Amounts, the outstanding

Class R Invested Amount and the outstanding Series 2015-3 Invested Amount from time to time. Upon a written request from the Trustee, the Administrative Agent shall provide in writing the identity of the Purchaser Groups, the related Funding Agents for each CP Conduit Purchaser Group, the Purchaser Group Invested Amount for each Purchaser Group, the identity of the Committed Note Purchasers, the Class R Invested Amount for each Committed Note Purchaser, and the Commitment Percentage with respect to any Purchaser Group, to the Trustee.

Section 2.3. Procedure for Initial Issuance and for Increasing the Series 2015-3 Invested Amount. (a) Subject to Section 2.3(c), (i) on the A&R Effective Date, (A) each Non-Conduit Purchaser shall purchase, and each CP Conduit Purchaser may agree, in its sole discretion, to purchase, and the APA Banks with respect to such CP Conduit Purchaser shall agree to purchase, a Class A Note, in accordance with Section 2.1 and (B) each Committed Note Purchaser shall purchase a Class R Note in accordance with Section 2.1 and (ii) on any Business Day during the period from the A&R Effective Date to and including the Expiry Date (A) with respect to a Purchaser Group, in the case of a Non-Conduit Purchaser Group, the Related Non-Conduit Purchaser hereby agrees, or in the case of a CP Conduit Purchaser Group, the CP Conduit Purchaser in such CP Conduit Purchaser Group may agree, in its sole discretion, and each APA Bank with respect to such CP Conduit Purchaser hereby agrees that the Purchaser Group Invested Amount with respect to such Purchaser Group may be increased by an amount equal to its APA Bank Percentage of the Commitment Percentage with respect to such Purchaser Group of the Increase Amount (an “Increase”), upon the request of ABRCF (each date on which an increase in the Series 2015-3 Invested Amount occurs hereunder being herein referred to as the “Increase Date” applicable to such Increase) and (B) as a result of such Increase with respect to the Class A Notes as requested by ABRCF, each Committed Note Purchaser hereby agrees that the Class R Invested Amount with respect to such Committed Note Purchaser shall be increased by the minimum amount necessary to cause the Retention Test to be satisfied; provided, however, that ABRCF shall have given the Administrative Agent and each Committed Note Purchaser (with a copy to the Trustee) irrevocable (other than as specified in Section 2.3(e)) written notice (effective upon receipt), by telecopy (receipt confirmed), substantially in the form of Exhibit B together with a calculation (including of the components thereof) in a form reasonably acceptable to the Administrative Agent of the sum of (i) the Series 2015-3 AESOP I Operating Loan Agreement Borrowing Base and (ii) the Series 2015-3 VFN Percentage of the excess, if any, of (x) the AESOP II Loan Agreement Borrowing Base over (y) the AESOP II DBRS Excluded Manufacturer Amount on the date of such notice, of such request no later than 3:00 p.m. (New York City time) on (A) with respect to a Deferrable Increase Notice, the third Business Day prior to such Increase Date or (B) with respect to a Non-Deferrable Increase Notice, the second Business Day prior to such Increase Date, as the case may be. Such notice shall state (x) the Increase Date, (y) the proposed amount of the increase in the Class A Invested Amount and the Class R Invested Amount, as applicable (in each case, an “Increase Amount”), as the case may be, and (z) whether a Delayed Funding Notice may be delivered in connection with such Increase pursuant to Section 2.3(e). The Commitment Percentage with respect to any Purchaser Group of the Increase Amount with respect to the Class A Notes set forth in any Non-Deferrable Increase Notice shall not exceed such Purchaser Group’s Non-Deferrable Draw Amount as of the related Increase Date.

(b) If a CP Conduit Purchaser elects not to fund the full amount of its Purchaser Group Increase Amount, such CP Conduit Purchaser shall notify the Administrative Agent and the Funding Agent with respect to such CP Conduit Purchaser, and each APA Bank with respect to such CP Conduit Purchaser shall fund its APA Bank Percentage of the portion of the Commitment Percentage with respect to such Related Purchaser Group of such Increase, as the case may be, not funded by such CP Conduit Purchaser.

(c) No Purchaser Group shall be required to increase its Purchaser Group Invested Amount on any Increase Date hereunder unless:

(i) such Purchaser Group's Purchaser Group Increase Amount is equal to (A) \$1,000,000 or an integral multiple of \$100,000 in excess thereof or (B) if less, the excess of the Maximum Purchaser Group Invested Amount with respect to such Purchaser Group over the Purchaser Group Invested Amount with respect to such Purchaser Group;

(ii) after giving effect to such Increase Amount, the sum of the (x) the Purchaser Group Invested Amount and (y) any unfunded Delayed Amounts with respect to such Purchaser Group would not exceed the Maximum Purchaser Group Invested Amount with respect to such Purchaser Group;

(iii) after giving effect to such Increase Amount, no AESOP I Operating Lease Vehicle Deficiency would occur and be continuing;

(iv) no Amortization Event or Potential Amortization Event (in each case, other than an Amortization Event or Potential Amortization Event in respect of another Series of Notes solely resulting from a Surety Default (as such term is defined in the Supplement pursuant to which such other Series of Notes was issued)) has occurred and is continuing on the Series 2015-3 Closing Date or such Increase Date, as applicable, or would occur and be continuing after giving effect to such Increase;

(v) not more than two Increases have occurred in the four Business Days immediately preceding the date of such Increase;

(vi) all of the representations and warranties made by each of ABRCF, the Lessees, the Lessors and the Administrator in the Base Indenture, this Supplement and the Related Documents to which each is a party are true and correct in all material respects on and as of such Increase Date, as if made on and as of such date (except to the extent such representations and warranties are expressly made as of another date); and

(vii) all conditions precedent to the making of any Loan under the applicable Loan Agreements would be satisfied.

ABRCF's acceptance of funds in connection with each Increase occurring on any Increase Date shall constitute a representation and warranty by ABRCF to the Purchaser Groups as of such Increase Date (except to the extent such representations and warranties are expressly made as of another date) that all of the conditions contained in this Section 2.3(c) have been satisfied.

(d) Upon receipt of any notice required by Section 2.3(a) or permitted by Section 2.3(e) from ABRCF, the Administrative Agent shall forward (by telecopy or electronic messaging system) a copy of such notice to each Non-Conduit Purchaser and the Funding Agent with respect to each CP Conduit Purchaser Group (or, with respect to any notice pursuant to Section 2.3(e) requiring a Delayed Funding Purchaser Group to decrease its Delayed Amount, the applicable Non-Conduit Purchaser or Funding Agent), no later than 5:00 p.m. (New York City time) on the day received. After receipt by any Funding Agent with respect to a CP Conduit Purchaser Group of such notice from the Administrative Agent, such Funding Agent shall, so long as the conditions set forth in Sections 2.3(a) and (c) are satisfied, promptly provide telephonic notice to the related CP Conduit Purchaser and the related APA Banks, of the Increase Date and of such CP Conduit Purchaser Group's Purchaser Group Increase Amount. Subject to Section 2.3(e), if such CP Conduit Purchaser elects to fund all or a portion of its Purchaser Group Increase Amount, such CP Conduit Purchaser shall pay in immediately available funds its Commitment Percentage (or any portion thereof) of the amount of such Increase with respect to the Class A Notes on the related Increase Date to the Funding Agent with respect to such CP Conduit Purchaser Group for remittance to the Trustee for deposit into the Series 2015-3 Collection Account. Subject to Section 2.3(e), if such CP Conduit Purchaser does not fund the full amount of such CP Conduit Purchaser Group's Purchaser Group Increase Amount and the related APA Banks are required to fund the portion thereof not funded by the CP Conduit Purchaser, each such APA Bank shall pay in immediately available funds its APA Bank Percentage of such portion on the related Increase Date to the Funding Agent with respect to such CP Conduit Purchaser Group for deposit in the Series 2015-3 Collection Account. Each Funding Agent shall remit the amounts received by it from its CP Conduit Purchaser or the related APA Banks pursuant to this Section 2.3(d) to the Trustee for deposit into the Series 2015-3 Collection Account. Subject to Section 2.3(e), so long as the conditions set forth in Sections 2.3(a) and (c) are satisfied, each Non-Conduit Purchaser shall pay in immediately available funds such Non-Conduit Purchaser's Purchaser Group Increase Amount on the related Increase Date to the Trustee for deposit into the Series 2015-3 Collection Account. So long as the conditions set forth in Sections 2.3(a) and (c) are satisfied, each Committed Note Purchaser shall pay in immediately available funds the Class R Initial Invested Amount on the Series 2015-3 Closing Date or the amount of such Increase Amount with respect to the Class R Notes on the related Increase Date to the Trustee for deposit into the Series 2015-3 Collection Account.

(e) Notwithstanding any of the foregoing, any APA Bank or Non-Conduit Purchaser who shall have previously notified ABRCF in writing that it or any related Program Support Provider has incurred charges under, or in anticipation of, Basel III (which may include external charges incurred by the APA Bank, Non-Conduit Purchaser or Program Support Provider or internal charges incurred by any of their businesses) in respect of its Commitment hereunder or any agreement to support such Commitment, or in respect of its interest in the Series 2015-3 Notes, based on its "liquidity coverage ratio" calculated under Basel III, may, upon receipt of any Deferrable Increase Notice pursuant to Section 2.3(a), notify ABRCF in writing (a "Delayed Funding Notice") on or prior to 12:00 noon (New York City time) on the second Business Day preceding the related Increase Date, of its intent to fund an amount up to its APA Bank Percentage or its Commitment Percentage, as applicable, of the related Increase Amount with respect to the Class A Notes (such amount, subject to any adjustment described below, the "Delayed Amount") on a Business Day that is on or before the thirty-fifth (35th) day following the Increase Date specified in such Deferrable

Increase Notice (the “Delayed Funding Date”) rather than on such Increase Date. If any APA Bank or Non-Conduit Purchaser provides a Delayed Funding Notice to ABRCF following ABRCF’s delivery of a notice of an Increase pursuant to Section 2.3(a), ABRCF may with written notice to the Administrative Agent delivered prior to 3:00 pm on the second Business Day preceding such Increase Date, (x) decrease the Increase Amount with respect to the Class A Notes with respect to such Deferrable Increase Notice (or revoke such Deferrable Increase Notice by decreasing the Increase Amount to zero) and/or (y) require any APA Bank or Non-Conduit Purchaser who has provided a Delayed Funding Notice to reduce the Delayed Amount with respect to such Increase by an amount no greater than the Non-Deferrable Draw Amount with respect to such Purchaser Group as of the related Increase Date. In the event that the Increase Amount with respect to such Deferrable Increase Notice is reduced, but not to zero, then any Delayed Amount with respect to any Purchaser Group shall be reduced on a pro rata basis unless otherwise specified by ABRCF pursuant to clause (y) above. No Purchaser Group that has provided a Delayed Funding Notice in respect of an Increase (each a “Delayed Funding Purchaser Group”) shall be considered to be in default of its obligation to fund its Delayed Amount pursuant to this Section 2.3 unless and until it has failed to fund the Delayed Amount (and/or the Delayed Funding Reimbursement Amount with respect to such Delayed Amount) on or before the Delayed Funding Date.

(f) If (i) one or more Delayed Funding Purchaser Groups provides a Delayed Funding Notice to ABRCF in respect of any Increase Date and (ii) ABRCF shall not have decreased the related Increase Amount to zero or required each such Delayed Funding Purchaser Group to reduce the Delayed Amount with respect to such Increase to zero, in each case, pursuant to Section 2.3(e), the Administrative Agent shall, by no later than 12:00 noon (New York City time) on the Business Day preceding such Increase Date, direct each Purchaser Group that is not a Delayed Funding Purchaser Group with respect to such Increase Date (each a “Non-Delayed Funding Purchaser Group”) to fund an additional portion of such Increase Amount with respect to the Class A Notes on such Increase Date equal to such Non-Delayed Funding Purchaser Group’s proportionate share (based upon the Maximum Purchaser Group Invested Amount with respect to such Non-Delayed Funding Purchaser Group relative to the sum of the Maximum Purchaser Group Invested Amounts with respect to all Non-Delayed Funding Purchaser Groups) of the aggregate Delayed Amounts with respect to such Increase Date; provided that no Non-Delayed Funding Purchaser Group shall be required to fund any portion of the aggregate Delayed Amounts that would cause its Purchaser Group Invested Amount to exceed its Maximum Purchaser Group Invested Amount. Subject to Section 2.3(a), in the case of a Non-Delayed Funding Purchaser Group that is a Non-Conduit Purchaser, such Non-Conduit Purchaser hereby agrees, or, in the case of a Non-Delayed Funding Purchaser Group that is a CP Conduit Purchaser Group, the CP Conduit in such CP Conduit Purchaser Group may agree, in its sole discretion, and the APA Banks in such CP Conduit Purchaser Group hereby agree, to fund such portion of the Increase Amount with respect to the Class A Notes on such Increase Date.

(g) After the Non-Delayed Funding Purchaser Groups fund a Delayed Amount on any Increase Date in accordance with Section 2.3(f), the Delayed Funding Purchaser Group in respect of such Delayed Amount will be obligated to fund the Delayed Funding Reimbursement Amount with respect to such Delayed Amount on or before its Delayed Funding Date, irrespective of whether the Scheduled Expiry Date with respect to such Delayed Funding Purchaser Group shall

have occurred on or prior to such Delayed Funding Date or ABRCF would be able to satisfy the conditions set forth in Section 2.3(a) to an Increase with respect to the Class A Notes in an amount equal to such Delayed Funding Reimbursement Amount on such Delayed Funding Date. Such Delayed Funding Purchaser Group shall fund such Delayed Funding Reimbursement Amount on such Delayed Funding Date by paying such amount to the Administrative Agent in immediately available funds, and the Administrative Agent shall distribute such funds to each such Non-Delayed Funding Purchaser Group, pro rata based on the relative amount of such Delayed Amount funded by such Non-Delayed Funding Purchaser Group on such Increase Date pursuant to Section 2.3(f).

Section 2.4. Sales by CP Conduit Purchasers of Class A Notes to APA Banks. Notwithstanding any limitation to the contrary contained herein, each CP Conduit Purchaser may, in its own discretion, at any time, sell or assign all or any portion of its interest in its Class A Note to any Conduit Assignee or to the APA Banks with respect to such CP Conduit Purchaser pursuant to, and subject to the terms and conditions of, the Asset Purchase Agreement with respect to such CP Conduit Purchaser.

Section 2.5. Procedure for Decreasing the Series 2015-3 Invested Amount; Optional Termination. (a) Subject to the following sentence, on any Business Day prior to the occurrence of an Amortization Event, upon the written request of ABRCF or the Administrator on behalf of ABRCF, the Series 2015-3 Invested Amount, or during the Series 2015-3 Controlled Amortization Period, the Class A Invested Amount only, may be reduced (a “Decrease”) by the Trustee’s withdrawing (as set forth in such request) (x) funds on deposit in the Series 2015-3 Excess Collection Account on such Business Day in an amount not to exceed the amount of such funds on deposit therein on such Business Day (after giving effect to any application pursuant to clauses (i), (ii) and (iii) of Section 3.2(f)) and/or (y) if such Business Day is during the Series 2015-3 Controlled Amortization Period, funds on deposit in the Series 2015-3 Collection Account on such Business Day in an amount not to exceed the amount of such funds on deposit therein on such Business Day that were allocated to the Series 2015-3 Notes pursuant to Section 3.2(b)(ii) on or prior to such Business Day which have not previously been withdrawn therefrom pursuant to either this clause (y) to make a Decrease or pursuant to Section 3.5(a) to be paid to the holders of the Series 2015-3 Notes, and, in each case, depositing such funds into the Series 2015-3 Distribution Account and distributing such funds to the Administrative Agent on such Business Day in accordance with Section 3.5(b); provided that ABRCF shall have given the Administrative Agent and each Committed Note Purchaser (with a copy to the Trustee) irrevocable written notice (effective upon receipt) of the amount of such Decrease prior to 9:30 a.m. (New York City time) on the second Business Day prior to such Decrease; provided, further, that any such Decrease shall be in an amount equal to \$10,000,000 and integral multiples of \$500,000 in excess thereof (or if such Decrease will be used to reduce one or more Non-Extending Purchaser Group’s Purchaser Group Invested Amounts, such Decrease may be in such amount as is necessary to reduce the Purchaser Group Invested Amounts of all such Non-Extending Purchaser Groups to zero). Notwithstanding the previous sentence, the Class R Notes shall not be subject to a Decrease during the Series 2015-3 Controlled Amortization Period. Upon each Decrease, the Administrative Agent shall indicate in its records such Decrease, the Purchaser Group Invested Amount outstanding with respect to each Purchaser Group after giving effect to such Decrease and the Class R Invested Amount outstanding with respect to each Committed Note Purchaser after giving effect to such Decrease. Upon receipt of any notice required by

Section 2.5(a) from ABRCF, the Administrative Agent shall forward (by telecopy or electronic messaging system) a copy of such notice to each Non-Conduit Purchaser and the Funding Agent with respect to each CP Conduit Purchaser Group, no later than 1:00 p.m. (New York City time) on the Business Day received.

(b) On any Business Day, ABRCF shall have the right to deliver an irrevocable written notice (an “Optional Termination Notice”) to the Administrative Agent, each Committed Note Purchaser, the Trustee, the Administrator, Standard & Poor’s, Moody’s and the Rating Agencies in which ABRCF declares that the Commitments shall terminate on the date (the “Optional Termination Date”) set forth in such notice (which date, in any event, shall be a Distribution Date not less than twenty Business Days from the date on which such notice is delivered). Upon receipt of any Optional Termination Notice from ABRCF, the Administrative Agent shall promptly notify each Non-Conduit Purchaser and the Funding Agent with respect to each CP Conduit Purchaser Group thereof.

(c) From and after the Optional Termination Date, the Series 2015-3 Rapid Amortization Period shall commence for all purposes under this Supplement, the Base Indenture and the Related Documents.

(d) If there are Principal Collections on deposit in the Series 2015-3 Excess Collection Account on any Business Day on which the Purchaser Group Invested Amount with respect to any Non-Extending Purchaser Group shall not have been reduced to zero and ABRCF would be permitted under the terms of Section 2.5(a) to effect a Decrease with such funds, ABRCF shall request such a Decrease in accordance with Section 2.5(a) on the earliest possible date.

Section 2.6. Increases and Reductions of the Commitments; Extensions of the Commitments; Replacement of Purchaser Groups.

(a) ABRCF may from time to time request that any Purchaser Group agree to increase its Maximum Purchaser Group Invested Amount. An increase in such amount shall be effective hereunder if such Purchaser Group shall have agreed in its sole discretion to such increase. If any such Purchaser Group agrees to ABRCF’s proposed increase, the Class R Maximum Invested Amount for each Committed Note Purchaser shall be automatically increased in an amount so that it maintains its proportional share of the Series 2015-3 Maximum Invested Amount immediately prior to such increase. In addition to an increase to the Class R Maximum Invested Amount pursuant to the previous sentence, the Class R Maximum Invested Amount may be increased at any time with or without a corresponding increase to the Maximum Purchaser Group Invested Amount upon notice from ABRCF to the Committed Note Purchasers.

(b) If ABRCF desires to extend the Scheduled Expiry Date with respect to the Purchaser Groups, ABRCF shall notify the Administrative Agent and each Committed Note Purchaser at least 60 days prior to such Scheduled Expiry Date of its desire to extend the Scheduled Expiry Date with respect to the Purchaser Groups, whereupon the Administrative Agent shall notify each Non-Conduit Purchaser and the Funding Agent with respect to each CP Conduit Purchaser Group of ABRCF’s desire to so extend the Scheduled Expiry Date. Each Non-Conduit Purchaser and each Funding Agent, on behalf of its CP Conduit Purchaser Group, shall notify the Administrative Agent and ABRCF in writing of whether its Related Purchaser Group agrees to an extension of the Scheduled Expiry Date with respect to such Purchaser Group; provided that failure

by a Non-Conduit Purchaser or a Funding Agent to respond to such request shall not be construed as a consent by such Purchaser Group to such extension. The decision to extend or not extend shall be made by each Purchaser Group in its sole discretion. In the event that any Purchaser Group desires to extend its Scheduled Expiry Date for an amount that is less than its Maximum Purchaser Group Invested Amount prior to ABRCF's request for an extension, ABRCF, in its sole discretion, may accept such extension; provided, however, that such Purchaser Group (x) shall be deemed to be a Non-Extending Purchaser Group for purposes of Section 3.5 having a Purchaser Group Invested Amount equal to the excess of its Purchaser Group Invested Amount over a percentage of its Maximum Purchaser Group Invested Amount that will be available after the extension of its Scheduled Expiry Date equal to the percentage equivalent of a fraction, the numerator of which is the sum of the Purchaser Group Invested Amounts with respect to all Extending Purchaser Groups, other than such Purchaser Group and any other Purchaser Group reducing its Maximum Purchaser Group Invested Amount, and the denominator of which is the sum of the Maximum Purchaser Group Invested Amounts of all Extending Purchaser Groups, other than such Purchaser Group and any other Purchaser Group reducing its Maximum Purchaser Group Invested Amount and (y) shall be deemed to be an Extending Purchaser Group with a Maximum Purchaser Group Invested Amount equal to the portion of its Maximum Purchaser Group Invested Amount that will be available after the extension of its Scheduled Expiry Date. In connection with any request by ABRCF to extend the Scheduled Expiry Date pursuant to this Section 2.6(b), ABRCF shall provide (i) to the Administrative Agent, who shall provide to each Purchaser Group, on or prior to the effective date of any such extension, a certificate of the principal financial officer of ABRCF to the effect set forth in Schedule 8.3(d) of the Base Indenture and (ii) notice to the Rating Agencies, Standard & Poor's and Moody's of its request to extend the Scheduled Expiry Date.

(c) On any Business Day during the Series 2015-3 Revolving Period, ABRCF may, upon two (2) Business Days' prior written notice to the Administrative Agent (effective upon receipt) (with copies to the Administrator and the Trustee) reduce the Class A Maximum Invested Amount in an amount equal to \$10,000,000 or a whole multiple of \$1,000,000 in excess thereof; provided that no such termination or reduction shall be permitted if, after giving effect thereto and to any reduction in the Class A Invested Amount on such date, the Purchaser Group Invested Amount with respect to any Purchaser Group would exceed the Maximum Purchaser Group Invested Amount with respect to such Purchaser Group then in effect. Any reduction in the Class A Maximum Invested Amount shall be made on a pro rata basis to the Maximum Purchaser Group Invested Amounts with respect to the Purchaser Groups, based on the Maximum Purchaser Group Invested Amount with respect to each Purchaser Group. Once reduced, the Maximum Purchaser Group Invested Amounts may not be subsequently reinstated without each such Purchaser Group's prior written consent, which consent shall be granted or not in the sole discretion of such Purchaser Group.

(d) If, (w) after receiving a request for extension of its Scheduled Expiry Date from ABRCF pursuant to Section 2.6(b), a Non-Conduit Purchaser Group or the Funding Agent with respect to a CP Conduit Purchaser Group notifies ABRCF in writing of its decision not to extend its Scheduled Expiry Date as requested or fails to respond to ABRCF's request within 30 days of its receipt of such request, (x) any Non-Conduit Purchaser Group or any CP Conduit Purchaser Group (or the Funding Agent with respect thereto, on behalf of such CP Conduit Purchaser Group) (a "Non-Consenting Purchaser Group") fails to give its consent for any amendment or

waiver requiring the consent of 100% of the Series 2015-3 Noteholders (or Purchaser Groups having Commitment Percentages aggregating 100%) or the consent of all affected Series 2015-3 Noteholders or Purchaser Groups (and such Purchaser Group is affected) and for which Holders of Series 2015-3 Notes representing at least a majority of the required voting percentage have consented, (y) after receiving a notice of Increase in accordance with Section 2.3(a), any Purchaser Group fails to fund the full amount of its Commitment Percentage of the related Increase Amount on the Increase Date (a “Non-Funding Purchaser Group”) or (z) any Affected Party with respect to any Non-Conduit Purchaser Group or any CP Conduit Purchaser Group (together with any Non-Extending Purchaser Group, Non-Consenting Purchaser Group or Non-Funding Purchaser Group, “Removed Purchaser Groups”) requests payment for any Article VII Costs payable under Section 7.1(e), at the request of ABRCF such Non-Conduit Purchaser Group or such CP Conduit Purchaser Group shall on a Distribution Date thereafter selected by ABRCF (or such other date as may be agreed by ABRCF, the Administrative Agent and such Non-Conduit Purchaser or the Funding Agent with respect to such CP Conduit Purchaser Group) assign all or any portion of their respective rights and obligations under this Supplement and the Series 2015-3 Notes pursuant to Section 11.1 to a replacement Purchaser Group selected by ABRCF upon payment by the replacement Purchaser Group (or upon payment by ABRCF as agreed to by ABRCF, the assignor and the assignee) of an amount equal to the sum of (i) the Purchaser Group Invested Amount with respect to such Removed Purchaser Group, and (ii)(A) if such Purchaser Group includes a Match Funding CP Conduit Purchaser, the sum of (x) all accrued and unpaid Discount on all outstanding Commercial Paper issued by, or for the benefit of, such Match Funding CP Conduit Purchaser to fund the CP Funded Amount with respect to such Match Funding CP Conduit Purchaser from the issuance date(s) thereof to but excluding the date (the “Purchase Effective Date”) of the assignment to the replacement Purchaser Group and (y) the aggregate Discount to accrue on all outstanding Commercial Paper issued by, or for the benefit of, such Match Funding CP Conduit Purchaser to fund the CP Funded Amount with respect to such Match Funding CP Conduit Purchaser from and including the Purchase Effective Date to and excluding the maturity date of each CP Tranche with respect to such Match Funding CP Conduit Purchaser or (B) if such Removed Purchaser Group includes a Pooled Funding CP Conduit Purchaser, the sum of (x) the aggregate amount of accrued and unpaid Discount on or in respect of the Commercial Paper issued by, or for the benefit of, such Pooled Funding CP Conduit Purchaser allocated, in whole or in part, by the Funding Agent with respect to such Pooled Funding CP Conduit Purchaser, to fund the purchase or maintenance of the CP Funded Amount with respect to such Pooled Funding CP Conduit Purchaser as of the Purchase Effective Date and (y) the aggregate amount of Discount to accrue on or in respect of the Commercial Paper issued by, or for the benefit of, such Pooled Funding CP Conduit Purchaser allocated, in whole or in part, by the Funding Agent with respect to such Pooled Funding CP Conduit Purchaser, to fund the purchase or maintenance of the CP Funded Amount with respect to such Pooled Funding CP Conduit Purchaser from and including the Purchase Effective Date to and excluding the maturity dates of such Commercial Paper, and (iii) (A) if such Removed Purchaser Group is a Non-Conduit Purchaser Group, all accrued and unpaid interest on the Purchaser Group Invested Amount for such Non-Conduit Purchaser Group, calculated as the sum for each day from but excluding the last day of the Series 2015-3 Interest Period immediately preceding the Purchase Effective Date to but excluding the Purchase Effective Date of the product of (1) the Purchaser Group Invested Amount with respect to such Non-Conduit Purchaser on such day, times (2) the sum of the LIBO Rate with respect to each such day and the Program Fee Rate with respect to such Non-Conduit Purchaser Group divided by (3)

360, or (B) if such Removed Purchaser Group is a CP Conduit Purchaser Group, the sum of (1) all accrued and unpaid interest on the APA Bank Funded Amount with respect to such Purchaser Group, calculated at the Alternate Base Rate or the applicable Adjusted LIBO Rate plus the Applicable Margin as of the Purchase Effective Date and (2) if such CP Conduit Purchaser Group includes a LIBOR Funding CP Conduit Purchaser, all accrued and unpaid interest on the CP Conduit Funded Amount for such CP Conduit Purchaser Group, calculated as the sum for each day from but excluding the last day of the Series 2015-3 Interest Period immediately preceding the Purchase Effective Date to but excluding the Purchase Effective Date of the product of (x) the CP Conduit Funded Amount with respect to such CP Conduit Purchaser Group on each such day, times (y) the LIBO Rate with respect to each such day with respect to such CP Conduit Purchaser Group divided by (z) 360, and (iv) if such Removed Group is a Conduit Purchaser Group, for each day from but excluding the last day of the Series 2015-3 Interest Period immediately preceding the Purchase Effective Date to but excluding the Purchase Effective Date, an amount equal to (x) the CP Funded Amount with respect to such Removed Purchaser Group on such day times (y) the Program Fee Rate divided by (z) 360, and (v) for each day from but excluding the last day of the Series 2015-3 Interest Period immediately preceding the Purchase Effective Date to but excluding the Purchase Effective Date, an amount equal to (x) the excess, if any, of the Commitment Amount with respect to such Removed Purchaser Group over the Purchaser Group Invested Amount with respect to such Purchaser Group on such day times (y) the Commitment Fee Rate as of such date divided by (z) 360, and (vi) all Article VII Costs then due and payable to such Removed Purchaser Group and (vii) without duplication, any other amounts then due and payable to such Removed Purchaser Group pursuant to this Supplement.

(e) ABRCF may at any time add as a Class A Noteholder (A) a multi-seller commercial paper conduit as an additional CP Conduit Purchaser (an "Additional CP Conduit Purchaser") and one or more banks providing support to the Additional CP Conduit Purchaser as APA Banks with respect to the Additional CP Conduit Purchaser (the "Related Additional APA Banks") or (B) a financial institution or other entity (other than a commercial paper conduit) as an additional Non-Conduit Purchaser (an "Additional Non-Conduit Purchaser"), in each case with the prior written consent of the Administrative Agent (which consent shall not be unreasonably withheld), by providing at least ten Business Days written notice of (i) (A) the names of the Additional CP Conduit Purchaser, the Related Additional APA Banks and the funding agent with respect to the Additional CP Conduit Purchaser and the Related Additional APA Banks (the "Additional Funding Agent") or (B) the name of the Additional Non-Conduit Purchaser, as applicable, (ii) the date on which ABRCF desires to effect such addition (the "Purchaser Group Addition Date"), (iii) the proposed Maximum Purchaser Group Invested Amount with respect to the Additional CP Conduit Purchaser and the Related Additional APA Banks or the Additional Non-Conduit Purchaser, as applicable, and (iv) the Commitment Percentage of each Purchaser Group on the Purchaser Group Addition Date, after giving effect to the addition of the Additional CP Conduit Purchaser and the Related Additional APA Banks or the Additional Non-Conduit Purchaser, as applicable. On the Purchaser Group Addition Date, each Purchaser Group shall make an assignment and assumption to the Additional CP Conduit Purchaser, the Related Additional APA Banks and the Additional Funding Agent or the Additional Non-Conduit Purchaser, as applicable, pursuant to Section 11.1, as directed by the Administrative Agent, with the result that after giving effect thereto, the Purchaser Group Invested Amount with respect to each such Purchaser Group shall equal the product of (x) the Class A Invested Amount on the Purchaser Group Addition Date

and (y) the Commitment Percentage of such Purchaser Group on the Purchaser Group Addition Date, after giving effect to the addition of the Additional CP Conduit Purchaser and the Related Additional APA Banks or the Additional Non-Conduit Purchaser, as applicable. No Purchaser Group shall be required to make any assignment unless such assigning Purchaser Group shall receive in cash an amount equal to the reduction in its Class A Invested Amount.

Section 2.7. Interest; Fees. (a) Interest shall be payable on the Series 2015-3 Notes on each Distribution Date pursuant to Section 3.3.

(b) On any Business Day, ABRCF may, subject to Section 2.7(c), elect to allocate all or any portion of the Available CP Funding Amount with respect to any Match Funding CP Conduit Purchaser, to one or more CP Tranches with CP Rate Periods commencing on such Business Day by giving the Administrative Agent and the Funding Agent with respect to such Match Funding CP Conduit Purchaser irrevocable written or telephonic (confirmed in writing) notice thereof, which notice must be received by such Funding Agent prior to 3:00 p.m. (New York City time) on the second Business Day prior to such Business Day. Such notice shall specify (i) the applicable Business Day, (ii) the CP Rate Period for each CP Tranche to which a portion of the Available CP Funding Amount with respect to such CP Conduit Purchaser Group is to be allocated and (iii) the portion of such Available CP Funding Amount being allocated to each such CP Tranche. On any Business Day, ABRCF may, subject to Sections 2.7(c) and 7.4, elect to allocate all or any portion of the Available APA Bank Funding Amount with respect to any CP Conduit Purchaser Group to one or more Eurodollar Tranches with Eurodollar Periods commencing on such Business Day by giving the Administrative Agent and the Funding Agent with respect to such CP Conduit Purchaser Group irrevocable written or telephonic (confirmed in writing) notice thereof, which notice must be received by such Funding Agent prior to 1:00 p.m. (New York City time) three Business Days prior to such Business Day. Such notice shall specify (i) the applicable Business Day, (ii) the Eurodollar Period for each Eurodollar Tranche to which a portion of the Available APA Bank Funding Amount with respect to such CP Conduit Purchaser Group is to be allocated and (iii) the portion of such Available APA Bank Funding Amount being allocated to each such Eurodollar Tranche. Upon receipt of any such notice, the Funding Agent with respect to a CP Conduit Purchaser Group shall notify the CP Conduit Purchaser and the APA Bank with respect to such CP Conduit Purchaser Group of the contents of such notice promptly upon receipt thereof.

(c) Notwithstanding anything to the contrary contained in this Section 2.7, (i) (A) each Match Funding CP Conduit Purchaser shall approve the length of each CP Rate Period and the portion of the Available CP Funding Amount with respect to such Match Funding CP Conduit Purchaser allocated to such CP Rate Period, (B) such Match Funding CP Conduit Purchaser may select, in its sole discretion, any new CP Rate Period if (x) ABRCF does not provide notice of a new CP Rate Period on a timely basis or (y) the Funding Agent with respect to such Match Funding CP Conduit Purchaser, on behalf of such Match Funding CP Conduit Purchaser, determines, in its sole discretion, that the CP Rate Period requested by ABRCF is unavailable or for any reason commercially undesirable and (C) the portion of the Available CP Funding Amount with respect to such Match Funding CP Conduit Purchaser allocable to each CP Tranche must be in an amount equal to \$1,000,000 or an integral multiple of \$100,000 in excess thereof and (ii) (A) the portion of the Available APA Bank Funding Amount with respect to any CP Conduit Purchaser Group

allocable to each Eurodollar Tranche must be in an amount equal to \$100,000 or an integral multiple of \$100,000 in excess thereof, (B) no more than 7 Eurodollar Tranches with respect to such CP Conduit Purchaser Group shall be outstanding at any one time, (C) after the occurrence and during the continuance of any Amortization Event or Potential Amortization Event, ABRCF may not elect to allocate any portion of the Available APA Bank Funding Amount with respect to any CP Conduit Purchaser Group to a Eurodollar Tranche and (D) during the Series 2015-3 Controlled Amortization Period or the Series 2015-3 Rapid Amortization Period, ABRCF may not select any Eurodollar Period that does not end on or prior to the next succeeding Distribution Date.

(d) On any Business Day, a Match Funding CP Conduit Purchaser may elect that ABRCF no longer be permitted to select CP Tranches in accordance with Sections 2.7(b) and (c) in respect of the CP Conduit Funded Amount with respect to such CP Conduit Purchaser by giving ABRCF and the Administrative Agent irrevocable written notice thereof, which notice must be received by ABRCF and the Administrative Agent at least one Business Day prior to such Business Day. On any Business Day, a Pooled Funding CP Conduit Purchaser may with the prior written consent of the Administrator (which consent shall not be unreasonably withheld) elect thereafter to allow ABRCF to select CP Tranches in accordance with Sections 2.7(b) and (c) in respect of the CP Conduit Funded Amount with respect to such CP Conduit Purchaser by giving ABRCF and the Administrative Agent irrevocable written notice thereof, which notice and consent must be received by ABRCF and the Administrative Agent at least one Business Day prior to such election. Any CP Conduit Purchaser making an election to change the manner in which its funding costs in respect of its Class A Note are allocated in accordance with this Section 2.7(d) will be both a Match Funding CP Conduit Purchaser and a Pooled Funding CP Conduit Purchaser during the period that its Class A Note is funded on both a “pooled” and “match funded” basis and its Monthly Funding Costs during that period will be calculated accordingly.

(e) ABRCF shall pay with funds available pursuant to Section 3.3(a) to the Administrative Agent, for the account of each Purchaser Group, on each Distribution Date, a commitment fee with respect to the Series 2015-3 Interest Period ending on the day preceding such Distribution Date (the “Commitment Fee”) during the period from the Series 2015-3 Closing Date to and including the Expiry Date with respect to such Purchaser Group equal to the product of (x) the Commitment Fee Rate with respect to such Purchaser Group as of the last day of such Series 2015-3 Interest Period and (y) the excess of (i) the average daily Commitment Amount with respect to such Purchaser Group during such Series 2015-3 Interest Period over (ii) the average daily Purchaser Group Invested Amount with respect to such Purchaser Group during such Series 2015-3 Interest Period. The Commitment Fees shall be payable monthly in arrears on each Distribution Date and shall be considered interest on the Series 2015-3 Notes for purposes of calculating the Accrued Amounts with respect to the Series 2015-3 Notes.

(f) ABRCF shall pay with funds available pursuant to Section 3.3(g) to the Administrative Agent, for the account of each Purchaser Group, on each Distribution Date, the Contingent Monthly Funding Costs with respect to each Purchaser Group for the related Series 2015-3 Interest Period. The Contingent Monthly Funding Costs shall be payable monthly in arrears on each Distribution Date.

(g) With respect to the Class A Notes, calculations of per annum rates under this Supplement shall be made on the basis of a 360- (or 365-/366- in the case of interest on the Floating Tranche based on the Prime Rate) day year. With respect to the Class R Notes, calculations of per annum rates under this Supplement shall be made on the basis of a 360-day year consisting of twelve 30-day months. Calculations of Commitment Fees shall be made on the basis of a 360-day year. Each determination of the Adjusted LIBO Rate or LIBO Rate by the Administrative Agent or by any Non-Conduit Purchaser shall be conclusive and binding upon each of the parties hereto in the absence of manifest error.

(h) On any date prior to the occurrence of an Amortization Event on which more than 50% of the Class A Invested Amount as of such date is funded by one or more APA Banks, each Non-Conduit Purchaser may elect, in its sole discretion, by delivering written notice to ABRCF, the Administrator and the Administrative Agent (a "Pricing Increase Notice"), to have the Monthly Funding Costs with respect to such Non-Conduit Purchaser calculated for each day of a Series 2015-3 Interest Period that more than 50% of the Class A Invested Amount is funded by one or more APA Banks at a rate per annum equal to the sum of (A) the LIBO Rate with respect to such day and (B) the Applicable Margin with respect to any Eurodollar Tranche on such day (rather than the LIBO Rate with respect to such day and the Program Fee Rate on such day). At any time following delivery of a Pricing Increase Notice by a Non-Conduit Purchaser, such Non-Conduit Purchaser may, in its sole discretion, rescind such election by delivering written notice thereof to ABRCF and the Administrative Agent (a "Pricing Increase Rescission").

Section 2.8. Indemnification by ABRCF. ABRCF agrees to indemnify and hold harmless the Trustee, the Administrative Agent, each Funding Agent, each CP Conduit Purchaser, each APA Bank, each Non-Conduit Purchaser and each of their respective officers, directors, agents and employees (each, a "Company indemnified person") from and against any loss, liability, expense, damage or injury suffered or sustained by (a "Claim") such Company indemnified person by reason of (i) any acts, omissions or alleged acts or omissions arising out of, or relating to, activities of ABRCF pursuant to the Indenture or the other Related Documents to which it is a party, (ii) a breach of any representation or warranty made or deemed made by ABRCF (or any of its officers) in the Indenture or other Related Document or (iii) a failure by ABRCF to comply with any applicable law or regulation or to perform its covenants, agreements, duties or obligations required to be performed or observed by it in accordance with the provisions of the Indenture or the other Related Documents, including, but not limited to, any judgment, award, settlement, reasonable attorneys' fees and other reasonable costs or expenses incurred in connection with the defense of any actual or threatened action, proceeding or claim, except to the extent such loss, liability, expense, damage or injury resulted from the gross negligence, bad faith or willful misconduct of such Company indemnified person or its officers, directors, agents, principals, employees or employers or includes any Excluded Taxes; provided that any payments made by ABRCF pursuant to this Section 2.8 shall be made solely from funds available pursuant to Section 3.3(e), shall be non-recourse other than with respect to such funds, and shall not constitute a claim against ABRCF to the extent that such funds are insufficient to make such payment.

Section 2.9. Funding Agents. (a) The Funding Agent with respect to each CP Conduit Purchaser Group is hereby authorized to record on each Business Day the CP Funded

Amount with respect to such CP Conduit Purchaser Group and the aggregate amount of Discount accruing with respect thereto on such Business Day and the APA Bank Funded Amount with respect to such CP Conduit Purchaser Group and the amount of interest accruing with respect thereto on such Business Day and, based on such recordations, to determine the Monthly Funding Costs with respect to each Series 2015-3 Interest Period and such CP Conduit Purchaser Group. Any such recordation by a Funding Agent, absent manifest error, shall constitute prima facie evidence of the accuracy of the information so recorded. Furthermore, the Funding Agent with respect to each CP Conduit Purchaser Group will maintain records sufficient to identify the percentage interest of the related CP Conduit Purchaser and each APA Bank with respect to such CP Conduit Purchaser Group holding an interest in the Series 2015-3 Note registered in the name of such Funding Agent and any amounts owing thereunder.

(b) Upon receipt of funds from the Administrative Agent on each Distribution Date and the date of any Decrease, each Funding Agent shall pay such funds to the related CP Conduit Purchaser and/or the related APA Bank owed such funds in accordance with the recordations maintained by it in accordance with Section 2.9(a) and the Asset Purchase Agreement with respect to such CP Conduit Purchaser. If a Funding Agent shall have paid to any CP Conduit Purchaser or APA Bank any funds that (i) must be returned for any reason (including bankruptcy) or (ii) exceeds that which such CP Conduit Purchaser or APA Bank was entitled to receive, such amount shall be promptly repaid to such Funding Agent by such CP Conduit Purchaser or APA Bank.

ARTICLE III

SERIES 2015-3 ALLOCATIONS

With respect to the Series 2015-3 Notes, the following shall apply:

Section 3.1. Establishment of Series 2015-3 Collection Account, Series 2015-3 Excess Collection Account and Series 2015-3 Accrued Interest Account. (a) All Collections allocable to the Series 2015-3 Notes shall be allocated to the Collection Account.

(b) The Trustee will create three administrative subaccounts within the Collection Account for the benefit of the Series 2015-3 Noteholders: the Series 2015-3 Collection Account (such sub-account, the "Series 2015-3 Collection Account"), the Series 2015-3 Excess Collection Account (such sub-account, the "Series 2015-3 Excess Collection Account") and the Series 2015-3 Accrued Interest Account (such sub-account, the "Series 2015-3 Accrued Interest Account").

(c) With respect to all Accounts created pursuant to this Supplement, the Trustee represents on the date hereof that it has an office in the United States which is not intended to be merely temporary and meets the description set forth in the second sentence of Article 4(1) of the Hague Convention on the Law Applicable to Certain Rights in Respect of Securities Held with an Intermediary, concluded 5 July 2006. The Law in force in the State of New York is applicable to all issues specified in Article 2(1) of the Hague Convention on the Law Applicable to Certain Rights in Respect of Securities Held with an Intermediary, concluded 5 July 2006.

Section 3.2. Allocations with Respect to the Series 2015-3 Notes. The net proceeds from the initial sale of the Series 2015-3 Notes and any Increase will be deposited into the Collection Account. On each Business Day on which Collections are deposited into the Collection Account (each such date, a “Series 2015-3 Deposit Date”), the Administrator will direct the Trustee in writing pursuant to the Administration Agreement to allocate all amounts deposited into the Collection Account in accordance with the provisions of this Section 3.2:

(a) Allocations of Collections During the Series 2015-3 Revolving Period. During the Series 2015-3 Revolving Period, the Administrator will direct the Trustee in writing pursuant to the Administration Agreement to allocate on each day, prior to 11:00 a.m. (New York City time) on each Series 2015-3 Deposit Date, all amounts deposited into the Collection Account as set forth below:

(i) allocate to the Series 2015-3 Collection Account an amount equal to the sum of (A) the Series 2015-3 Invested Percentage (as of such day) of the aggregate amount of Interest Collections on such day and (B) any Series 2015-3 Interest Rate Cap Proceeds received by the Trustee on such day. All such amounts allocated to the Series 2015-3 Collection Account shall be further allocated to the Series 2015-3 Accrued Interest Account; and

(ii) allocate to the Series 2015-3 Excess Collection Account the sum of (A) the Series 2015-3 Invested Percentage (as of such day) of the aggregate amount of Principal Collections on such day (for any such day, the “Series 2015-3 Principal Allocation”) and (B) the proceeds from the initial issuance of the Series 2015-3 Notes and from any Increase; provided, however, if a Waiver Event shall have occurred, then such allocation shall be modified as provided in Article V.

(b) Allocations of Collections During the Series 2015-3 Controlled Amortization Period. With respect to the Series 2015-3 Controlled Amortization Period, the Administrator will direct the Trustee in writing pursuant to the Administration Agreement to allocate, prior to 11:00 a.m. (New York City time) on any Series 2015-3 Deposit Date, all amounts deposited into the Collection Account as set forth below:

(i) allocate to the Series 2015-3 Collection Account an amount determined as set forth in Section 3.2(a)(i) above for such day, which amount shall be further allocated to the Series 2015-3 Accrued Interest Account; and

(ii) allocate to the Series 2015-3 Collection Account an amount equal to the Series 2015-3 Principal Allocation for such day, which amount shall be used to make principal payments in respect of the Series 2015-3 Notes (A) in accordance with Section 3.5, (1) first, in respect of the Class A Notes in an amount equal to the Class A Controlled Distribution Amount with respect to the Related Month and (2) second, in respect of the Class R Notes, in an amount equal to the Class R Controlled Distribution Amount with respect to the Related Month or (B) to make a Decrease; provided, however, that if the Monthly Total Principal Allocation for any Related Month exceeds the Series 2015-3 Controlled Distribution Amount with

respect to the Related Month, then the amount of such excess shall be allocated to the Series 2015-3 Excess Collection Account; and provided, further, that if a Waiver Event shall have occurred, then such allocation shall be modified as provided in Article V.

(c) Allocations of Collections During the Series 2015-3 Rapid Amortization Period. With respect to the Series 2015-3 Rapid Amortization Period, other than after the occurrence of an Event of Bankruptcy with respect to ABCR, any other Lessee or any Permitted Sublessee (other than a third-party Permitted Sublessee), the Administrator will direct the Trustee in writing pursuant to the Administration Agreement to allocate, prior to 11:00 a.m. (New York City time) on any Series 2015-3 Deposit Date, all amounts deposited into the Collection Account as set forth below:

(i) allocate to the Series 2015-3 Collection Account an amount determined as set forth in Section 3.2(a)(i) above for such day, which amount shall be further allocated to the Series 2015-3 Accrued Interest Account; and

(ii) allocate to the Series 2015-3 Collection Account an amount equal to the Series 2015-3 Principal Allocation for such day, which amount shall be used to make principal payments in respect of the Class A Notes until the Class A Invested Amount is paid in full, and then to make principal payments in respect of the Class R Notes until the Class R Invested Amount is paid in full; provided that if on any Determination Date (A) the Administrator determines that the amount anticipated to be available from Interest Collections allocable to the Series 2015-3 Notes, Series 2015-3 Interest Rate Cap Proceeds and other amounts available pursuant to Section 3.3 to pay Class A Senior Monthly Interest and the Commitment Fees on the next succeeding Distribution Date will be less than the Class A Senior Monthly Interest and Commitment Fees for the Series 2015-3 Interest Period ending on the day preceding such Distribution Date and (B) the Series 2015-3 Enhancement Amount is greater than zero, then the Administrator shall direct the Trustee in writing to reallocate a portion of the Principal Collections allocated to the Series 2015-3 Notes during the Related Month equal to the lesser of such insufficiency and the Series 2015-3 Enhancement Amount to the Series 2015-3 Accrued Interest Account to be treated as Interest Collections on such Distribution Date; provided further that if, after giving effect to any allocation on such Series 2015-3 Deposit Date, the Monthly Total Principal Allocation for the Related Month would exceed the sum of (x) the Series 2015-3 Invested Amount on such date and (y) any insufficiency described in the preceding proviso, then such excess shall be allocated to the Series 2015-3 Reserve Account.

(d) Allocations of Collections after the Occurrence of an Event of Bankruptcy. After the occurrence of an Event of Bankruptcy with respect to ABCR, any other Lessee or any Permitted Sublessee (other than a third-party Permitted Sublessee), the Administrator will direct the Trustee in writing pursuant to the Administration Agreement to allocate, prior

to 11:00 a.m. (New York City time) on any Series 2015-3 Deposit Date, all amounts deposited into the Collection Account as set forth below:

(i) allocate to the Series 2015-3 Collection Account an amount equal to the sum of (A) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage as of the date of the occurrence of such Event of Bankruptcy of the aggregate amount of Interest Collections made under the AESOP I Operating Lease Loan Agreement, (B) the Series 2015-3 VFN Percentage of the aggregate amount of Interest Collections made under the AESOP II Loan Agreement and (C) any Series 2015-3 Interest Rate Cap Proceeds received by the Trustee on such day. All such amounts allocated to the Series 2015-3 Collection Account shall be further allocated to the Series 2015-3 Accrued Interest Account; and

(ii) allocate to the Series 2015-3 Collection Account an amount equal to the sum of (A) the Series 2015-3 AESOP I Operating Lease Vehicle Percentage as of the date of the occurrence of such Event of Bankruptcy of the aggregate amount of Principal Collections made under the AESOP I Operating Lease Loan Agreement and (B) the Series 2015-3 VFN Percentage of the aggregate amount of Principal Collections made under the AESOP II Loan Agreement, which amount shall be used to make principal payments in respect of the Class A Notes until the Class A Invested Amount is paid in full, and after the Class A Notes have been paid in full shall be used to make principal payments in respect of the Class R Notes until the Class R Invested Amount is paid in full; provided that if on any Determination Date (A) the Administrator determines that the amount anticipated to be available from Interest Collections allocable to the Series 2015-3 Notes, Series 2015-3 Interest Rate Cap Proceeds and other amounts available pursuant to Section 3.3 to pay Class A Senior Monthly Interest and the Commitment Fees on the next succeeding Distribution Date will be less than the Class A Senior Monthly Interest and Commitment Fees for the Series 2015-3 Interest Period ending on the day preceding such Distribution Date and (B) the Series 2015-3 Enhancement Amount is greater than zero, then the Administrator shall direct the Trustee in writing to reallocate a portion of the Principal Collections allocated to the Series 2015-3 Notes during the Related Month equal to the lesser of such insufficiency and the Series 2015-3 Enhancement Amount to the Series 2015-3 Accrued Interest Account to be treated as Interest Collections on such Distribution Date; provided further that if, after giving effect to any allocation on such Series 2015-3 Deposit Date, the Monthly Total Principal Allocation for the Related Month would exceed the sum of (x) the Series 2015-3 Invested Amount on such date and (y) any insufficiency described in the preceding proviso, then such excess shall be allocated to the Series 2015-3 Reserve Account.

(e) Allocations From Other Series. Amounts allocated to other Series of Notes that have been reallocated by ABRCF to the Series 2015-3 Notes (i) during the Series 2015-3 Revolving Period shall be allocated to the Series 2015-3 Excess Collection Account and applied in accordance with Section 3.2(e) and (ii) during the Series 2015-3 Controlled Amortization Period or the Series 2015-3 Rapid Amortization Period shall be allocated to

the Series 2015-3 Collection Account and applied in accordance with Section 3.2(b)(ii), 3.2(c)(ii) or 3.2(d)(ii), as the case may be, to make principal payments in respect of the Series 2015-3 Notes or to be allocated to the Series 2015-3 Reserve Account.

(f) Series 2015-3 Excess Collection Account. Amounts allocated to the Series 2015-3 Excess Collection Account on any Series 2015-3 Deposit Date will be (i) first, used to reduce the Purchaser Group Invested Amount with respect to any Non-Extending Purchaser Group to the extent required pursuant to Section 2.5(d), (ii) second, deposited in the Series 2015-3 Reserve Account in an amount up to the excess, if any, of the Series 2015-3 Required Reserve Account Amount for such date, after giving effect to any Increase or Decrease on such date, over the Series 2015-3 Available Reserve Account Amount for such date, (iii) third, to the extent directed by ABRCF used to pay the principal amount of other Series of Notes that are then required to be paid, (iv) fourth, to the extent directed in writing by the Administrator, used to make a voluntary Decrease in the Series 2015-3 Invested Amount, (v) fifth, to the extent directed in writing by the Administrator used to make a voluntary decrease in the Invested Amount of any other Series of Notes that may be reduced in accordance with the Indenture, (vi) sixth, released to AESOP Leasing in an amount equal to (A) the Loan Agreement's Share with respect to the AESOP I Operating Lease Loan Agreement as of such date times (B) 100% minus the Loan Payment Allocation Percentage with respect to the AESOP I Operating Lease Loan Agreement as of such date times (C) the amount of any remaining funds and (vii) seventh, paid to ABRCF for any use permitted under the Related Documents, including to make Loans under the Loan Agreements to the extent the Borrowers have requested Loans thereunder and Eligible Vehicles are available for financing thereunder; provided, in the case of clauses (v), (vi) and (vii), that no AESOP I Operating Lease Vehicle Deficiency would result therefrom or exist immediately thereafter. Upon the occurrence of an Amortization Event, funds on deposit in the Series 2015-3 Excess Collection Account will be withdrawn by the Trustee, deposited in the Series 2015-3 Collection Account and allocated as Principal Collections to reduce the Series 2015-3 Invested Amount on the immediately succeeding Distribution Date or to be allocated to the Series 2015-3 Reserve Account.

(g) Past Due Rental Payments. Notwithstanding Section 3.2(a), if after the occurrence of a Series 2015-3 Lease Payment Deficit, the Lessees shall make payments of Monthly Base Rent or other amounts payable by the Lessees under the Leases on or prior to the fifth Business Day after the occurrence of such Series 2015-3 Lease Payment Deficit (a "Past Due Rent Payment"), the Administrator shall direct the Trustee in writing pursuant to the Administration Agreement to allocate to the Series 2015-3 Collection Account an amount equal to the Series 2015-3 Invested Percentage as of the date of the occurrence of such Series 2015-3 Lease Payment Deficit of the Collections attributable to such Past Due Rent Payment (the "Series 2015-3 Past Due Rent Payment"). The Administrator shall instruct the Trustee in writing pursuant to the Administration Agreement to withdraw from the Series 2015-3 Collection Account and apply the Series 2015-3 Past Due Rent Payment in the following order:

(i) if the occurrence of such Series 2015-3 Lease Payment Deficit resulted in a withdrawal being made from the Series 2015-3 Reserve Account pursuant to Section 3.3(b), deposit in the Series 2015-3 Reserve Account an amount equal to the lesser of (x) the Series 2015-3 Past Due Rent Payment and (y) the excess, if any, of the Series 2015-3 Required Reserve Account Amount over the Series 2015-3 Available Reserve Account Amount on such day;

(ii) if the occurrence of the related Series 2015-3 Lease Payment Deficit resulted in one or more Lease Deficit Disbursements being made under the Series 2015-3 Letters of Credit, pay to each Series 2015-3 Letter of Credit Provider who made such a Lease Deficit Disbursement for application in accordance with the provisions of the applicable Series 2015-3 Reimbursement Agreement an amount equal to the lesser of (x) the unreimbursed amount of such Series 2015-3 Letter of Credit Provider's Lease Deficit Disbursement and (y) such Series 2015-3 Letter of Credit Provider's pro rata share, calculated on the basis of the unreimbursed amount of each Series 2015-3 Letter of Credit Provider's Lease Deficit Disbursement, of the amount of the Series 2015-3 Past Due Rent Payment remaining after payment pursuant to clause (i) above;

(iii) if the occurrence of such Series 2015-3 Lease Payment Deficit resulted in a withdrawal being made from the Series 2015-3 Cash Collateral Account, deposit in the Series 2015-3 Cash Collateral Account an amount equal to the lesser of (x) the amount of the Series 2015-3 Past Due Rent Payment remaining after any payment pursuant to clauses (i) and (ii) above and (y) the amount withdrawn from the Series 2015-3 Cash Collateral Account on account of such Series 2015-3 Lease Payment Deficit;

(iv) allocate to the Series 2015-3 Accrued Interest Account the amount, if any, by which the Series 2015-3 Lease Interest Payment Deficit, if any, relating to such Series 2015-3 Lease Payment Deficit exceeds the amount of the Series 2015-3 Past Due Rent Payment applied pursuant to clauses (i), (ii) and (iii) above; and

(v) treat the remaining amount of the Series 2015-3 Past Due Rent Payment as Principal Collections allocated to the Series 2015-3 Notes in accordance with Section 3.2(a)(ii), 3.2(b)(ii) or 3.2(c)(ii), as the case may be.

Section 3.3. Payments to Noteholders. The Funding Agent with respect to each CP Conduit Purchaser Group and each Non-Conduit Purchaser shall provide written notice to the Administrative Agent (x) no later than two Business Days prior to each Determination Date, setting forth the Monthly Funding Costs with respect to its Related Purchaser Group with respect to the portion of the current Series 2015-3 Interest Period ending on such Business Day and a reasonable estimation of the Monthly Funding Costs with respect to such Purchaser Group for the remainder of such Series 2015-3 Interest Period and (y) within three Business Days after the end of each calendar month, setting forth the Monthly Funding Costs (calculated as if such calendar month was a Series 2015-3 Interest Period) with respect to such Purchaser Group for such calendar month. The Administrative Agent shall, within two Business Days following its receipt of such information

from each Funding Agent and each Non-Conduit Purchaser, compile the information provided in such written notice pursuant to (x) or (y) above, as applicable, into one written notice for all Purchaser Groups and forward such notice to the Administrator. The Administrator shall determine the Senior Monthly Funding Costs, the Contingent Monthly Funding Costs and the Class A Senior Note Rate based on the information provided by the Funding Agents and the Non-Conduit Purchasers. If the actual amount of the Monthly Funding Costs with respect to any Purchaser Group for a Series 2015-3 Interest Period is less than or greater than the amount thereof estimated by the Funding Agent or the Non-Conduit Purchaser with respect to its Related Purchaser Group on a Determination Date, such Funding Agent or Non-Conduit Purchaser shall notify the Administrator and the Administrative Agent thereof on the next succeeding Determination Date and the Administrator will reduce or increase the Monthly Funding Costs with respect to such Purchaser Group for the next succeeding Series 2015-3 Interest Period accordingly. The Administrator shall determine the Senior Monthly Funding Costs, the Contingent Monthly Funding Costs and the Class A Senior Note Rate for the last Series 2015-3 Interest Period on the Determination Date immediately preceding the final Distribution Date based on the information provided by the Funding Agents and the Non-Conduit Purchasers. If a Funding Agent or Non-Conduit Purchaser determines that the actual Monthly Funding Costs with respect to its Related Purchaser Group for the last Series 2015-3 Interest Period will be more or less than the estimate thereof provided to the Administrator and informs the Administrator of such variance prior to the Distribution Date for such Series 2015-3 Interest Period, the Administrator will recalculate the Senior Monthly Funding Costs, the Contingent Monthly Funding Costs and the Class A Senior Note Rate with respect to such Purchaser Group for such Series 2015-3 Interest Period. On each Determination Date, as provided below, the Administrator shall instruct the Paying Agent in writing pursuant to the Administration Agreement to withdraw, and on the following Distribution Date the Paying Agent, acting in accordance with such instructions, shall withdraw the amounts required to be withdrawn from the Collection Account pursuant to Section 3.3(a) below in respect of all funds available from Series 2015-3 Interest Rate Cap Proceeds and Interest Collections processed since the preceding Distribution Date and allocated to the holders of the Series 2015-3 Notes.

(a) Class A Senior Note Interest and Commitment Fees with respect to the Class A Notes. On each Determination Date, the Administrator shall instruct the Trustee and the Paying Agent in writing pursuant to the Administration Agreement as to the amount to be withdrawn and paid pursuant to Section 3.4 from the Series 2015-3 Accrued Interest Account to the extent funds are anticipated to be available from Interest Collections allocable to the Series 2015-3 Notes and the Series 2015-3 Interest Rate Cap Proceeds processed from, but not including, the preceding Distribution Date through the succeeding Distribution Date in respect of (x) first, an amount equal to the Class A Senior Monthly Interest for the Series 2015-3 Interest Period ending on the day preceding the related Distribution Date, (y) second, an amount equal to the Commitment Fees for each Purchaser Group for the Series 2015-3 Interest Period ending on the day preceding the related Distribution Date, and (z) third, an amount equal to the amount of any unpaid Class A Senior Monthly Interest Shortfall as of the preceding Distribution Date (together with any accrued interest on such Class A Senior Monthly Interest Shortfall). On the following Distribution Date, the Trustee shall withdraw the amounts described in the first sentence of this Section 3.3(a) from the Series 2015-3

Accrued Interest Account and deposit such amounts in the Series 2015-3 Distribution Account.

(b) Withdrawals from Series 2015-3 Reserve Account. If the Administrator determines on any Distribution Date that the amounts available from the Series 2015-3 Accrued Interest Account are insufficient to pay the sum of the amounts described in clauses (x), (y) and (z) of Section 3.3(a) above on such Distribution Date, the Administrator shall instruct the Trustee in writing to withdraw from the Series 2015-3 Reserve Account and deposit in the Series 2015-3 Distribution Account on such Distribution Date an amount equal to the lesser of the Series 2015-3 Available Reserve Account Amount and such insufficiency. The Trustee shall withdraw such amount from the Series 2015-3 Reserve Account and deposit such amount in the Series 2015-3 Distribution Account.

(c) Lease Payment Deficit Notice. On or before 10:00 a.m. (New York City time) on each Distribution Date, the Administrator shall notify the Trustee of the amount of any Series 2015-3 Lease Payment Deficit, such notification to be in the form of Exhibit F (each a "Lease Payment Deficit Notice").

(d) Draws on Series 2015-3 Letters of Credit For Series 2015-3 Lease Interest Payment Deficits. If the Administrator determines on the Business Day immediately preceding any Distribution Date that on such Distribution Date there will exist a Series 2015-3 Lease Interest Payment Deficit, the Administrator shall, on or prior to 3:00 p.m. (New York City time) on such Business Day, instruct the Trustee in writing to draw on the Series 2015-3 Letters of Credit, if any, and, the Trustee shall, by 5:00 p.m. (New York City time) on such Business Day draw an amount (identified by the Administrator) equal to the least of (i) such Series 2015-3 Lease Interest Payment Deficit, (ii) the excess, if any, of the sum of the amounts described in clauses (x), (y) and (z) of Section 3.3(a) above for such Distribution Date over the amounts available from the Series 2015-3 Accrued Interest Account on such Distribution Date plus the amount withdrawn from the Series 2015-3 Reserve Account pursuant to Section 3.3(b) and (iii) the Series 2015-3 Letter of Credit Liquidity Amount on the Series 2015-3 Letters of Credit by presenting to each Series 2015-3 Letter of Credit Provider a Certificate of Lease Deficit Demand and shall cause the Lease Deficit Disbursements to be deposited in the Series 2015-3 Distribution Account on such Distribution Date for distribution in accordance with Section 3.4; provided, however, that if the Series 2015-3 Cash Collateral Account has been established and funded, the Trustee shall withdraw from the Series 2015-3 Cash Collateral Account and deposit in the Series 2015-3 Distribution Account an amount equal to the lesser of (x) the Series 2015-3 Cash Collateral Percentage on such date of the least of the amounts described in clauses (i), (ii) and (iii) above and (y) the Series 2015-3 Available Cash Collateral Account Amount on such date and draw an amount equal to the remainder of such amount on the Series 2015-3 Letters of Credit.

(e) Balance. On or prior to the second Business Day preceding each Distribution Date, the Administrator shall instruct the Trustee and the Paying Agent in writing pursuant to the Administration Agreement to pay the balance (after making the payments required in

Section 3.3(a)), if any, of the amounts available from the Series 2015-3 Accrued Interest Account as follows:

(i) on each Distribution Date during the Series 2015-3 Revolving Period or the Series 2015-3 Controlled Amortization Period, (1) first, to the Series 2015-3 Reserve Account, an amount equal to the sum of (x) the aggregate Contingent Monthly Funding Costs with respect to all Purchaser Groups for the Series 2015-3 Interest Period ended on the day preceding such Distribution Date and (y) any Contingent Monthly Funding Costs Shortfall as of the immediately preceding Distribution Date (together with accrued interest thereon), (2) second, to the Administrator, an amount equal to the Series 2015-3 Percentage as of the beginning of such Series 2015-3 Interest Period of the portion of the Monthly Administration Fee payable by ABRCF (as specified in clause (iii) of the definition thereof) for such Series 2015-3 Interest Period, (3) third, to the Trustee, an amount equal to the Series 2015-3 Percentage as of the beginning of such Series 2015-3 Interest Period of the Trustee's fees for such Series 2015-3 Interest Period, (4) fourth, to the Series 2015-3 Distribution Account to pay any Article VII Costs, (5) fifth, to pay any Carrying Charges (other than Carrying Charges provided for above) to the Persons to whom such amounts are owed, an amount equal to the Series 2015-3 Percentage as of the beginning of such Series 2015-3 Interest Period of such Carrying Charges (other than Carrying Charges provided for above) for such Series 2015-3 Interest Period, (6) sixth, to the Series 2015-3 Reserve Account, an amount equal to the sum of (x) the Class R Monthly Interest with respect to the Series 2015-3 Interest Period ended on the day preceding such Distribution Date and (y) the Class R Monthly Interest Shortfall as of the immediately preceding Distribution Date, and (7) seventh, the balance, if any ("Excess Collections"), shall be withdrawn by the Paying Agent from the Series 2015-3 Collection Account and deposited in the Series 2015-3 Excess Collection Account; and

(ii) on each Distribution Date during the Series 2015-3 Rapid Amortization Period, (1) first, to the Trustee, an amount equal to the Series 2015-3 Percentage as of the beginning of such Series 2015-3 Interest Period of the Trustee's fees for such Series 2015-3 Interest Period, (2) second, to the Administrator, an amount equal to the Series 2015-3 Percentage as of the beginning of such Series 2015-3 Interest Period of the portion of the Monthly Administration Fee (as specified in clause (iii) of the definition thereof) payable by ABRCF for such Series 2015-3 Interest Period, (3) third, to the Series 2015-3 Distribution Account to pay any Article VII Costs, (4) fourth, to pay any Carrying Charges (other than Carrying Charges provided for above) to the Persons to whom such amounts are owed, an amount equal to the Series 2015-3 Percentage as of the beginning of such Series 2015-3 Interest Period of such Carrying Charges (other than Carrying Charges provided for above) for such Series 2015-3 Interest Period, (5) fifth, to the Series 2015-3 Reserve Account, an amount equal to the sum of (x) the Class R Monthly Interest with respect to the Series 2015-3 Interest Period ended on the day preceding such Distribution Date and (y) the Class R Monthly Interest Shortfall as of the immediately preceding

Distribution Date, and (6) sixth, the balance, if any, shall be treated as Principal Collections.

(f) Class A Senior Note Interest and Commitment Fee Shortfalls. If the amounts described in Section 3.3(a), (b) and (d) are insufficient to pay the Class A Senior Monthly Interest and the Commitment Fees of the Purchaser Groups on any Distribution Date, payments of Class A Senior Monthly Interest to the Class A Noteholders and payments of Commitment Fees to the Purchaser Groups will be reduced on a pro rata basis by the amount of such deficiency. The aggregate amount, if any, of such deficiency on any Distribution Date, together with the aggregate unpaid amount of any such deficiencies with respect to all prior Distribution Dates, shall be referred to as the “Class A Senior Monthly Interest Shortfall.” Interest shall accrue on the Class A Senior Monthly Interest Shortfall at the Alternate Base Rate plus 2% per annum.

(g) Contingent Monthly Funding Costs. On each Determination Date, the Administrator shall instruct the Trustee and the Paying Agent in writing pursuant to the Administration Agreement as to the amount to be withdrawn and paid pursuant to Section 3.4 from the Series 2015-3 Reserve Account in respect of (x) first, an amount equal to the aggregate Contingent Monthly Funding Costs with respect to all Purchaser Groups for the Series 2015-3 Interest Period ending on the day preceding the related Distribution Date and (y) second, the amount of any unpaid Contingent Monthly Funding Costs Shortfall as of the preceding Distribution Date (together with any accrued interest on such Contingent Monthly Funding Costs Shortfall). On the following Distribution Date, the Trustee shall withdraw the lesser of (x) the amounts described in the first sentence of this Section 3.3(g) and (y) the excess of the Series 2015-3 Available Reserve Account Amount (after giving effect to any withdrawals from the Series 2015-3 Reserve Account pursuant to Section 3.3(b), 3.5(c)(i) and/or 3.5(d) (i) with respect to such Distribution Date) over the Series 2015-3 Required Reserve Account Amount on such Distribution Date, from the Series 2015-3 Reserve Account and deposit such amount in the Series 2015-3 Distribution Account.

(h) Contingent Monthly Funding Costs Shortfalls. If the amounts withdrawn from the Series 2015-3 Reserve Account pursuant to Section 3.3(g) are insufficient to pay the aggregate Contingent Monthly Funding Costs with respect to the Purchaser Groups on any Distribution Date, payments of Contingent Monthly Funding Costs to the Purchaser Groups will be reduced on a pro rata basis by the amount of such deficiency. The aggregate amount, if any, of such deficiency as of any Distribution Date, together with the aggregate unpaid amount of any such deficiencies with respect to all prior Distribution Dates, shall be referred to as the “Contingent Monthly Funding Costs Shortfall.” Interest shall accrue on the Contingent Monthly Funding Costs Shortfall at the Alternate Base Rate plus 2% per annum.

(i) Class R Monthly Interest. On each Determination Date, the Administrator shall instruct the Trustee and the Paying Agent in writing pursuant to the Administration Agreement as to the amount to be withdrawn and paid pursuant to Section 3.4 from the Series 2015-3 Reserve Account in respect of (x) first, an amount equal to the aggregate Class

R Monthly Interest for the Series 2015-3 Interest Period ending on the day preceding the related Distribution Date and (y) second, the amount of any unpaid Class R Monthly Interest Shortfall as of the preceding Distribution Date. On the following Distribution Date, the Trustee shall withdraw the lesser of (x) the amounts described in the first sentence of this Section 3.3(i) and (y) the excess of the Series 2015-3 Available Reserve Account Amount (after giving effect to any withdrawals from the Series 2015-3 Reserve Account pursuant to Section 3.3(b), 3.3(h), 3.5(c)(i) and/or 3.5(d)(i) with respect to such Distribution Date) over the Series 2015-3 Required Reserve Account Amount on such Distribution Date, from the Series 2015-3 Reserve Account and deposit such amount in the Series 2015-3 Distribution Account.

(j) Class R Monthly Interest Shortfalls. If the amounts withdrawn from the Series 2015-3 Reserve Account pursuant to Section 3.3(i) are insufficient to pay the Class R Monthly Interest on any Distribution Date, payments of Class R Monthly Interest will be reduced on a pro rata basis by the amount of such deficiency. The aggregate amount, if any, of such deficiency as of any Distribution Date, together with the aggregate unpaid amount of any such deficiencies with respect to all prior Distribution Dates, shall be referred to as the “Class R Monthly Interest Shortfall.” No interest shall accrue on the Class R Monthly Interest Shortfall.

Section 3.4. Payment of Class A Senior Note Interest, Commitment Fees, Contingent Monthly Funding Costs and Class R Monthly Note Interest. On each Distribution Date, subject to Section 9.8 of the Base Indenture, the Paying Agent shall, in accordance with Section 6.1 of the Base Indenture, pay from the Series 2015-3 Distribution Account the following amounts in the following order of priority from amounts deposited in the Series 2015-3 Distribution Account pursuant to Section 3.3:

(i) first, to the Administrative Agent for the accounts of the Purchaser Groups the Class A Senior Monthly Interest with respect to the Series 2015-3 Interest Period ended on the day preceding such Distribution Date, along with any Class A Senior Monthly Interest Shortfall as of the preceding Distribution Date (together with any accrued interest on such Class A Senior Monthly Interest Shortfall);

(ii) second, to the Administrative Agent for the accounts of the Purchaser Groups any accrued and unpaid Commitment Fees;

(iii) third, to the Administrative Agent for the accounts of the Purchaser Groups the Contingent Monthly Funding Costs with respect to the Series 2015-3 Interest Period ended on the day preceding such Distribution Date, along with any Contingent Monthly Funding Cost Shortfall as of the preceding Distribution Date (together with any accrued interest on such Contingent Monthly Funding Costs Shortfall); and

(iv) fourth, to the Class R Noteholders, the Class R Monthly Interest with respect to the Series 2015-3 Interest Period ended on the day preceding such Distribution Date, along with any Class R Monthly Interest Shortfall as of the preceding Distribution Date.

Upon the receipt of funds from the Paying Agent on each Distribution Date on account of Class A Senior Monthly Interest, the Administrative Agent shall pay to each Non-Conduit Purchaser and each Funding Agent with respect to a CP Conduit Purchaser Group an amount equal to the Senior Monthly Funding Costs with respect to its Related Purchaser Group with respect to the Series 2015-3 Interest Period ending on the day preceding such Distribution Date plus the amount of any unpaid Class A Senior Monthly Interest Shortfalls relating to unpaid Class A Senior Monthly Interest payable to such Purchaser Group as of the preceding Distribution Date, together with any interest thereon at the Alternate Base Rate plus 2% per annum. If the amount paid to the Administrative Agent on any Distribution Date pursuant to this Section 3.4 on account of Class A Senior Monthly Interest for the Series 2015-3 Interest Period ending on the day preceding such Distribution Date is less than such Class A Senior Monthly Interest, the Administrative Agent shall pay the amount available to the Non-Conduit Purchasers and the Funding Agents, on behalf of the CP Conduit Purchaser Groups, on a pro rata basis, based on the Senior Monthly Funding Costs with respect to each Related Purchaser Group with respect to such Series 2015-3 Interest Period. Upon the receipt of funds from the Paying Agent on each Distribution Date on account of Commitment Fees, the Administrative Agent shall pay to each Non-Conduit Purchaser and each Funding Agent with respect to a CP Conduit Purchaser Group an amount equal to the Commitment Fee payable to its Related Purchaser Group with respect to the Series 2015-3 Interest Period ending on the day preceding such Distribution Date plus the amount of any unpaid Class A Senior Monthly Interest Shortfalls relating to unpaid Commitment Fees payable to such Purchaser Group as of the preceding Distribution Date, together with any interest thereon at the Alternate Base Rate plus 2% per annum. If the amount paid to the Administrative Agent on any Distribution Date pursuant to this Section 3.4 on account of Commitment Fees is less than the Commitment Fees payable on such Distribution Date, the Administrative Agent shall pay the amount available to the Non-Conduit Purchasers and the Funding Agents, on behalf of the CP Conduit Purchaser Groups, on a pro rata basis, based on the Commitment Fee payable to each Purchaser Group on such Distribution Date. Upon the receipt of funds from the Paying Agent on each Distribution Date on account of Contingent Monthly Funding Costs, the Administrative Agent shall pay to each Non-Conduit Purchaser and each Funding Agent with respect to a CP Conduit Purchaser Group an amount equal to the Contingent Monthly Funding Costs with respect to its Related Purchaser Group with respect to the Series 2015-3 Interest Period ending on the day preceding such Distribution Date plus the amount of any unpaid Contingent Monthly Funding Costs Shortfalls payable to such Purchaser Group as of the preceding Distribution Date, together with any interest thereon at the Alternate Base Rate plus 2% per annum. If the amount paid to the Administrative Agent on any Distribution Date pursuant to this Section 3.4 on account of Contingent Monthly Funding Costs for the Series 2015-3 Interest Period ending on the day preceding such Distribution Date is less than the aggregate Contingent Monthly Funding Costs with respect to the Purchaser Groups for such Series 2015-3 Interest Period, the Administrative Agent shall pay the amount available to the Non-Conduit Purchasers and the Funding Agents, on behalf of the CP Conduit Purchaser Groups, on a pro rata basis, based on the Contingent Monthly Funding Costs with respect to each Related Purchaser Group with respect to such Series 2015-3 Interest Period. Upon the receipt of funds from the Trustee or the Paying Agent on any Distribution Date on account of Article VII Costs, the Administrative Agent shall pay such amounts to the Non-Conduit Purchaser owed such amounts and/or the Funding Agent with respect to the CP Conduit Purchaser or the APA Bank owed such amounts. If the amounts paid to the Administrative Agent on any Distribution Date pursuant to Section 3.3(e) on account of Article VII Costs are less than

the Article VII Costs due and payable on such Distribution Date, the Administrative Agent shall pay the amounts available to the Non-Conduit Purchasers owed such amounts and/or the Funding Agents with respect to the CP Conduit Purchasers and APA Banks owed such amounts, on a pro rata basis, based on the Article VII Costs owing to such Non-Conduit Purchasers, CP Conduit Purchasers and APA Banks. Due and unpaid Article VII Costs owing to a Purchaser Group shall accrue interest at the Alternate Base Rate plus 2%; provided that Article VII Costs shall not be considered due until the first Distribution Date following five days' notice to ABRCF and the Administrator of such Article VII Costs.

Section 3.5. Payment of Note Principal.

(a) Monthly Payments During Series 2015-3 Controlled Amortization Period or Series 2015-3 Rapid Amortization Period.

Commencing on the second Determination Date during the Series 2015-3 Controlled Amortization Period or the first Determination Date after the commencement of the Series 2015-3 Rapid Amortization Period, the Administrator shall instruct the Trustee and the Paying Agent in writing pursuant to the Administration Agreement and in accordance with this Section 3.5 as to (i) the amount allocated to the Series 2015-3 Notes during the Related Month pursuant to Section 3.2(b)(ii), (c)(ii) or (d)(ii), as the case may be, and the portion of such amount, if any, that has been previously applied to make a Decrease pursuant to Section 2.5 during the Related Month, (ii) any amounts to be withdrawn from the Series 2015-3 Reserve Account and deposited into the Series 2015-3 Distribution Account or (iii) any amounts to be drawn on the Series 2015-3 Demand Notes and/or on the Series 2015-3 Letters of Credit (or withdrawn from the Series 2015-3 Cash Collateral Account). On the Distribution Date following each such Determination Date, the Trustee shall withdraw the amount allocated to the Series 2015-3 Notes during the Related Month pursuant to Section 3.2(b)(ii), (c)(ii) or (d)(ii), as the case may be, less the portion of such amount, if any, that has been previously applied to make a Decrease pursuant to Section 2.5 during the Related Month, from the Series 2015-3 Collection Account and deposit such amount in the Series 2015-3 Distribution Account, to be paid to the holders of the Series 2015-3 Notes in accordance with Section 3.5(e).

(b) Decreases. On any Business Day (x) during the Series 2015-3 Revolving Period on which a Decrease is to be made pursuant to Section 2.5, the Trustee shall withdraw from the Series 2015-3 Excess Collection Account, or (y) during the Series 2015-3 Controlled Amortization Period on which a Decrease is to be made pursuant to Section 2.5, the Trustee shall withdraw from the Series 2015-3 Excess Collection Account and/or the Series 2015-3 Collection Account, in each case, in accordance with the written instructions of the Administrator, an amount equal to the lesser of (i) the amounts specified in clauses (x) and (y) of the first sentence of Section 2.5(a) and (ii) the amount of such Decrease, and deposit such amount in the Series 2015-3 Distribution Account, to be paid to the Administrative Agent for distribution in accordance with Section 3.5(f).

(c) Principal Deficit Amount. On each Distribution Date on which the Principal Deficit Amount is greater than zero, amounts shall be transferred to the Series 2015-3 Distribution Account as follows:

(i) Reserve Account Withdrawal. The Administrator shall instruct the Trustee in writing, prior to 12:00 noon (New York City time) on such Distribution Date, in the case of a Principal Deficit Amount resulting from a Series 2015-3 Lease Payment Deficit, or prior to 12:00 noon (New York City time) on the second Business Day prior to such Distribution Date, in the case of any other Principal Deficit Amount, to withdraw from the Series 2015-3 Reserve Account, an amount equal to the lesser of (x) the Series 2015-3 Available Reserve Account Amount and (y) such Principal Deficit Amount and deposit it in the Series 2015-3 Distribution Account on such Distribution Date.

(ii) Principal Draws on Series 2015-3 Letters of Credit. If the Administrator determines on the Business Day immediately preceding any Distribution Date during the Series 2015-3 Rapid Amortization Period that on such Distribution Date there will exist a Series 2015-3 Lease Principal Payment Deficit, the Administrator shall instruct the Trustee in writing to draw on the Series 2015-3 Letters of Credit, if any, as provided below. Upon receipt of a notice by the Trustee from the Administrator in respect of a Series 2015-3 Lease Principal Payment Deficit on or prior to 3:00 p.m. (New York City time) on the Business Day immediately preceding a Distribution Date, the Trustee shall, by 5:00 p.m. (New York City time) on such Business Day draw an amount equal to the least of (i) such Series 2015-3 Lease Principal Payment Deficit, (ii) the amount by which the Principal Deficit Amount for such Distribution Date exceeds the amount to be deposited in the Series 2015-3 Distribution Account in accordance with clause (i) of this Section 3.5(c) and (iii) the Series 2015-3 Letter of Credit Liquidity Amount on the Series 2015-3 Letters of Credit, by presenting to each Series 2015-3 Letter of Credit Provider a Certificate of Lease Deficit Demand and shall cause the Lease Deficit Disbursements to be deposited in the Series 2015-3 Distribution Account on such Distribution Date; provided, however, that if the Series 2015-3 Cash Collateral Account has been established and funded, the Trustee shall withdraw from the Series 2015-3 Cash Collateral Account and deposit in the Series 2015-3 Distribution Account an amount equal to the lesser of (x) the Series 2015-3 Cash Collateral Percentage for such date of the least of the amounts described in clauses (i), (ii) and (iii) above and (y) the Series 2015-3 Available Cash Collateral Account Amount on such date and draw an amount equal to the remainder of such amount on the Series 2015-3 Letters of Credit.

(iii) Demand Note Draw. If on any Determination Date, the Administrator determines that the Principal Deficit Amount on the next succeeding Distribution Date (after giving effect to any withdrawal from the Series 2015-3 Reserve Account pursuant to Section 3.5(c) (i) on such Distribution Date) will be greater than zero and there are any Series 2015-3 Letters of Credit on such date, prior to 10:00 a.m. (New York City time) on the second Business Day prior to such Distribution Date, the Administrator shall instruct the Trustee in writing to deliver a Demand Notice to the Demand Note Issuers demanding payment of an amount equal to the lesser of (A) the Principal Deficit Amount and (B) the Series 2015-3 Letter of Credit Amount. The Trustee shall, prior to 12:00 noon (New York City time) on the second Business Day preceding such Distribution Date, deliver such Demand Notice to the Demand Note Issuers; provided, however, that if an Event of Bankruptcy (or the occurrence of an event described in clause (a) of the definition thereof, without the lapse of a period of 60 consecutive days) with respect to a Demand Note Issuer shall have occurred

and be continuing, the Trustee shall not be required to deliver such Demand Notice to such Demand Note Issuer. The Trustee shall cause the proceeds of any demand on the Series 2015-3 Demand Notes to be deposited into the Series 2015-3 Distribution Account.

(iv) Letter of Credit Draw. In the event that either (x) on or prior to 10:00 a.m. (New York City time) on the Business Day prior to such Distribution Date, any Demand Note Issuer shall have failed to pay to the Trustee or deposit in the Series 2015-3 Distribution Account the amount specified in such Demand Notice in whole or in part or (y) due to the occurrence of an Event of Bankruptcy (or the occurrence of an event described in clause (a) of the definition thereof, without the lapse of a period of 60 consecutive days) with respect to any Demand Note Issuer, the Trustee shall not have delivered such Demand Notice to any Demand Note Issuer on the second Business Day preceding such Distribution Date, then, in the case of (x) or (y) the Trustee shall on such Business Day draw on the Series 2015-3 Letters of Credit an amount equal to the lesser of (i) Series 2015-3 Letter of Credit Amount and (ii) the aggregate amount that the Demand Note Issuers failed to pay under the Series 2015-3 Demand Notes (or, the amount that the Trustee failed to demand for payment thereunder) by presenting to each Series 2015-3 Letter of Credit Provider a Certificate of Unpaid Demand Note Demand; provided, however, that if the Series 2015-3 Cash Collateral Account has been established and funded, the Trustee shall withdraw from the Series 2015-3 Cash Collateral Account and deposit in the Series 2015-3 Distribution Account an amount equal to the lesser of (x) the Series 2015-3 Cash Collateral Percentage on such Business Day of the aggregate amount that the Demand Note Issuers failed to pay under the Series 2015-3 Demand Notes (or, the amount that the Trustee failed to demand for payment thereunder) and (y) the Series 2015-3 Available Cash Collateral Account Amount on such Business Day and draw an amount equal to the remainder of the aggregate amount that the Demand Note Issuers failed to pay under the Series 2015-3 Demand Notes (or, the amount that the Trustee failed to demand for payment thereunder) on the Series 2015-3 Letters of Credit. The Trustee shall deposit into, or cause the deposit of, the proceeds of any draw on the Series 2015-3 Letters of Credit and the proceeds of any withdrawal from the Series 2015-3 Cash Collateral Account to be deposited in the Series 2015-3 Distribution Account on such Distribution Date.

(d) Series 2015-3 Termination Date. The entire Class A Invested Amount and the entire Class R Invested Amount shall be due and payable on the Series 2015-3 Termination Date. In connection therewith:

(i) Reserve Account Withdrawal. If, after giving effect to the deposit into the Series 2015-3 Distribution Account of the amount to be deposited in accordance with Section 3.5(a), together with any amounts to be deposited therein in accordance with Section 3.5(c) on the Series 2015-3 Termination Date, the amount to be deposited in the Series 2015-3 Distribution Account with respect to the Series 2015-3 Termination Date is or will be less than the Class A Invested Amount, then, prior to 12:00 noon (New York City time) on the second Business Day prior to the Series 2015-3 Termination Date, the Administrator shall instruct the Trustee in writing to withdraw from the Series 2015-3 Reserve Account, an amount equal to the lesser of the Series 2015-3 Available Reserve Account Amount and

such insufficiency and deposit it in the Series 2015-3 Distribution Account on the Series 2015-3 Termination Date.

(ii) Demand Note Draw. If the amount to be deposited in the Series 2015-3 Distribution Account in accordance with Section 3.5(a) together with any amounts to be deposited therein in accordance with Section 3.5(c) and Section 3.5(d)(i) on the Series 2015-3 Termination Date is less than the Class A Invested Amount, and there are any Series 2015-3 Letters of Credit on such date, then, prior to 10:00 a.m. (New York City time) on the second Business Day prior to the Series 2015-3 Termination Date, the Administrator shall instruct the Trustee in writing to make a demand (a "Demand Notice") substantially in the form attached hereto as Exhibit G on the Demand Note Issuers for payment under the Series 2015-3 Demand Notes in an amount equal to the lesser of (i) such insufficiency and (ii) the Series 2015-3 Letter of Credit Amount. The Trustee shall, prior to 12:00 noon (New York City time) on the second Business Day preceding the Series 2015-3 Termination Date, deliver such Demand Notice to the Demand Note Issuers; provided, however, that if an Event of Bankruptcy (or the occurrence of an event described in clause (a) of the definition thereof, without the lapse of a period of 60 consecutive days) with respect to a Demand Note Issuer shall have occurred and be continuing, the Trustee shall not be required to deliver such Demand Notice to such Demand Note Issuer. The Trustee shall cause the proceeds of any demand on the Series 2015-3 Demand Notes to be deposited into the Series 2015-3 Distribution Account.

(iii) Letter of Credit Draw. In the event that either (x) on or prior to 10:00 a.m. (New York City time) on the Business Day immediately preceding any Distribution Date next succeeding any date on which a Demand Notice has been transmitted by the Trustee to the Demand Note Issuers pursuant to clause (ii) of this Section 3.5(d) any Demand Note Issuer shall have failed to pay to the Trustee or deposit into the Series 2015-3 Distribution Account the amount specified in such Demand Notice in whole or in part or (y) due to the occurrence of an Event of Bankruptcy (or the occurrence of an event described in clause (a) of the definition thereof, without the lapse of a period of 60 consecutive days) with respect to one or more of the Demand Note Issuers, the Trustee shall not have delivered such Demand Notice to any Demand Note Issuer on the second Business Day preceding the Series 2015-3 Termination Date, then, in the case of (x) or (y) the Trustee shall draw on the Series 2015-3 Letters of Credit by 12:00 noon (New York City time) on such Business Day an amount equal to the lesser of (a) the amount that the Demand Note Issuers failed to pay under the Series 2015-3 Demand Notes (or, the amount that the Trustee failed to demand for payment thereunder) and (b) the Series 2015-3 Letter of Credit Amount on such Business Day by presenting to each Series 2015-3 Letter of Credit Provider a Certificate of Unpaid Demand Note Demand; provided, however, that if the Series 2015-3 Cash Collateral Account has been established and funded, the Trustee shall withdraw from the Series 2015-3 Cash Collateral Account and deposit in the Series 2015-3 Distribution Account an amount equal to the lesser of (x) the Series 2015-3 Cash Collateral Percentage on such Business Day of the amount that the Demand Note Issuers failed to pay under the Series 2015-3 Demand Notes (or, the amount that the Trustee failed to demand for payment thereunder) and (y) the Series 2015-3 Available Cash Collateral Account Amount on such Business Day and draw

an amount equal to the remainder of the amount that the Demand Note Issuers failed to pay under the Series 2015-3 Demand Notes (or, the amount that the Trustee failed to demand for payment thereunder) on the Series 2015-3 Letters of Credit. The Trustee shall deposit, or cause the deposit of, the proceeds of any draw on the Series 2015-3 Letters of Credit and the proceeds of any withdrawal from the Series 2015-3 Cash Collateral Account to be deposited in the Series 2015-3 Distribution Account on such Distribution Date.

(e) Distribution.

(i) Class A Notes. On each Distribution Date occurring on or after the date a withdrawal is made from the Series 2015-3 Collection Account pursuant to Section 3.5(a) or amounts are deposited in the Series 2015-3 Distribution Account pursuant to Section 3.5(c) and/or (d), the Paying Agent shall, in accordance with Section 6.1 of the Base Indenture, pay to the Administrative Agent for the accounts of the Purchaser Groups from the Series 2015-3 Distribution Account the amount deposited therein pursuant to Section 3.5(a), (c) and/or (d) to the extent necessary to pay the Class A Controlled Distribution Amount with respect to Related Month during the Series 2015-3 Controlled Amortization Period or to the extent necessary to pay the Class A Invested Amount during the Series 2015-3 Rapid Amortization Period.

(ii) Class R Notes. On each Distribution Date occurring on or after the date a withdrawal is made from the Series 2015-3 Collection Account pursuant to Section 3.5(a) and either (x) prior to the Series 2015-3 Rapid Amortization Period or (y) after the Class A Invested Amount has been paid in full, the Paying Agent shall, in accordance with Section 6.1 of the Base Indenture, pay pro rata to Class R Noteholders from the Series 2015-3 Distribution Account the amount deposited therein pursuant to Section 3.5(a) less the aggregate amount applied to make payments required pursuant to Section 3.5(e)(i), to the extent necessary to pay the Class R Controlled Distribution Amount with respect to Related Month during the Series 2015-3 Controlled Amortization Period or to the extent necessary to pay the Class R Invested Amount during the Series 2015-3 Rapid Amortization Period.

(f) Payment of Funds from Decreases. Upon the receipt of funds on account of a Decrease from the Trustee, the Administrative Agent shall pay as follows (1) first, such funds will be used to pay to each Funding Agent with respect to a Non-Extending Purchaser Group that is a CP Conduit Purchaser Group and to each Non-Conduit Purchaser that constitutes a Non-Extending Purchaser Group that is a Non-Conduit Purchaser Group a pro rata amount of the Decrease, based on the Purchaser Group Invested Amounts with respect to such Non-Extending Purchaser Group relative to the Purchaser Group Invested Amounts with respect to all Non-Extending Purchaser Groups on the date of such Decrease, (2) second, to each Non-Conduit Purchaser and Funding Agent with respect to its Related Purchaser Group, such Purchaser Group's Pro Rata Share of the remaining amount of such Decrease and (3) third, if such Decrease occurs prior to the Series 2015-3 Controlled Amortization Period, any remaining funds will be used to pay to each Committed Note Purchaser a pro rata amount of the Decrease, based on the Class R Invested Amount with respect to such Committed Note Purchaser. Each CP Conduit Purchaser Group's share of the amount of any Decrease on any Business Day shall be allocated by such CP Conduit Purchaser Group first to

reduce the Available CP Funding Amount with respect to such CP Conduit Purchaser Group and the Available APA Bank Funding Amount with respect to such CP Conduit Purchaser Group on such Business Day and then to reduce the portion of the Purchaser Group Invested Amount with respect to such CP Conduit Purchaser Group allocated to CP Tranches and Eurodollar Tranches in such order as such CP Conduit Purchaser Group may select in order to minimize costs payable pursuant to Section 7.3. Upon the receipt of funds from the Trustee pursuant to Sections 3.5(a), (c) and/or (d) on any Distribution Date, the Administrative Agent shall pay to each Non-Conduit Purchaser and each Funding Agent with respect to its Related Purchaser Group, such Purchaser Group's Pro Rata Share of such funds.

Section 3.6. Administrator's Failure to Instruct the Trustee to Make a Deposit or Payment. If the Administrator fails to give notice or instructions to make any payment from or deposit into the Collection Account required to be given by the Administrator, at the time specified in the Administration Agreement or any other Related Document (including applicable grace periods), the Trustee shall make such payment or deposit into or from the Collection Account without such notice or instruction from the Administrator, provided that the Administrator, upon request of the Trustee, promptly provides the Trustee with all information necessary to allow the Trustee to make such a payment or deposit. When any payment or deposit hereunder or under any other Related Document is required to be made by the Trustee or the Paying Agent at or prior to a specified time, the Administrator shall deliver any applicable written instructions with respect thereto reasonably in advance of such specified time.

Section 3.7. Series 2015-3 Reserve Account.

(a) Establishment of Series 2015-3 Reserve Account. ABRCF shall establish and maintain in the name of the Series 2015-3 Agent for the benefit of the Class A Noteholders, or cause to be established and maintained, an account (the "Series 2015-3 Reserve Account"), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Class A Noteholders. The Series 2015-3 Reserve Account shall be maintained (i) with a Qualified Institution, or (ii) as a segregated trust account with the corporate trust department of a depository institution or trust company having corporate trust powers and acting as trustee for funds deposited in the Series 2015-3 Reserve Account; provided that, if at any time such Qualified Institution is no longer a Qualified Institution or the credit rating of any securities issued by such depository institution or trust company shall be reduced to below "BBB-" by Standard & Poor's, "Baa2" by Moody's or "BBB (low)" by DBRS, then ABRCF shall, within 30 days of such reduction, establish a new Series 2015-3 Reserve Account with a new Qualified Institution. If the Series 2015-3 Reserve Account is not maintained in accordance with the previous sentence, ABRCF shall establish a new Series 2015-3 Reserve Account, within ten (10) Business Days after obtaining knowledge of such fact, which complies with such sentence, and shall instruct the Series 2015-3 Agent in writing to transfer all cash and investments from the non-qualifying Series 2015-3 Reserve Account into the new Series 2015-3 Reserve Account. Initially, the Series 2015-3 Reserve Account will be established with The Bank of New York Mellon.

(b) Administration of the Series 2015-3 Reserve Account. The Administrator may instruct the institution maintaining the Series 2015-3 Reserve Account to invest funds on deposit

in the Series 2015-3 Reserve Account from time to time in Permitted Investments; provided, however, that any such investment shall mature not later than the Business Day prior to the Distribution Date following the date on which such funds were received, unless any Permitted Investment held in the Series 2015-3 Reserve Account is held with the Paying Agent, then such investment may mature on such Distribution Date and such funds shall be available for withdrawal on or prior to such Distribution Date. All such Permitted Investments will be credited to the Series 2015-3 Reserve Account and any such Permitted Investments that constitute (i) physical property (and that is not either a United States security entitlement or a security entitlement) shall be physically delivered to the Trustee; (ii) United States security entitlements or security entitlements shall be controlled (as defined in Section 8-106 of the New York UCC) by the Trustee pending maturity or disposition, and (iii) uncertificated securities (and not United States security entitlements) shall be delivered to the Trustee by causing the Trustee to become the registered holder of such securities. The Trustee shall, at the expense of ABRCF, take such action as is required to maintain the Trustee's security interest in the Permitted Investments credited to the Series 2015-3 Reserve Account. ABRCF shall not direct the Trustee to dispose of (or permit the disposal of) any Permitted Investments prior to the maturity thereof to the extent such disposal would result in a loss of purchase price of such Permitted Investments. In the absence of written investment instructions hereunder, funds on deposit in the Series 2015-3 Reserve Account shall remain uninvested.

(c) Earnings from Series 2015-3 Reserve Account. All interest and earnings (net of losses and investment expenses) paid on funds on deposit in the Series 2015-3 Reserve Account shall be deemed to be on deposit therein and available for distribution.

(d) Series 2015-3 Reserve Account Constitutes Additional Collateral for Class A Notes. In order to secure and provide for the repayment and payment of the ABRCF Obligations with respect to the Series 2015-3 Notes, ABRCF hereby grants a security interest in and assigns, pledges, grants, transfers and sets over to the Trustee, for the benefit of the Class A Noteholders, all of ABRCF's right, title and interest in and to the following (whether now or hereafter existing or acquired): (i) the Series 2015-3 Reserve Account, including any security entitlement thereto; (ii) all funds on deposit therein from time to time; (iii) all certificates and instruments, if any, representing or evidencing any or all of the Series 2015-3 Reserve Account or the funds on deposit therein from time to time; (iv) all investments made at any time and from time to time with monies in the Series 2015-3 Reserve Account, whether constituting securities, instruments, general intangibles, investment property, financial assets or other property; (v) all interest, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for the Series 2015-3 Reserve Account, the funds on deposit therein from time to time or the investments made with such funds; and (vi) all proceeds of any and all of the foregoing, including, without limitation, cash (the items in the foregoing clauses (i) through (vi) are referred to, collectively, as the "Series 2015-3 Reserve Account Collateral"). The Trustee shall possess all right, title and interest in and to all funds on deposit from time to time in the Series 2015-3 Reserve Account and in all proceeds thereof, and shall be the only person authorized to originate entitlement orders in respect of the Series 2015-3 Reserve Account. The Series 2015-3 Reserve Account Collateral shall be under the sole dominion and control of the Trustee for the benefit of the Class A Noteholders. The Series 2015-3 Agent hereby agrees (i) to act as the securities intermediary (as defined in Section 8-102(a)(14) of the New York UCC) with respect to the Series

2015-3 Reserve Account; (ii) that its jurisdiction as securities intermediary is New York; (iii) that each item of property (whether investment property, financial asset, security, instrument or cash) credited to the Series 2015-3 Reserve Account shall be treated as a financial asset (as defined in Section 8-102(a)(9) of the New York UCC) and (iv) to comply with any entitlement order (as defined in Section 8-102(a)(8) of the New York UCC) issued by the Trustee.

(e) Preference Amount Withdrawals from the Series 2015-3 Reserve Account or the Series 2015-3 Cash Collateral Account. If a member of a Purchaser Group notifies the Trustee in writing of the existence of a Preference Amount, then, subject to the satisfaction of the conditions set forth in the next succeeding sentence, on the Business Day on which those conditions are first satisfied, the Trustee shall withdraw from either (x) prior to the Series 2015-3 Letter of Credit Termination Date, the Series 2015-3 Reserve Account or (y) on or after the Series 2015-3 Letter of Credit Termination Date, the Series 2015-3 Cash Collateral Account and pay to the Funding Agent for such member an amount equal to such Preference Amount. Prior to any withdrawal from the Series 2015-3 Reserve Account or the Series 2015-3 Cash Collateral Account pursuant to this Section 3.7(e), the Trustee shall have received (i) a certified copy of the order requiring the return of such Preference Amount; (ii) an opinion of counsel satisfactory to the Trustee that such order is final and not subject to appeal; and (iii) a release as to any claim against ABRCF by the Purchaser Group for any amount paid in respect of such Preference Amount. On the Business Day after the Series 2015-3 Letter of Credit Termination Date, the Trustee shall transfer an amount equal to the greater of (A) the excess, if any, of (x) the Series 2015-3 Available Reserve Account Amount as of such date over (y) the sum of (i) the aggregate Contingent Monthly Funding Costs with respect to all Purchaser Groups for the Series 2015-3 Interest Period ending on the Series 2015-3 Letter of Credit Termination Date and (ii) without duplication, any Contingent Monthly Funding Costs Shortfall as of such date (together with accrued interest thereon) from the Series 2015-3 Reserve Account to the Series 2015-3 Cash Collateral Account and (B) the lesser of (x) the Series 2015-3 Available Reserve Account Amount and (y) the excess, if any, of the Series 2015-3 Demand Note Payment Amount over the Series 2015-3 Available Cash Collateral Account Amount as of such date (the greater of the amounts in clauses (A) and (B), the “Reserve Account Transfer Amount”).

(f) Series 2015-3 Reserve Account Surplus. In the event that the Series 2015-3 Reserve Account Surplus on any Distribution Date, after giving effect to all withdrawals from the Series 2015-3 Reserve Account and application thereof, is greater than zero, the Trustee, acting in accordance with the written instructions of the Administrator pursuant to the Administration Agreement, shall withdraw from the Series 2015-3 Reserve Account an amount equal to the Series 2015-3 Reserve Account Surplus and shall pay such amount to ABRCF.

(g) Termination of Series 2015-3 Reserve Account. Upon the termination of the Indenture pursuant to Section 11.1 of the Base Indenture, the Trustee, acting in accordance with the written instructions of the Administrator, after the prior payment of all amounts owing to the Class A Noteholders and payable from the Series 2015-3 Reserve Account as provided herein, shall withdraw from the Series 2015-3 Reserve Account all amounts on deposit therein for payment to ABRCF.

Section 3.8. Series 2015-3 Letters of Credit and Series 2015-3 Cash Collateral Account.

(a) Series 2015-3 Letters of Credit and Series 2015-3 Cash Collateral Account Constitute Additional Collateral for Series 2015-3 Notes. In order to secure and provide for the repayment and payment of ABRCF's obligations with respect to the Class A Notes, ABRCF hereby grants a security interest in and assigns, pledges, grants, transfers and sets over to the Trustee, for the benefit of the Class A Noteholders, all of ABRCF's right, title and interest in and to the following (whether now or hereafter existing or acquired): (i) each Series 2015-3 Letter of Credit; (ii) the Series 2015-3 Cash Collateral Account, including any security entitlement thereto; (iii) all funds on deposit in the Series 2015-3 Cash Collateral Account from time to time; (iv) all certificates and instruments, if any, representing or evidencing any or all of the Series 2015-3 Cash Collateral Account or the funds on deposit therein from time to time; (v) all investments made at any time and from time to time with monies in the Series 2015-3 Cash Collateral Account, whether constituting securities, instruments, general intangibles, investment property, financial assets or other property; (vi) all interest, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for the Series 2015-3 Cash Collateral Account, the funds on deposit therein from time to time or the investments made with such funds; and (vii) all proceeds of any and all of the foregoing, including, without limitation, cash (the items in the foregoing clauses (ii) through (vii) are referred to, collectively, as the "Series 2015-3 Cash Collateral Account Collateral"). The Trustee shall, for the benefit of the Class A Noteholders, possess all right, title and interest in all funds on deposit from time to time in the Series 2015-3 Cash Collateral Account and in all proceeds thereof, and shall be the only person authorized to originate entitlement orders in respect of the Series 2015-3 Cash Collateral Account. The Series 2015-3 Cash Collateral Account shall be under the sole dominion and control of the Trustee for the benefit of the Class A Noteholders. The Series 2015-3 Agent hereby agrees (i) to act as the securities intermediary (as defined in Section 8-102(a)(14) of the New York UCC) with respect to the Series 2015-3 Cash Collateral Account; (ii) that its jurisdiction as securities intermediary is New York; (iii) that each item of property (whether investment property, financial asset, security, instrument or cash) credited to the Series 2015-3 Cash Collateral Account shall be treated as a financial asset (as defined in Section 8-102(a)(9) of the New York UCC) and (iv) to comply with any entitlement order (as defined in Section 8-102(a)(8) of the New York UCC) issued by the Trustee.

(b) Series 2015-3 Letter of Credit Expiration Date. If prior to the date which is ten (10) days prior to the then scheduled Series 2015-3 Letter of Credit Expiration Date with respect to any Series 2015-3 Letter of Credit, excluding the amount available to be drawn under such Series 2015-3 Letter of Credit but taking into account each substitute Series 2015-3 Letter of Credit which has been obtained from a Series 2015-3 Eligible Letter of Credit Provider and is in full force and effect on such date, the Series 2015-3 Enhancement Amount would be equal to or more than the Series 2015-3 Required Enhancement Amount and the Series 2015-3 Liquidity Amount would be equal to or greater than the Series 2015-3 Required Liquidity Amount, then the Administrator shall notify the Trustee in writing no later than two Business Days prior to such Series 2015-3 Letter of Credit Expiration Date of such determination. If prior to the date which is ten (10) days prior to the then scheduled Series 2015-3 Letter of Credit Expiration Date with respect to any Series 2015-3 Letter of Credit, excluding the amount available to be drawn under such Series 2015-3 Letter of

Credit but taking into account each substitute Series 2015-3 Letter of Credit which has been obtained from a Series 2015-3 Eligible Letter of Credit Provider and is in full force and effect on such date, the Series 2015-3 Enhancement Amount would be less than the Series 2015-3 Required Enhancement Amount or the Series 2015-3 Liquidity Amount would be less than the Series 2015-3 Required Liquidity Amount, then the Administrator shall notify the Trustee in writing no later than two Business Days prior to such Series 2015-3 Letter of Credit Expiration Date of (x) the greater of (A) the excess, if any, of the Series 2015-3 Required Enhancement Amount over the Series 2015-3 Enhancement Amount, excluding the available amount under such expiring Series 2015-3 Letter of Credit but taking into account any substitute Series 2015-3 Letter of Credit which has been obtained from a Series 2015-3 Eligible Letter of Credit Provider and is in full force and effect, on such date, and (B) the excess, if any, of the Series 2015-3 Required Liquidity Amount over the Series 2015-3 Liquidity Amount, excluding the available amount under such expiring Series 2015-3 Letter of Credit but taking into account any substitute Series 2015-3 Letter of Credit which has been obtained from a Series 2015-3 Eligible Letter of Credit Provider and is in full force and effect, on such date, and (y) the amount available to be drawn on such expiring Series 2015-3 Letter of Credit on such date. Upon receipt of such notice by the Trustee on or prior to 10:00 a.m. (New York City time) on any Business Day, the Trustee shall, by 12:00 noon (New York City time) on such Business Day (or, in the case of any notice given to the Trustee after 10:00 a.m. (New York City time), by 12:00 noon (New York City time) on the next following Business Day), draw the lesser of the amounts set forth in clauses (x) and (y) above on such expiring Series 2015-3 Letter of Credit by presenting a Certificate of Termination Demand and shall cause the Termination Disbursement to be deposited in the Series 2015-3 Cash Collateral Account.

If the Trustee does not receive the notice from the Administrator described in the first paragraph of this Section 3.8(b) on or prior to the date that is two Business Days prior to each Series 2015-3 Letter of Credit Expiration Date, the Trustee shall, by 12:00 noon (New York City time) on such Business Day draw the full amount of such Series 2015-3 Letter of Credit by presenting a Certificate of Termination Demand and shall cause the Termination Disbursement to be deposited in the Series 2015-3 Cash Collateral Account.

(c) Series 2015-3 Letter of Credit Providers. The Administrator shall notify the Trustee in writing within one Business Day of becoming aware that the long-term senior unsecured debt rating of any Series 2015-3 Letter of Credit Provider has fallen below “BBB” as determined by DBRS (or, if such Series 2015-3 Letter of Credit Provider was not rated by DBRS at the time of issuance of the related Series 2015-3 Letter of Credit, if (x) the long-term senior unsecured debt rating of such Series 2015-3 Letter of Credit Provider has fallen below “Baa2” as determined by Moody’s and (y) the long-term senior unsecured debt rating of such Series 2015-3 Letter of Credit Provider has fallen below “BBB” as determined by Standard & Poor’s). At such time the Administrator shall also notify the Trustee of (i) the greater of (A) the excess, if any, of the Series 2015-3 Required Enhancement Amount over the Series 2015-3 Enhancement Amount, excluding the available amount under the Series 2015-3 Letter of Credit issued by such Series 2015-3 Letter of Credit Provider, on such date, and (B) the excess, if any, of the Series 2015-3 Required Liquidity Amount over the Series 2015-3 Liquidity Amount, excluding the available amount under such Series 2015-3 Letter of Credit, on such date, and (ii) the amount available to be drawn on such Series 2015-3 Letter of Credit on such date. Upon receipt of such notice by the Trustee on or prior to

10:00 a.m. (New York City time) on any Business Day, the Trustee shall, by 12:00 noon (New York City time) on such Business Day (or, in the case of any notice given to the Trustee after 10:00 a.m. (New York City time), by 12:00 noon (New York City time) on the next following Business Day), draw on such Series 2015-3 Letter of Credit in an amount equal to the lesser of the amounts in clause (i) and clause (ii) of the immediately preceding sentence on such Business Day by presenting a Certificate of Termination Demand and shall cause the Termination Disbursement to be deposited in the Series 2015-3 Cash Collateral Account.

(d) Draws on the Series 2015-3 Letters of Credit. If there is more than one Series 2015-3 Letter of Credit on the date of any draw on the Series 2015-3 Letters of Credit pursuant to the terms of this Supplement, the Administrator shall instruct the Trustee, in writing, to draw on each Series 2015-3 Letter of Credit in an amount equal to the LOC Pro Rata Share of the Series 2015-3 Letter of Credit Provider issuing such Series 2015-3 Letter of Credit of the amount of such draw on the Series 2015-3 Letters of Credit.

(e) Establishment of Series 2015-3 Cash Collateral Account. On or prior to the date of any drawing under a Series 2015-3 Letter of Credit pursuant to Section 3.8(b) or (c) above, ABRCF shall establish and maintain in the name of the Trustee for the benefit of the Class A Noteholders, or cause to be established and maintained, an account (the "Series 2015-3 Cash Collateral Account"), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Class A Noteholders. The Series 2015-3 Cash Collateral Account shall be maintained (i) with a Qualified Institution, or (ii) as a segregated trust account with the corporate trust department of a depository institution or trust company having corporate trust powers and acting as trustee for funds deposited in the Series 2015-3 Cash Collateral Account; provided that, if at any time such Qualified Institution is no longer a Qualified Institution or the credit rating of any securities issued by such depository institution or trust company shall be reduced to below "BBB-" by Standard & Poor's, "Baa3" by Moody's or "BBB (low)" by DBRS, then ABRCF shall, within 30 days of such reduction, establish a new Series 2015-3 Cash Collateral Account with a new Qualified Institution or a new segregated trust account with the corporate trust department of a depository institution or trust company having corporate trust powers and acting as trustee for funds deposited in the Series 2015-3 Cash Collateral Account. If a new Series 2015-3 Cash Collateral Account is established, ABRCF shall instruct the Trustee in writing to transfer all cash and investments from the non-qualifying Series 2015-3 Cash Collateral Account into the new Series 2015-3 Cash Collateral Account.

(f) Administration of the Series 2015-3 Cash Collateral Account. ABRCF may instruct (by standing instructions or otherwise) the institution maintaining the Series 2015-3 Cash Collateral Account to invest funds on deposit in the Series 2015-3 Cash Collateral Account from time to time in Permitted Investments; provided, however, that any such investment shall mature not later than the Business Day prior to the Distribution Date following the date on which such funds were received, unless any Permitted Investment held in the Series 2015-3 Cash Collateral Account is held with the Paying Agent, in which case such investment may mature on such Distribution Date so long as such funds shall be available for withdrawal on or prior to such Distribution Date. All such Permitted Investments will be credited to the Series 2015-3 Cash Collateral Account and any such Permitted Investments that constitute (i) physical property (and

that is not either a United States security entitlement or a security entitlement) shall be physically delivered to the Trustee; (ii) United States security entitlements or security entitlements shall be controlled (as defined in Section 8-106 of the New York UCC) by the Trustee pending maturity or disposition, and (iii) uncertificated securities (and not United States security entitlements) shall be delivered to the Trustee by causing the Trustee to become the registered holder of such securities. The Trustee shall, at the expense of ABRCF, take such action as is required to maintain the Trustee's security interest in the Permitted Investments credited to the Series 2015-3 Cash Collateral Account. ABRCF shall not direct the Trustee to dispose of (or permit the disposal of) any Permitted Investments prior to the maturity thereof to the extent such disposal would result in a loss of the purchase price of such Permitted Investment. In the absence of written investment instructions hereunder, funds on deposit in the Series 2015-3 Cash Collateral Account shall remain uninvested.

(g) Earnings from Series 2015-3 Cash Collateral Account. All interest and earnings (net of losses and investment expenses) paid on funds on deposit in the Series 2015-3 Cash Collateral Account shall be deemed to be on deposit therein and available for distribution.

(h) Series 2015-3 Cash Collateral Account Surplus. In the event that the Series 2015-3 Cash Collateral Account Surplus on any Distribution Date (or, after the Series 2015-3 Letter of Credit Termination Date, on any date) is greater than zero, the Trustee, acting in accordance with the written instructions of the Administrator, shall withdraw from the Series 2015-3 Cash Collateral Account an amount equal to the Series 2015-3 Cash Collateral Account Surplus and shall pay such amount: first, to the Series 2015-3 Letter of Credit Providers to the extent of any unreimbursed drawings under the related Series 2015-3 Reimbursement Agreement, for application in accordance with the provisions of the related Series 2015-3 Reimbursement Agreement, second, to the Series 2015-3 Reserve Account to the extent necessary to pay any Contingent Monthly Funding Costs Shortfall (together with accrued interest thereon) and, third, to ABRCF any remaining amount.

(i) Termination of Series 2015-3 Cash Collateral Account. Upon the termination of this Supplement in accordance with its terms, the Trustee, acting in accordance with the written instructions of the Administrator, after the prior payment of all amounts owing to the Series 2015-3 Noteholders and payable from the Series 2015-3 Cash Collateral Account as provided herein, shall withdraw from the Series 2015-3 Cash Collateral Account all amounts on deposit therein (to the extent not withdrawn pursuant to Section 3.8(h) above) and shall pay such amounts: first, to the Series 2015-3 Letter of Credit Providers to the extent of any unreimbursed drawings under the related Series 2015-3 Reimbursement Agreement, for application in accordance with the provisions of the related Series 2015-3 Reimbursement Agreement, and, second, to ABRCF any remaining amount.

(j) Termination Date Demands on the Series 2015-3 Letters of Credit. Prior to 10:00 a.m. (New York City time) on the Business Day immediately succeeding the Series 2015-3 Letter of Credit Termination Date, the Administrator shall determine the Series 2015-3 Demand Note Payment Amount as of the Series 2015-3 Letter of Credit Termination Date. If the Series 2015-3 Demand Note Payment Amount is greater than zero, then the Administrator shall instruct the Trustee in writing to draw on the Series 2015-3 Letters of Credit. Upon receipt of any such notice by the Trustee on or prior to 11:00 a.m. (New York City time) on a Business Day, the Trustee

shall, by 12:00 noon (New York City time) on such Business Day draw an amount equal to the lesser of (i) the excess of the Series 2015-3 Demand Note Payment Amount over the Reserve Account Transfer Amount and (ii) the Series 2015-3 Letter of Credit Liquidity Amount on the Series 2015-3 Letters of Credit by presenting to each Series 2015-3 Letter of Credit Provider a Certificate of Termination Date Demand; provided, however, that if the Series 2015-3 Cash Collateral Account has been established and funded, the Trustee shall draw an amount equal to the product of (a) 100% minus the Series 2015-3 Cash Collateral Percentage and (b) the lesser of the amounts referred to in clause (i) or (ii) on such Business Day on the Series 2015-3 Letters of Credit as calculated by the Administrator and provided in writing to the Trustee. The Trustee shall cause the Termination Date Disbursement to be deposited in the Series 2015-3 Cash Collateral Account.

Section 3.9. Series 2015-3 Distribution Account.

(a) Establishment of Series 2015-3 Distribution Account. The Trustee shall establish and maintain in the name of the Series 2015-3 Agent for the benefit of the Series 2015-3 Noteholders, or cause to be established and maintained, an account (the "Series 2015-3 Distribution Account"), bearing a designation clearly indicating that the funds deposited therein are held for the benefit of the Series 2015-3 Noteholders. The Series 2015-3 Distribution Account shall be maintained (i) with a Qualified Institution, or (ii) as a segregated trust account with the corporate trust department of a depository institution or trust company having corporate trust powers and acting as trustee for funds deposited in the Series 2015-3 Distribution Account; provided that, if at any time such Qualified Institution is no longer a Qualified Institution or the credit rating of any securities issued by such depository institution or trust company shall be reduced to below "BBB-" by Standard & Poor's, "Baa3" by Moody's or "BBB (low)" by DBRS, then ABRCF shall, within 30 days of such reduction, establish a new Series 2015-3 Distribution Account with a new Qualified Institution. If the Series 2015-3 Distribution Account is not maintained in accordance with the previous sentence, ABRCF shall establish a new Series 2015-3 Distribution Account, within ten (10) Business Days after obtaining knowledge of such fact, which complies with such sentence, and shall instruct the Series 2015-3 Agent in writing to transfer all cash and investments from the non-qualifying Series 2015-3 Distribution Account into the new Series 2015-3 Distribution Account. Initially, the Series 2015-3 Distribution Account will be established with The Bank of New York Mellon.

(b) Administration of the Series 2015-3 Distribution Account. The Administrator may instruct the institution maintaining the Series 2015-3 Distribution Account to invest funds on deposit in the Series 2015-3 Distribution Account from time to time in Permitted Investments; provided, however, that any such investment shall mature not later than the Business Day prior to the Distribution Date following the date on which such funds were received, unless any Permitted Investment held in the Series 2015-3 Distribution Account is held with the Paying Agent, then such investment may mature on such Distribution Date and such funds shall be available for withdrawal on or prior to such Distribution Date. All such Permitted Investments will be credited to the Series 2015-3 Distribution Account and any such Permitted Investments that constitute (i) physical property (and that is not either a United States security entitlement or a security entitlement) shall be physically delivered to the Trustee; (ii) United States security entitlements or security entitlements shall be controlled (as defined in Section 8-106 of the New York UCC) by

the Trustee pending maturity or disposition, and (iii) uncertificated securities (and not United States security entitlements) shall be delivered to the Trustee by causing the Trustee to become the registered holder of such securities. The Trustee shall, at the expense of ABRCF, take such action as is required to maintain the Trustee's security interest in the Permitted Investments credited to the Series 2015-3 Distribution Account. ABRCF shall not direct the Trustee to dispose of (or permit the disposal of) any Permitted Investments prior to the maturity thereof to the extent such disposal would result in a loss of purchase price of such Permitted Investments. In the absence of written investment instructions hereunder, funds on deposit in the Series 2015-3 Distribution Account shall remain uninvested.

(c) Earnings from Series 2015-3 Distribution Account. All interest and earnings (net of losses and investment expenses) paid on funds on deposit in the Series 2015-3 Distribution Account shall be deemed to be on deposit and available for distribution.

(d) Series 2015-3 Distribution Account Constitutes Additional Collateral for Series 2015-3 Notes. In order to secure and provide for the repayment and payment of the ABRCF Obligations with respect to the Series 2015-3 Notes, ABRCF hereby grants a security interest in and assigns, pledges, grants, transfers and sets over to the Trustee, for the benefit of the Series 2015-3 Noteholders, all of ABRCF's right, title and interest in and to the following (whether now or hereafter existing or acquired): (i) the Series 2015-3 Distribution Account, including any security entitlement thereto; (ii) all funds on deposit therein from time to time; (iii) all certificates and instruments, if any, representing or evidencing any or all of the Series 2015-3 Distribution Account or the funds on deposit therein from time to time; (iv) all investments made at any time and from time to time with monies in the Series 2015-3 Distribution Account, whether constituting securities, instruments, general intangibles, investment property, financial assets or other property; (v) all interest, dividends, cash, instruments and other property from time to time received, receivable or otherwise distributed in respect of or in exchange for the Series 2015-3 Distribution Account, the funds on deposit therein from time to time or the investments made with such funds; and (vi) all proceeds of any and all of the foregoing, including, without limitation, cash (the items in the foregoing clauses (i) through (vi) are referred to, collectively, as the "Series 2015-3 Distribution Account Collateral"). The Trustee shall possess all right, title and interest in all funds on deposit from time to time in the Series 2015-3 Distribution Account and in and to all proceeds thereof, and shall be the only person authorized to originate entitlement orders in respect of the Series 2015-3 Distribution Account. The Series 2015-3 Distribution Account Collateral shall be under the sole dominion and control of the Trustee for the benefit of the Series 2015-3 Noteholders. The Series 2015-3 Agent hereby agrees (i) to act as the securities intermediary (as defined in Section 8-102(a)(14) of the New York UCC) with respect to the Series 2015-3 Distribution Account; (ii) that its jurisdiction as securities intermediary is New York; (iii) that each item of property (whether investment property, financial asset, security, instrument or cash) credited to the Series 2015-3 Distribution Account shall be treated as a financial asset (as defined in Section 8-102(a)(9) of the New York UCC) and (iv) to comply with any entitlement order (as defined in Section 8-102(a)(8) of the New York UCC) issued by the Trustee.

Section 3.10. Series 2015-3 Demand Notes Constitute Additional Collateral for Class A Notes. In order to secure and provide for the repayment and payment of the obligations

with respect to the Class A Notes, ABRCF hereby grants a security interest in and assigns, pledges, grants, transfers and sets over to the Trustee, for the benefit of the Class A Noteholders, all of ABRCF's right, title and interest in and to the following (whether now or hereafter existing or acquired): (i) the Series 2015-3 Demand Notes; (ii) all certificates and instruments, if any, representing or evidencing the Series 2015-3 Demand Notes; and (iii) all proceeds of any and all of the foregoing, including, without limitation, cash. On the date hereof, ABRCF shall deliver to the Trustee, for the benefit of the Series 2015-3 Noteholders, each Series 2015-3 Demand Note, endorsed in blank. The Trustee, for the benefit of the Series 2015-3 Noteholders, shall be the only Person authorized to make a demand for payments on the Series 2015-3 Demand Notes.

Section 3.11. Series 2015-3 Interest Rate Caps. (a) On or prior to the A&R Effective Date, ABRCF shall acquire one or more interest rate caps (each a "Series 2015-3 Interest Rate Cap") from a Qualified Interest Rate Cap Counterparty. On the A&R Effective Date, the aggregate notional amount of all Series 2015-3 Interest Rate Caps shall equal the Class A Maximum Invested Amount, and the aggregate notional amount of all Series 2015-3 Interest Rate Caps may be reduced pursuant to the related Series 2015-3 Interest Rate Cap to the extent that the Class A Maximum Invested Amount is reduced after the A&R Effective Date. ABRCF shall acquire one or more additional Series 2015-3 Interest Rate Caps in connection with any increase of the Class A Maximum Invested Amount such that the aggregate notional amounts of all Series 2015-3 Interest Rate Caps shall equal the Class A Maximum Invested Amount after giving effect to such increase. The strike rate of each Series 2015-3 Interest Rate Cap shall not be greater than 4.00%. The Series 2015-3 Interest Rate Caps shall extend to at least the Series 2015-3 Termination Date.

(b) If, at any time, an Interest Rate Cap Counterparty is not a Qualified Interest Rate Cap Counterparty, then ABRCF shall cause the Interest Rate Cap Counterparty within 30 Business Days following such occurrence, at the Interest Rate Cap Counterparty's expense, to do one of the following (the choice of such action to be determined by the Interest Rate Cap Counterparty) (i) obtain a replacement interest rate cap on the same terms as the Series 2015-3 Interest Rate Cap from a Qualified Interest Rate Cap Counterparty and simultaneously with such replacement ABRCF shall terminate the Series 2015-3 Interest Rate Cap being replaced, (ii) obtain a guaranty from, or contingent agreement of, another person who qualifies as a Qualified Interest Rate Cap Counterparty to honor the Interest Rate Cap Counterparty's obligations under the Series 2015-3 Interest Rate Cap in form and substance satisfactory to the Administrative Agent or (iii) post and maintain collateral satisfactory to the Administrative Agent; provided that no termination of the Series 2015-3 Interest Rate Cap shall occur until ABRCF has entered into a replacement Interest Rate Cap.

(c) To secure payment of all obligations to the Class A Noteholders, ABRCF grants a security interest in, and assigns, pledges, grants, transfers and sets over to the Trustee, for the benefit of the Class A Noteholders, all of ABRCF's right, title and interest in the Series 2015-3 Interest Rate Caps and all proceeds thereof (the "Series 2015-3 Interest Rate Cap Collateral"). ABRCF shall require all Series 2015-3 Interest Rate Cap Proceeds to be paid to, and the Trustee shall allocate all Series 2015-3 Interest Rate Cap Proceeds to, the Series 2015-3 Accrued Interest Account of the Series 2015-3 Collection Account.

Section 3.12. Payments to Funding Agents, Purchaser Groups or Committed Note Purchasers.

(a) Notwithstanding anything to the contrary herein or in the Base Indenture, amounts distributable by ABRCF, the Trustee, the Paying Agent or the Administrative Agent to a Non-Conduit Purchaser or a Funding Agent for the account of its Related Purchaser Group (or amounts distributable by any such Person directly to such Purchaser Group) shall be paid by wire transfer of immediately available funds no later than 3:00 p.m. (New York time) for credit to the account or accounts designated by such Non-Conduit Purchaser or Funding Agent. Notwithstanding the foregoing, the Administrative Agent shall not be so obligated unless the Administrative Agent shall have received the funds by 12:00 noon (New York City time).

(b) All amounts payable to the Committed Note Purchaser hereunder or with respect to the Class R Notes on any date shall be made to the Committed Note Purchaser (or upon the order of the Committed Note Purchaser) in accordance with this Section 3.12, provided that:

(i) if (A) the Committed Note Purchaser receives funds payable to it hereunder later than 3:00 p.m. (New York time) on any date and (B) prior to the later of the next succeeding Determination Date and thirty (30) days after the date on which the Committed Note Purchaser received such funds, the Class R Note Purchaser notifies ABRCF in writing of such late receipt, then such funds received later than 3:00 p.m. (New York time) on such date by the Committed Note Purchaser will be deemed to have been received by the Committed Note Purchaser on the next Business Day and any interest accruing with respect to the payment of such funds on such next Business Day shall not be payable until the Payment Date immediately following the later of such two dates specified in this clause (B); and

(ii) if (A) the Committed Note Purchaser receives funds payable to it hereunder later than 3:00 p.m. (New York time) on any date and (B) prior to the later of the next succeeding Determination Date and thirty (30) days after the date on which the Committed Note Purchaser received such funds, the Committed Note Purchaser does not notify ABRCF in writing of such receipt, then such funds, received later than 3:00 p.m. (New York time) on such date will be treated for all purposes hereunder as received on such date.

Section 3.13. Subordination of the Class R Notes. Notwithstanding anything to the contrary contained in this Supplement, the Base Indenture or in any other Related Document, the Class R Notes will be subordinate in all respects to the Class A Notes as and to the extent set forth in this Section 3.13. No payments on account of principal shall be made with respect to the Class R Notes on any Distribution Date during the Series 2015-3 Controlled Amortization Period unless an amount equal to the Class A Controlled Distribution Amount for the Related Month shall have been paid to the Class A Noteholders and no payments on account of principal shall be made with respect to the Class R Notes during the Series 2015-3 Rapid Amortization Period or on the final Distribution Date until the Class A Notes have been paid in full. No payments on account of interest shall be made with respect to the Class R Notes on any Distribution Date until all payments of interest and principal and other fees due and payable on such Distribution Date with respect to the Class A Notes have been paid in full.

ARTICLE IV

AMORTIZATION EVENTS

In addition to the Amortization Events set forth in Section 9.1 of the Base Indenture, any of the following shall be an Amortization Event with respect to the Series 2015-3 Notes and collectively shall constitute the Amortization Events set forth in Section 9.1(n) of the Base Indenture with respect to the Series 2015-3 Notes (without notice or other action on the part of the Trustee or any holders of the Series 2015-3 Notes):

- (a) a Series 2015-3 Enhancement Deficiency shall occur and continue for at least two (2) Business Days; provided, however, that such event or condition shall not be an Amortization Event if during such two (2) Business Day period such Series 2015-3 Enhancement Deficiency shall have been cured in accordance with the terms and conditions of the Indenture and the Related Documents;
- (b) either the Series 2015-3 Liquidity Amount shall be less than the Series 2015-3 Required Liquidity Amount or the Series 2015-3 Available Reserve Account Amount shall be less than the Series 2015-3 Required Reserve Account Amount for at least two (2) Business Days; provided, however, that such event or condition shall not be an Amortization Event if during such two (2) Business Day period such insufficiency shall have been cured in accordance with the terms and conditions of the Indenture and the Related Documents;
- (c) an AESOP I Operating Lease Vehicle Deficiency shall occur and continue for at least two (2) Business Days;
- (d) the Collection Account, the Series 2015-3 Collection Account, the Series 2015-3 Excess Collection Account or the Series 2015-3 Reserve Account shall be subject to an injunction, estoppel or other stay or a Lien (other than Liens permitted under the Related Documents);
- (e) all principal of and interest on the Series 2015-3 Notes is not paid on the Series 2015-3 Expected Final Distribution Date;
- (f) any Series 2015-3 Letter of Credit shall not be in full force and effect for at least two (2) Business Days and (x) either a Series 2015-3 Enhancement Deficiency would result from excluding such Series 2015-3 Letter of Credit from the Series 2015-3 Enhancement Amount or (y) the Series 2015-3 Liquidity Amount, excluding therefrom the available amount under such Series 2015-3 Letter of Credit, would be less than the Series 2015-3 Required Liquidity Amount;
- (g) from and after the funding of the Series 2015-3 Cash Collateral Account, the Series 2015-3 Cash Collateral Account shall be subject to an injunction, estoppel or other stay or a Lien (other than Liens permitted under the Related Documents) for at least two (2) Business Days and either (x) a Series 2015-3 Enhancement Deficiency would result from excluding the Series 2015-3 Available Cash Collateral Account Amount from the Series

2015-3 Enhancement Amount or (y) the Series 2015-3 Liquidity Amount, excluding therefrom the Series 2015-3 Available Cash Collateral Amount, would be less than the Series 2015-3 Required Liquidity Amount;

(h) an Event of Bankruptcy shall have occurred with respect to any Series 2015-3 Letter of Credit Provider or any Series 2015-3 Letter of Credit Provider repudiates its Series 2015-3 Letter of Credit or refuses to honor a proper draw thereon and either (x) a Series 2015-3 Enhancement Deficiency would result from excluding such Series 2015-3 Letter of Credit from the Series 2015-3 Enhancement Amount or (y) the Series 2015-3 Liquidity Amount, excluding therefrom the available amount under such Series 2015-3 Letter of Credit, would be less than the Series 2015-3 Required Liquidity Amount;

(i) the occurrence of an Event of Bankruptcy with respect to ABG or any Permitted Sublessee (other than a third-party Permitted Sublessee);

(j) a Change in Control shall have occurred;

(k) ABRCF shall fail to acquire or maintain in force Series 2015-3 Interest Rate Caps at the times and in the notional amounts required by the terms of Section 3.11;

(l) the occurrence and continuation of an "event of default" under the Credit Agreement or any Replacement Credit Agreement, that is not waived pursuant to the terms of such Credit Agreement or Replacement Credit Agreement;

(m) the breach by ABCR or any of its Affiliates of any covenant under the Credit Agreement or any Replacement Credit Agreement to the extent such covenant requires compliance by ABCR or its Affiliates with an interest coverage ratio, a fixed charge coverage ratio, a leverage ratio or a minimum EBITDA level or with any other financial measure or ratio intended to test the financial or credit performance of ABCR and its consolidated subsidiaries, whether or not such breach is waived pursuant to the terms of the Credit Agreement or such Replacement Credit Agreement;

(n) the Class A Controlled Distribution Amount with respect to the Related Month is not paid in full on any Distribution Date during the Series 2015-3 Controlled Amortization Period (other than the first Distribution Date during the Series 2015-3 Controlled Amortization Period); and

(o) an Amortization Event shall have occurred with respect to the Series 2010-6 Notes.

In the case of any event described in clause (j), (k), (l), (m) or (o) above, an Amortization Event shall have occurred with respect to the Series 2015-3 Notes only if either the Trustee or the Requisite Noteholders declare that an Amortization Event has occurred. In the case of an event described in clause (a), (b), (c), (d), (e), (f), (g), (h), (i) or (n) an Amortization Event with respect to the Series 2015-3 Notes shall have occurred without any notice or other action on the part of the Trustee or any Series 2015-3 Noteholders, immediately upon the occurrence of such

event. Amortization Events with respect to the Series 2015-3 Notes described in clause (a), (b), (c), (d), (e), (f), (g), (h), (i) or (n) may be waived with the written consent of the Purchaser Groups having Commitment Percentages aggregating 100%. Amortization Events with respect to the Series 2015-3 Notes described in clause (j), (k), (l), (m) or (o) above may be waived in accordance with Section 9.5 of the Base Indenture.

ARTICLE V

RIGHT TO WAIVE PURCHASE RESTRICTIONS

Notwithstanding any provision to the contrary in the Indenture or the Related Documents, upon the Trustee's receipt of notice from any Lessee, any Borrower or ABRCF that the Lessees, the Borrowers and ABRCF have determined to increase any Series 2015-3 Maximum Amount or the percentage set forth in clause (y) of any of paragraphs (ii), (iii), (iv), (v), (vi) or (vii) of the definition of Series 2015-3 Incremental Enhancement Amount, (such notice, a "Waiver Request"), each Series 2015-3 Noteholder may, at its option, waive any Series 2015-3 Maximum Amount or any increase in the Series 2015-3 Required Enhancement Amount based upon clause (y) of any of paragraphs (ii), (iii), (iv), (v), (vi) or (vii) of the definition of the Series 2015-3 Incremental Enhancement Amount (collectively, a "Waivable Amount") if (i) no Amortization Event exists, (ii) the Requisite Noteholders consent to such waiver and (iii) 60 days' prior written notice of such proposed waiver is provided to the Rating Agencies, Standard & Poor's and Moody's by the Trustee.

Upon receipt by the Trustee of a Waiver Request (a copy of which the Trustee shall promptly provide to the Rating Agencies), all amounts which would otherwise be allocated to the Series 2015-3 Excess Collection Account (collectively, the "Designated Amounts") from the date the Trustee receives a Waiver Request through the Consent Period Expiration Date will be held by the Trustee in the Series 2015-3 Collection Account for ratable distribution as described below.

Within ten (10) Business Days after the Trustee receives a Waiver Request, the Trustee shall furnish notice thereof to the Administrative Agent, which notice shall be accompanied by a form of consent (each a "Consent") in the form of Exhibit C hereto by which the Series 2015-3 Noteholders may, on or before the Consent Period Expiration Date, consent to waiver of the applicable Waivable Amount. Upon receipt of notice of a Waiver Request, the Administrative Agent shall forward a copy of such request together with the Consent to each Non-Conduit Purchaser and Funding Agent with respect to its Related Purchaser Group. If the Trustee receives the Consents from the Requisite Noteholders agreeing to waiver of the applicable Waivable Amount within forty-five (45) days after the Trustee notifies the Administrative Agent of a Waiver Request (the day on which such forty-five (45) day period expires, the "Consent Period Expiration Date"), (i) the applicable Waivable Amount shall be deemed waived by the consenting Series 2015-3 Noteholders, (ii) the Trustee will distribute the Designated Amounts as set forth below and (iii) the Trustee shall promptly (but in any event within two days) provide the Rating Agencies, Standard & Poor's and Moody's with notice of such waiver. Any Purchaser Group from whom the Trustee has not received a Consent on or before the Consent Period Expiration Date will be deemed not to have consented to such waiver.

If the Trustee receives Consents from the Requisite Noteholders on or before the Consent Period Expiration Date, then on the immediately following Distribution Date, upon receipt of written direction from the Administrator the Trustee will pay the Designated Amounts to the Administrative Agent for the accounts of the non-consenting Purchaser Groups. Upon the receipt of funds from the Trustee pursuant to this Article V, the Administrative Agent shall pay the Designated Amounts as follows:

(i) to each Non-Conduit Purchaser or Funding Agent with respect to a non-consenting Purchaser Group, such Purchaser Group's pro rata share based on the Purchaser Group Invested Amount with respect to such Purchaser Group relative to the Purchaser Group Invested Amount with respect to all non-consenting Purchaser Groups of the Designated Amounts up to the amount required to reduce to zero the Purchaser Group Invested Amounts with respect to all non-consenting Purchaser Groups; and

(ii) any remaining Designated Amounts to the Series 2015-3 Excess Collection Account.

If the amount distributed pursuant to clause (i) of the preceding paragraph is not sufficient to reduce the Purchaser Group Invested Amount with respect to each non-consenting Purchaser Group to zero on the date specified therein, then on each day following such Distribution Date, the Administrator will allocate to the Series 2015-3 Collection Account on a daily basis all Designated Amounts collected on such day. On each following Distribution Date, the Trustee will withdraw such Designated Amounts from the Series 2015-3 Collection Account and deposit the same in the Series 2015-3 Distribution Account for distribution to the Administrative Agent for the accounts of the non-consenting Purchaser Groups. Upon the receipt of funds from the Trustee pursuant to this Article V, the Administrative Agent shall pay the Designated Amounts as follows:

(a) to each Non-Conduit Purchaser or Funding Agent with respect to a non-consenting Purchaser Group, such Purchaser Group's pro rata share based on the Purchaser Group Invested Amount with respect to such Purchaser Group relative to the Purchaser Group Invested Amount with respect to all non-consenting Purchaser Groups of the Designated Amounts in the Series 2015-3 Collection Account as of the applicable Determination Date up to the amount required to reduce to zero the Purchaser Group Invested Amounts with respect to all non-consenting Purchaser Groups; and

(b) any remaining Designated Amounts to the Series 2015-3 Excess Collection Account.

If the Requisite Noteholders do not timely consent to such waiver, the Designated Amounts will be re-allocated to the Series 2015-3 Excess Collection Account for allocation and distribution in accordance with the terms of the Indenture and the Related Documents.

In the event that the Series 2015-3 Rapid Amortization Period shall commence after receipt by the Trustee of a Waiver Request, all such Designated Amounts will thereafter be considered Principal Collections allocated to the Series 2015-3 Noteholders.

ARTICLE VI

CONDITIONS PRECEDENT

Section 6.1. Conditions Precedent to Effectiveness of the Original Series 2015-3 Supplement. The Original Series 2015-3 Supplement became effective on the date (the “Effective Date”) on which all of the following conditions precedent were satisfied:

(a) Documents. The Administrative Agent shall have received copies for each CP Conduit Purchaser and the Funding Agent and the APA Banks with respect to such Non-Conduit Purchaser, each CP Conduit Purchaser, each executed and delivered in form and substance satisfactory to it of (i) the Base Indenture, executed by a duly authorized officer of each of ABRCF and the Trustee, (ii) the Original Series 2015-3 Supplement, executed by a duly authorized officer of each of ABRCF, the Administrator, the Trustee, the Administrative Agent, the Funding Agents, the CP Conduit Purchasers and the APA Banks, (iii) each Lease, executed by a duly authorized officer of each of each Lessee party thereto, the Administrator and the Lessor party thereto, (iv) each Sublease, executed by a duly authorized officer of each Lessee party thereto and each Permitted Sublessee party thereto, (v) each Loan Agreement, executed by a duly authorized officer of each of ABRCF, the Lessor party thereto and the Permitted Nominees party thereto, (vi) each Vehicle Title and Lienholder Nominee Agreement, executed by the duly authorized officer of each of the Permitted Nominee party thereto, ABCR, the Lessor party thereto and the Trustee, (vii) the Master Exchange Agreement, executed by a duly authorized officer of each of the Intermediary, AESOP Leasing, ARAC, BRAC and ABCR; (viii) the Escrow Agreement, executed by a duly authorized officer of each of the Intermediary, J.P. Morgan Trust Company, N.A., JPMorgan Chase Bank, N.A., AESOP Leasing, ARAC, BRAC and ABCR; (ix) the Administration Agreement, executed by a duly authorized officer of each of ABCR, AESOP Leasing, AESOP Leasing II, ABRCF, ARAC, BRAC and the Trustee; (x) the Disposition Agent Agreement, dated as of July 23, 2009, executed by a duly authorized officer of each of ABCR, ABRCF, AESOP Leasing, AESOP Leasing II, ARAC, BRAC, Lord Securities Corporation, Fiserv Automotive Solutions, Inc. and the Trustee; (xi) the Back-Up Administration Agreement, dated as of July 23, 2009, executed by a duly authorized officer of each of ABCR, ABRCF, AESOP Leasing, AESOP Leasing II, ARAC, BRAC, the Intermediary, Lord Securities Corporation and the Trustee (xii) each Series 2015-3 Letter of Credit, if any, executed by a duly authorized officer of the applicable Series 2015-3 Letter of Credit Provider; and (xiii) each Series 2015-3 Interest Rate Cap, executed by a duly authorized officer of ABRCF and the applicable Interest Rate Cap Counterparty.

(b) Corporate Documents; Proceedings of ABRCF, the Administrator, the Permitted Nominees, AESOP Leasing, AESOP Leasing II, Original AESOP, ARAC and BRAC. The Administrative Agent shall have received, with a copy for each Non-Conduit Purchaser, each CP Conduit Purchaser and the Funding Agent and the APA Banks with respect to such CP Conduit Purchaser, from ABRCF, the Administrator, the Permitted Nominees, AESOP Leasing, AESOP Leasing II, Original AESOP, ARAC, ABCR and BRAC true and complete copies of:

(i) to the extent applicable, the certificate of incorporation or certificate of formation, including all amendments thereto, of such Person, certified as of a recent date by the Secretary of State or other appropriate authority of the state of incorporation or organization, as the case may be, and a certificate of compliance, of status or of good standing, as and to the extent applicable, of each such Person as of a recent date, from the Secretary of State or other appropriate authority of such jurisdiction;

(ii) a certificate of the Secretary or an Assistant Secretary of such Person, dated on or prior to the Effective Date and certifying (A) that attached thereto is a true and complete copy of the bylaws, limited liability company agreement or partnership agreement of such Person, as the case may be, as in effect on the Series 2015-3 Closing Date and at all times since a date prior to the date of the resolutions described in clause (B) below, (B) that, to the extent applicable, attached thereto is a true and complete copy of the resolutions, in form and substance reasonably satisfactory to each Funding Agent, of the Board of Directors or Managers of such Person or committees thereof authorizing the execution, delivery and performance of the Original Series 2015-3 Supplement and the Series 2015-3 Documents to which it is a party and the transactions contemplated thereby, and that such resolutions have not been amended, modified, revoked or rescinded and are in full force and effect, (C) that the certificate of incorporation or certificate of formation of such Person has not been amended since the date of the last amendment thereto shown on the certificate of good standing (or its equivalent) furnished pursuant to clause (i) above and (D) as to the incumbency and specimen signature of each officer or authorized signatory executing the Original Series 2015-3 Supplement and any Series 2015-3 Documents or any other document delivered in connection herewith or therewith on behalf of such Person; and

(iii) a certificate of another officer as to the incumbency and specimen signature of the Secretary or Assistant Secretary executing the certificate pursuant to clause (ii) above.

(c) Representations and Warranties. All representations and warranties of each of ABRCF, the Administrator, AESOP Leasing, AESOP Leasing II, Original AESOP, each of the Permitted Nominees, each of the Lessees, each of the Permitted Sublessees and the Intermediary contained in each of the Related Documents shall be true and correct as of the Series 2015-3 Closing Date.

(d) No Amortization Event, Potential Amortization Event or AESOP I Operating Lease Vehicle Deficiency. No Amortization Event or Potential Amortization Event in respect of the Series 2015-3 Notes or any other Series of Notes shall exist and no AESOP I Operating Lease Vehicle Deficiency shall exist.

(e) Lien Searches. The Administrative Agent shall have received a written search report listing all effective financing statements that name ABRCF, AESOP Leasing, AESOP Leasing II, Original AESOP, each of the Permitted Nominees or ABCR as debtor or assignor

and that are filed in the State of New York, the State of Delaware and in any other jurisdictions that the Administrative Agent determines are necessary or appropriate, together with copies of such financing statements, and tax and judgment lien searches showing no such liens that are not permitted by the Base Indenture, the Original Series 2015-3 Supplement or the Related Documents.

(f) Legal Opinions. The Administrative Agent shall have received, with a counterpart addressed to each Non-Conduit Purchaser, each CP Conduit Purchaser and the Funding Agent, the Program Support Provider and the APA Banks with respect to each CP Conduit Purchaser and the Trustee, opinions of counsel required by Section 2.2(f) of the Base Indenture and opinions of counsel with respect to such other matters as may be reasonably requested by any Funding Agent, in form and substance reasonably acceptable to the addressees thereof and their counsel.

(g) Fees and Expenses. Each Non-Conduit Purchaser and each Funding Agent with respect to its Related Purchaser Group shall have received payment of all fees, out-of-pocket expenses and other amounts due and payable to such Purchaser Group or the Administrative Agent, as applicable, on or before the Effective Date.

(h) Establishment of Accounts. The Administrative Agent shall have received evidence reasonably satisfactory to it that the Series 2015-3 Collection Account, the Series 2015-3 Reserve Account and the Series 2015-3 Distribution Account shall have been established in accordance with the terms and provisions of the Indenture.

(i) Opinion. The Administrative Agent shall have received, with a counterpart addressed to each CP Conduit Purchaser and the Funding Agent, the Program Support Provider and the APA Banks with respect such CP Conduit Purchaser, an opinion of counsel to the Trustee as to the due authorization, execution and delivery by the Trustee of the Original Series 2015-3 Supplement and the due execution, authentication and delivery by the Trustee of the Series 2015-3 Notes.

(j) Rating Letters. Each Non-Conduit Purchaser and each Funding Agent shall have received a copy of a letter, in form and substance satisfactory to such Non-Conduit Purchaser or Funding Agent, from DBRS stating that the long-term rating of at least "A" has been assigned by DBRS to the Series 2015-3 Notes. Each Non-Conduit Purchaser and each Funding Agent shall have received a copy of a letter, in form and substance satisfactory to such Non-Conduit Purchaser and Funding Agent, from DBRS, and ABRCF and the Trustee shall have received a copy of a letter from Moody's, in each case stating that the issuance of the Series 2015-3 Notes will not result in a reduction or withdrawal of the rating (in effect immediately before the effectiveness of this Supplement) of any outstanding Series of Notes with respect to which it is a Rating Agency. Each Funding Agent shall have received a letter, in form and substance satisfactory to such Funding Agent, from each of Moody's, Standard & Poor's and/or Fitch, as applicable, confirming the commercial paper rating of the related CP Conduit Purchaser after giving effect to such CP Conduit Purchaser's purchase of Series 2015-3 Notes. Any fees of Moody's, Standard & Poor's, Fitch and any Rating

Agency in connection with the delivery of such letters shall have been paid by or on behalf of ABRCF.

(k) UCC Filings. The Administrative Agent shall have received (i) executed originals of any documents (including, without limitation, financing statements) required to be filed in each jurisdiction necessary to perfect the security interest of the Trustee in the Series 2015-3 Collateral and (ii) evidence reasonably satisfactory to it of each such filing and reasonably satisfactory evidence of the payment of any necessary fee or tax relating thereto.

(l) Proceedings. All corporate and other proceedings and all other documents and legal matters in connection with the transactions contemplated by the Related Documents shall be satisfactory in form and substance to each Non-Conduit Purchaser and each Funding Agent and its counsel.

Section 6.2. Conditions Precedent to Effectiveness of this Supplement. This Supplement shall become effective on the date (the "A&R Effective Date") on which the following conditions precedent shall have been satisfied:

(a) Documents. The Administrative Agent shall have received copies for each Non-Conduit Purchaser, each CP Conduit Purchaser and the Funding Agent and the APA Banks with respect to such CP Conduit Purchaser, each executed and delivered in form and substance satisfactory to it of: (i) this Supplement; (ii) each Series 2015-3 Letter of Credit in effect on the A&R Effective Date, if any, executed by a duly authorized officer of the applicable Series 2015-3 Letter of Credit Provider; (iii) each Series 2015-3 Interest Rate Cap in effect on the A&R Effective Date, executed by a duly authorized officer of ABRCF and the applicable Interest Rate Cap Counterparty satisfying the requirements of Section 3.11(a); and (iv) the Fee Letter (collectively, the "A&R Documents").

(b) Corporate Documents; Proceedings of ABRCF, the Administrator, the Permitted Nominees, AESOP Leasing, AESOP Leasing II, Original AESOP, ARAC and BRAC. The Administrative Agent shall have received, with a copy for each Non-Conduit Purchaser, each CP Conduit Purchaser and the Funding Agent and the APA Banks with respect to such CP Conduit Purchaser, from ABRCF, the Administrator, the Permitted Nominees, AESOP Leasing, AESOP Leasing II, Original AESOP, ARAC, ABCR and BRAC true and complete copies of:

(i) to the extent applicable, the certificate of incorporation or certificate of formation, including all amendments thereto, of such Person, certified as of a recent date by the Secretary of State or other appropriate authority of the state of incorporation or organization, as the case may be, and a certificate of compliance, of status or of good standing, as and to the extent applicable, of each such Person as of a recent date, from the Secretary of State or other appropriate authority of such jurisdiction;

(ii) a certificate of the Secretary or an Assistant Secretary of such Person, dated on or prior to the A&R Effective Date and certifying (A) that attached thereto is a true and complete copy of the bylaws, limited liability company agreement or partnership agreement of such Person, as the case may be, as in effect on the A&R Effective Date and at all times since a date prior to the date of the resolutions described in clause (B) below, (B) that, to the extent applicable, attached thereto is a true and complete copy of the resolutions, in form and substance reasonably satisfactory to each Funding Agent, of the Board of Directors or Managers of such Person or committees thereof authorizing the execution, delivery and performance of the A&R Documents to which it is a party and the transactions contemplated thereby, and that such resolutions have not been amended, modified, revoked or rescinded and are in full force and effect, (C) that the certificate of incorporation or certificate of formation of such Person has not been amended since the date of the last amendment thereto shown on the certificate of good standing (or its equivalent) furnished pursuant to clause (i) above and (D) as to the incumbency and specimen signature of each officer or authorized signatory executing any A&R Documents or any other document delivered in connection herewith or therewith on behalf of such Person; and

(iii) a certificate of another officer as to the incumbency and specimen signature of the Secretary or Assistant Secretary executing any certificate pursuant to clause (ii) above that requires the certification set forth in clause (ii)(D) above.

(c) Representations and Warranties. All representations and warranties of each of ABRCF, ABCR, AESOP Leasing, AESOP Leasing II, Original AESOP, each of the Permitted Nominees, each of the Lessees, each of the Permitted Sublessees and the Intermediary contained in each of the Related Documents shall be true and correct as of the A&R Effective Date.

(d) No Amortization Event, Potential Amortization Event or AESOP I Operating Lease Vehicle Deficiency. No Amortization Event or Potential Amortization Event in respect of the Series 2015-3 Notes or any other Series of Notes shall exist and no AESOP I Operating Lease Vehicle Deficiency shall exist as of the A&R Effective Date.

(e) Fees and Expenses. Each Non-Conduit Purchaser and each Funding Agent with respect to its Related Purchaser Group, the Administrative Agent and the Trustee shall have received payment of all fees, out-of-pocket expenses and other amounts due and payable to such Purchaser Group, the Administrative Agent or the Trustee, as applicable, on or before the A&R Effective Date.

(f) Rating Letters. Each Non-Conduit Purchaser and each Funding Agent shall have received a copy of a letter, in form and substance satisfactory to such Non-Conduit Purchaser or Funding Agent, from DBRS stating that the long-term rating of at least "A" has been assigned by DBRS to the Class A Notes. Each Non-Conduit Purchaser and each Funding Agent shall have received a copy of a letter, in form and substance satisfactory to such Non-Conduit Purchaser and Funding Agent, from DBRS, and ABRCF and the Trustee

shall have received a copy of a letter from Moody's and Fitch, in each case stating that the amendment and restatement of the Original Series 2015-3 Supplement by this Supplement will not result in a reduction or withdrawal of the rating (in effect immediately before the effectiveness of this Supplement) of any outstanding Series of Notes with respect to which it is a Rating Agency. Each Funding Agent shall have received a letter, in form and substance satisfactory to such Funding Agent, from each of Moody's, Standard & Poor's and/or Fitch, as applicable, confirming the commercial paper rating of the related CP Conduit Purchaser after the effectiveness of this Supplement. Any fees of Moody's, Standard & Poor's, Fitch and any Rating Agency in connection with the delivery of such letters shall have been paid by or on behalf of ABRCF.

(g) UCC-3 Filing. The Administrative Agent shall have received a draft UCC-3 financing statement in a form that is reasonably acceptable to the Administrative Agent.

(h) Certificates and Opinions. All certificates and opinions of counsel required under the Base Indenture or reasonably requested by the Trustee or the Series 2015-3 Noteholders shall have been delivered to the Trustee and to the Series 2015-3 Noteholders, as applicable.

(i) Class A Notes. ABRCF shall have issued and directed the Trustee to authenticate, and the Trustee shall have authenticated, a Class A Note in the name of each Non-Conduit Purchaser and each Funding Agent in an amount equal to the Maximum Purchaser Group Invested Amount with respect to such Purchaser Group, and shall have delivered such Class A Note to such Non-Conduit Purchaser or Funding Agent.

(j) Class R Notes. ABRCF shall have issued and directed the Trustee to authenticate, and the Trustee shall have authenticated, a Class R Note in the name of each Committed Note Purchaser in an amount equal to the Class R Maximum Invested Amount with respect to such Committed Note Purchaser, and shall have delivered such Class R Note to such Committed Note Purchaser.

ARTICLE VII

CHANGE IN CIRCUMSTANCES

Section 7.1. Increased Costs. (a) If any Change in Law (except with respect to Taxes which shall be governed by Section 7.2)

shall:

(i) impose, modify or deem applicable any reserve, special deposit or similar requirement against assets of, deposits with or for the account of, or credit extended by, any Affected Party (except any such reserve requirement reflected in the Adjusted LIBO Rate); or

(ii) impose on any Affected Party or the London interbank market any other condition affecting the Indenture or the Related Documents or the funding of Eurodollar Tranches by such Affected Party;

and the result of any of the foregoing shall be to increase the cost to such Affected Party of making, converting into, continuing or maintaining Eurodollar Tranches (or maintaining its obligation to do so) or to reduce any amount received or receivable by such Affected Party hereunder or in connection herewith (whether principal, interest or otherwise), then ABRCF will pay to such Affected Party such additional amount or amounts as will compensate such Affected Party for such additional costs incurred or reduction suffered.

(b) If any Affected Party determines that any Change in Law regarding capital requirements has or would have the effect of reducing the rate of return on such Affected Party's capital or the capital of any corporation controlling such Affected Party as a consequence of its obligations hereunder to a level below that which such Affected Party or such corporation could have achieved but for such Change in Law (taking into consideration such Affected Party's or such corporation's policies with respect to capital adequacy), then from time to time, ABRCF shall pay to such Affected Party such additional amount or amounts as will compensate such Affected Party for any such reduction suffered.

(c) A certificate of an Affected Party setting forth the amount or amounts necessary to compensate such Affected Party as specified in subsections (a) and (b) of this Section 7.1 shall be delivered to ABRCF (with a copy to the Administrative Agent and the Funding Agent, if any, with respect to such Affected Party) and shall be conclusive absent manifest error. Any payments made by ABRCF pursuant to this Section 7.1 shall be made solely from funds available in the Series 2015-3 Distribution Account for the payment of Article VII Costs, shall be non-recourse other than with respect to such funds, and shall not constitute a claim against ABRCF to the extent that insufficient funds exist to make such payment. The agreements in this Section 7.1 shall survive the termination of this Supplement and the Base Indenture and the payment of all amounts payable hereunder and thereunder.

(d) Failure or delay on the part of an Affected Party to demand compensation pursuant to this Section 7.1 shall not constitute a waiver of such Affected Party's right to demand such compensation; provided that ABRCF shall not be required to compensate any Affected Party pursuant to this Section 7.1 for any increased costs or reductions incurred more than 270 days prior to the date that such Affected Party notifies ABRCF of such Affected Party's intention to claim compensation under this Section 7.1; provided, further, that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the 270-day period referred to above shall be extended to include the period of retroactive effect thereof.

(e) ABRCF acknowledges that any Affected Party may institute measures in anticipation of a Change in Law, and may commence allocating charges to or seeking compensation from ABRCF under this Section 7.1, in advance of the effective date of such Change in Law and ABRCF agrees to pay such charges or compensation to the applicable Affected Party following demand therefor in accordance with the terms of this Section 7.1 without regard to whether such effective date has occurred.

Section 7.2. Taxes. (a) Any and all payments by or on account of any obligation of ABRCF hereunder shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; provided that if ABRCF shall be required to deduct any Indemnified Taxes

or Other Taxes from such payments, then (i) subject to Section 7.2(c) below, the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Section 7.2) the recipient receives an amount equal to the sum that it would have received had no such deductions been made, (ii) ABRCF shall make such deductions and (iii) ABRCF shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.

(b) In addition, ABRCF shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.

(c) ABRCF shall indemnify the Administrative Agent, each Non-Conduit Purchaser, each Funding Agent, each Program Support Provider and each member of each CP Conduit Purchaser Group within the later of 10 days after written demand therefor and the Distribution Date next following such demand for the full amount of any Indemnified Taxes or Other Taxes paid by the Administrative Agent, such Non-Conduit Purchaser, such Funding Agent, such Program Support Provider or such member of such CP Conduit Purchaser Group on or with respect to any payment by or on account of any obligation of ABRCF hereunder or under the Indenture (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Section 7.2) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority; provided that no Person shall be indemnified pursuant to this Section 7.2(c) or entitled to receive additional amounts under the proviso of Section 7.2(a) to the extent that the reason for such indemnification results from the failure by such Person to comply with the provisions of Section 7.2(e) or (g). A certificate as to the amount of such payment or liability delivered to ABRCF by the Administrative Agent, any Non-Conduit Purchaser, any Funding Agent, any Program Support Provider or any member of any CP Conduit Purchaser Group shall be conclusive absent manifest error. Any payments made by ABRCF pursuant to this Section 7.2 shall be made solely from funds available in the Series 2015-3 Distribution Account for the payment of Article VII Costs, shall be non-recourse other than with respect to such funds, and shall not constitute a claim against ABRCF to the extent that insufficient funds exist to make such payment. The agreements in this Section shall survive the termination of this Supplement and the Base Indenture and the payment of all amounts payable hereunder and thereunder.

(d) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by ABRCF to a Governmental Authority, ABRCF shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

(e) The Administrative Agent, each Non-Conduit Purchaser, each Funding Agent, each member of each CP Conduit Purchaser Group and each Program Support Provider, if entitled to an exemption from or reduction of an Indemnified Tax or Other Tax with respect to payments made hereunder or under the Indenture shall (to the extent legally able to do so) deliver to ABRCF (with a copy to the Administrative Agent) such properly completed and executed

documentation prescribed by applicable law and reasonably requested by ABRCF on the later of (i) 30 Business Days after such request is made and the applicable forms are provided to the Administrative Agent, such Non-Conduit Purchaser, such Funding Agent, such member of such CP Conduit Purchaser Group or such Program Support Provider or (ii) thirty (30) Business Days before prescribed by applicable law as will permit such payments to be made without withholding or with an exemption from or reduction of Indemnified Taxes or Other Taxes.

(f) If the Administrative Agent, any Non-Conduit Purchaser, any Funding Agent, any Program Support Provider or any member of any CP Conduit Purchaser Group receives a refund solely in respect of Indemnified Taxes or Other Taxes, it shall pay over such refund to ABRCF to the extent that it has already received indemnity payments or additional amounts pursuant to this Section 7.2 with respect to such Indemnified Taxes or Other Taxes giving rise to the refund, net of all out-of-pocket expenses and without interest (other than interest paid by the relevant Governmental Authority with respect to such refund); provided, however, that ABRCF shall, upon request of the Administrative Agent, such Non-Conduit Purchaser, such Funding Agent, such Program Support Provider or such member of such CP Conduit Purchaser Group, repay such refund (plus interest or other charges imposed by the relevant Governmental Authority) to the Administrative Agent, such Non-Conduit Purchaser, such Funding Agent, such Program Support Provider or such member of such CP Conduit Purchaser Group if the Administrative Agent, such Non-Conduit Purchaser, such Funding Agent, such Program Support Provider or such member of such CP Conduit Purchaser Group is required to repay such refund to such Governmental Authority. Nothing contained herein shall require the Administrative Agent, any Non-Conduit Purchaser, any Funding Agent, any Program Support Provider or any member of any CP Conduit Purchaser Group to make its tax returns (or any other information relating to its taxes which it deems confidential) available to ABRCF or any other Person.

(g) The Administrative Agent, each Non-Conduit Purchaser, each Funding Agent, each Program Support Provider and each member of each CP Conduit Purchaser Group (other than any such entity which is a domestic corporation) shall:

(i) upon or prior to becoming a party hereto, deliver to ABRCF and the Administrative Agent two (2) duly completed copies of IRS Form W-8BEN, W-8ECI or W-9, or successor applicable forms, as the case may be, establishing a complete exemption from withholding of United States federal income taxes or backup withholding taxes with respect to payments under the Series 2015-3 Notes and this Supplement;

(ii) deliver to ABRCF and the Administrative Agent two (2) further copies of any such form or certification establishing a complete exemption from withholding of United States federal income taxes or backup withholding taxes with respect to payments under the Series 2015-3 Notes and this Supplement on or before the date that any such form or certification expires or becomes obsolete and after the occurrence of any event requiring a change in the most recent form previously delivered by it to ABRCF; and

(iii) obtain such extensions of time for filing and completing such forms or certifications as may reasonably be requested by ABRCF and the Administrative Agent;

unless, in any such case, any change in treaty, law or regulation has occurred after the Series 2015-3 Closing Date (or, if later, the date the Administrative Agent, such Non-Conduit Purchaser, such Funding Agent, such Program Support Provider or such member of such CP Conduit Purchaser Group becomes an indemnified party hereunder) and prior to the date on which any such delivery would otherwise be required which renders the relevant form inapplicable or which would prevent the Administrative Agent, such Non-Conduit Purchaser, such Funding Agent, such Program Support Provider or such member of such CP Conduit Purchaser Group from duly completing and delivering the relevant form with respect to it, and the Administrative Agent, such Non-Conduit Purchaser, such Funding Agent, such Program Support Provider or such member of such CP Conduit Purchaser Group so advises ABRCF and the Administrative Agent.

(h) If a beneficial or equity owner of the Administrative Agent, a Non-Conduit Purchaser, a Funding Agent, a Program Support Provider or a member of a CP Conduit Purchaser Group (instead of the Administrative Agent, the Non-Conduit Purchaser, the Funding Agent, the Program Support Provider or the member of the CP Conduit Purchaser Group itself) is required under United States federal income tax law or the terms of a relevant treaty to provide IRS Form W-8BEN, W-8ECI or W-9, or any successor applicable forms, as the case may be, in order to claim an exemption from withholding of United States federal income taxes or backup withholding taxes, then each such beneficial owner or equity owner shall be considered to be the Administrative Agent, a Non-Conduit Purchaser, a Funding Agent, a Program Support Provider or a member of a CP Conduit Purchaser Group for purposes of Section 7.2(g).

(i) If a payment made to a recipient would be subject to U.S. Federal withholding tax imposed by FATCA if such recipient were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such recipient shall deliver to the payor at the time or times prescribed by law and at such time or times reasonably requested by the payor such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code and any agreements entered into pursuant to Section 1471(b)(1) of the Code) and such additional documentation as reasonable requested by the payor as may be necessary for the payor to determine that such recipient has complied with such recipient's obligations under FATCA and that such recipient is not subject to any such withholding. Notwithstanding any other provision herein, if ABRCF or the Administrative Agent is required to withhold taxes under FATCA, ABRCF and the Administrative Agent shall be authorized to deduct from payments to be made to the applicable recipient amounts representing taxes payable by such recipient under FATCA, as determined in the sole discretion of ABRCF or the Administrative Agent, and to remit such amounts to the applicable governmental authorities.

Section 7.3. Break Funding Payments. ABRCF agrees to indemnify each Purchaser Group and to hold each Purchaser Group harmless from any loss or expense which such Purchaser Group may sustain or incur as a consequence of (a) the failure by ABRCF to accept any Increase after ABRCF has given irrevocable notice requesting the same in accordance with the provisions of this Supplement, (b) the conversion into or continuation of a CP Tranche or a Eurodollar Tranche that occurs other than on the last day of the applicable CP Rate Period or Eurodollar Period, (c) default by ABRCF in making any prepayment in connection with a Decrease after ABRCF has given irrevocable notice thereof in accordance with the provisions of Section 2.5 or (d) the making

of a repayment of any portion of the Purchaser Group Invested Amount with respect to such Purchaser Group (including, without limitation, any Decrease) prior to the termination of a CP Rate Period for a CP Tranche or a Eurodollar Period for a Eurodollar Tranche or on a date other than a Distribution Date or the date contained in a notice of Decrease, or the making of a Decrease in a greater amount than contained in any notice of a Decrease. Such indemnification shall include an amount determined by the Non-Conduit Purchaser or the Funding Agent with respect to its Related Purchaser Group and shall equal (a) in the case of the losses or expenses associated with a CP Tranche or a Eurodollar Tranche, either (x) the excess, if any, of (i) such Related Purchaser Group's cost of funding the amount so paid or not so borrowed, converted or continued, for the period from the date of such payment or of such failure to borrow, convert or continue to the last day of the CP Rate Period or the Eurodollar Period or applicable Series 2015-3 Interest Period (or in the case of a failure to borrow, convert or continue, the CP Rate Period or the Eurodollar Period that would have commenced on the date of such prepayment or of such failure), as the case may be, over (ii) the amount of interest earned by such Related Purchaser Group upon redeployment of an amount of funds equal to the amount prepaid or not borrowed, converted or continued for a comparable period or (y) if such Related Purchaser Group is able to terminate the funding source before its scheduled maturity, any costs associated with such termination and (b) in the case of the losses or expenses incurred by a Non-Conduit Purchaser, LIBOR Funding CP Conduit Purchaser or Pooled Funding CP Conduit Purchaser, the losses and expenses incurred by such Non-Conduit Purchaser, LIBOR Funding CP Conduit Purchaser or Pooled Funding CP Conduit Purchaser in connection with the liquidation or reemployment of deposits or other funds acquired by such Non-Conduit Purchaser, LIBOR Funding CP Conduit Purchaser or Pooled Funding CP Conduit Purchaser as a result of the failure to accept an Increase, a default in the making of a Decrease or the making of a Decrease in an amount or on a date not contained in a notice of a Decrease. Notwithstanding the foregoing, any payments made by ABRCF pursuant to this subsection shall be made solely from funds available in the Series 2015-3 Distribution Account for the payment of Article VII Costs, shall be non-recourse other than with respect to such funds, and shall not constitute a claim against ABRCF to the extent that such funds are insufficient to make such payment. This covenant shall survive the termination of this Supplement and the Base Indenture and the payment of all amounts payable hereunder and thereunder. A certificate as to any additional amounts payable pursuant to the foregoing sentence submitted by any Non-Conduit Purchaser or Funding Agent on behalf of its Related Purchaser Group to ABRCF shall be conclusive absent manifest error.

Section 7.4. Alternate Rate of Interest. If prior to the commencement of any Eurodollar Period:

- (a) the Administrative Agent determines (which determination shall be conclusive absent manifest error) that adequate and reasonable means do not exist for ascertaining the Adjusted LIBO Rate for such Eurodollar Period, or
- (b) the Administrative Agent is advised by any APA Bank that the Adjusted LIBO Rate for such Eurodollar Period will not adequately and fairly reflect the cost to such APA Bank of making or maintaining the Eurodollar Tranches during such Eurodollar Period,

then the Administrative Agent shall promptly give telecopy or telephonic notice thereof to ABRCF and the Trustee, whereupon until the Administrative Agent notifies ABRCF and the Trustee that the circumstances giving rise to such notice no longer exist, the Available APA Bank Funding Amount with respect to any CP Conduit Purchaser Group (in the case of clause (a) above) or with respect to the related CP Conduit Purchaser Group (in the case of clause (b) above) shall not be allocated to any Eurodollar Tranche.

Section 7.5. Mitigation Obligations. If an Affected Party requests compensation under Section 7.1, or if ABRCF is required to pay any additional amount to any Purchaser Group or any Governmental Authority for the account of any Purchaser Group pursuant to Section 7.2, then, upon written notice from ABRCF, such Affected Party or Purchaser Group, as the case may be, shall use commercially reasonable efforts to designate a different lending office for funding or booking its obligations hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, which pays a price for such assignment which is acceptable to such Purchaser Group and its assignee, in the judgment of such Affected Party or Purchaser Group, such designation or assignment (i) would eliminate or reduce amounts payable pursuant to Section 7.1 or 7.2, as the case may be, in the future and (ii) would not subject such Affected Party or Purchaser Group to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Affected Party or Purchaser Group. ABRCF hereby agrees to pay all reasonable costs and expenses incurred by such Affected Party or Purchaser Group in connection with any such designation or assignment.

ARTICLE VIII

REPRESENTATIONS AND WARRANTIES, COVENANTS

Section 8.1. Representations and Warranties of ABRCF and the Administrator (a) ABRCF and the Administrator each hereby represents and warrants to the Trustee, the Administrative Agent, each Funding Agent, each CP Conduit Purchaser, each Committed Note Purchaser, each APA Bank and each Non-Conduit Purchaser that:

(i) each and every of their respective representations and warranties contained in the Related Documents is true and correct as of the A&R Effective Date and true and correct in all material respects (other than any such representation or warranty that is qualified by materiality, which shall be true and correct) as of the date of each Increase; and

(ii) as of the A&R Effective Date, they have not engaged, in connection with the offering of the Series 2015-3 Notes, in any form of general solicitation or general advertising within the meaning of Rule 502(c) under the Securities Act.

(b) ABRCF hereby represents and warrants to the Trustee, the Administrative Agent, each Funding Agent, each CP Conduit Purchaser, each Committed Note Purchaser, each APA Bank and each Non-Conduit Purchaser that each of the Series 2015-3 Notes has been duly authorized and executed by ABRCF and when duly authenticated by the Trustee and delivered to the Funding Agents in accordance with the terms of this Supplement will constitute legal, valid and binding obligations of ABRCF enforceable in accordance with their terms, except as enforceability

thereof may be limited by bankruptcy, insolvency, or other similar laws relating to or affecting generally the enforcement of creditors' rights or by general equitable principles.

(c) The Administrator hereby represents and warrants to the Trustee, the Administrative Agent, each Non-Conduit Purchaser, each Funding Agent, each CP Conduit Purchaser, each Committed Note Purchaser and each APA Bank, as of the A&R Effective Date, as of each Increase Date and as of the date of delivery of each Monthly Noteholders Statement that (i) it continues to hold the Retained Interest on such date in accordance with Section 8.2(n) and (ii) it has not sold or subjected the Retained Interest to any credit risk mitigation or any short positions or any other hedge in a manner which would be contrary to the CRR.

(d) ABRCF hereby represents and warrants to the Trustee, the Administrative Agent, each Funding Agent, each CP Conduit Purchaser, each APA Bank and each Non-Conduit Purchaser that ABRCF (i) is not deemed to be an "investment company" within the meaning of the Investment Company Act pursuant to Rule 3a-7 promulgated under the Investment Company Act and (ii) is not a "covered fund" as defined in the Volcker Rule.

(e) The Administrator hereby represents and warrants to the Trustee, the Administrative Agent, each Funding Agent, each CP Conduit Purchaser, each APA Bank, each Committed Note Purchaser and each Non-Conduit Purchaser that it has implemented and maintains in effect policies and procedures designed to ensure compliance by the Administrator, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions, and the Administrator, its Subsidiaries and their respective officers and directors and to the knowledge of the Administrator its employees and agents, are in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects and are not knowingly engaged in any activity that would reasonably be expected to result in the Administrator or any of its Subsidiaries being designated as a Sanctioned Person. None of the Administrator, any Subsidiary or any of their respective directors, officers or employees is a Sanctioned Person. No use of proceeds of any Increase will directly or, knowingly, indirectly violate Anti-Corruption Laws or applicable Sanctions.

(f) The Administrator hereby represents and warrants to the Trustee, the Administrative Agent, each Funding Agent, each CP Conduit Purchaser, each APA Bank, each Committed Note Purchaser and each Non-Conduit Purchaser that it is a "sponsor" (as such term is defined in the U.S. Risk Retention Rules) in connection with the transactions contemplated by this Supplement and the applicable Related Documents and has complied with all requirements imposed on a "sponsor" of a "securitization transaction" (as each such term is defined in the U.S. Risk Retention Rules) in accordance with the provisions of the U.S. Risk Retention Rules in connection with the transactions contemplated by this Supplement. On the A&R Effective Date, the Administrator will hold, either directly or through a "majority-owned affiliate" (as such term is defined in the U.S. Risk Retention Rules), an "eligible horizontal residual interest" (as such term is defined in the U.S. Risk Retention Rules) with respect to the transactions contemplated by Supplement in an amount equal to at least 5% of the fair value of all the "ABS interests" (as such term is defined in the U.S. Risk Retention Rules) issued by ABRCF as part of the transactions contemplated by the Supplement, determined as of the A&R Effective Date using a fair value

measurement framework under United States generally accepted accounting principles (such interest, the “Retained Interest”). The Administrator has determined such fair value of the Retained Interest based on its own valuation methodology, inputs and assumptions in accordance with and as required by the U.S. Risk Retention Rules and is solely responsible therefor.

Section 8.2. Covenants of ABRCF and the Administrator. ABRCF and the Administrator hereby agree, in addition to their obligations hereunder, that:

(a) they shall observe in all material respects each and every of their respective covenants (both affirmative and negative) contained in the Base Indenture and all other Related Documents to which each is a party;

(b) they shall afford each Non-Conduit Purchaser, each Funding Agent with respect to a CP Conduit Purchaser Group, each Committed Note Purchaser, the Trustee or any representatives of any such Non-Conduit Purchaser, Funding Agent or the Trustee access to all records relating to the Leases, the Subleases, the Vehicles, the Manufacturer Programs and the Loan Agreements at any reasonable time during regular business hours, upon reasonable prior notice (and with one Business Day’s prior notice if an Amortization Event with respect to the Series 2015-3 Notes shall have been deemed to have occurred or shall have been declared to have occurred), for purposes of inspection and shall permit such Non-Conduit Purchaser, such Funding Agent, such Committed Note Purchaser, the Trustee or any representative of such Non-Conduit Purchaser, such Funding Agent, such Committed Note Purchaser or the Trustee to visit any of ABRCF’s or the Administrator’s, as the case may be, offices or properties during regular business hours and as often as may reasonably be desired to discuss the business, operations, properties, financial and other conditions of ABRCF or the Administrator with their respective officers and employees and with their independent certified public accountants;

(c) they shall promptly provide such additional financial and other information with respect to the Related Documents, ABRCF, the Lessors, the Permitted Nominees, the Lessees, the Permitted Sublessees, the Related Documents or the Manufacturer Programs as the Administrative Agent may from time to time reasonably request;

(d) they shall provide to the Administrative Agent simultaneously with delivery to the Trustee copies of information furnished to the Trustee or ABRCF pursuant to the Related Documents as such information relates to all Series of Notes generally or specifically to the Series 2015-3 Notes or the Series 2015-3 Collateral. The Administrative Agent shall distribute to each Non-Conduit Purchaser and each Funding Agent copies of all information delivered to it pursuant to this Section 8.2(d);

(e) they shall not agree to any amendment to the Base Indenture or any other Related Document, which amendment requires the consent of the Requisite Investors, without having received the prior written consent of the Requisite Noteholders;

(f) they shall not agree to any replacement or successor to the Intermediary or the addition of any new Manufacturer as an Eligible Program Manufacturer, in each case without having received the prior written consent of the Requisite Noteholders;

(g) they shall not permit the aggregate Capitalized Cost for all Vehicles purchased in any model year that are not subject to a Manufacturer Program to exceed 85% of the aggregate MSRP (Manufacturer Suggested Retail Price) of all such Vehicles; provided, however, that they shall not modify the customary buying patterns or purchasing criteria used by the Administrator and its Affiliates with respect to the Vehicles if the primary purpose of such modification is to comply with this covenant;

(h) they will provide (x) notice of any Replacement Credit Agreement, together with a copy of the proposed Replacement Credit Agreement, to the Rating Agencies, Standard & Poor's and Moody's no less than ten (10) days prior to the anticipated effective date for such Replacement Credit Agreement and (y) a copy of any amendment to the Credit Agreement or any Replacement Credit Agreement to the Administrative Agent, each Funding Agent and each Non-Conduit Purchaser promptly upon its becoming effective;

(i) they shall provide to the Administrative Agent, each Non-Conduit Purchaser and each Funding Agent, on each Determination Date, a calculation of the Series 2015-3 Incremental Enhancement Amount as of the last day of the Related Month with respect to such Determination Date;

(j) they shall provide the Administrative Agent with ten days' prior notice of any appointment of an Independent Manager in accordance with the ABRCF Limited Liability Company Agreement; provided that if such appointment is to fill a vacancy, such notice shall only be required to be given as promptly as possible;

(k) they shall promptly provide notice to each Non-Conduit Purchaser and the Administrative Agent in the event that more than 50% of the Class A Invested Amount is funded by one or more APA Banks;

(l) they shall comply with the representation made by ABRCF to each Rating Agency pursuant to paragraph (a)(3)(iii)(A) through (D) of Rule 17g-5 under the Exchange Act and shall provide the Administrative Agent, each Funding Agent and each Non-Conduit Purchaser with prompt notice if ABRCF, ABCR or any of their representatives receives notice from, or has knowledge of, any Rating Agency determination that ABRCF is not in compliance with such representation;

(m) they shall provide to the Administrative Agent on October 1 of each year, beginning on October 1, 2016, an Opinion of Counsel to the effect that no UCC financing or continuation statements are required to be filed with respect to any of the Collateral in which a security interest may be perfected by the filing of UCC financing statements;

(n) the Administrator agrees, for the benefit of each Series 2015-3 Noteholder that is required to comply with the requirements of the CRR that it shall:

(i) hold and maintain the Retained Interest in an amount and in a manner as required or permitted by Paragraph 1 of Article 405 of the CRR for so long as the Series 2015-3 Notes are outstanding and not change the manner in which it retains the Retained Interest except to the extent permitted under such Paragraph 1;

(ii) not sell the Retained Interest or subject the Retained Interest to any credit risk mitigation or any short positions or any other hedge, in each case, except to the extent permitted under Paragraph 1 of Article 405 of the CRR;

(iii) in connection with and accompanying each Monthly Noteholders Statement, confirm to the Trustee that it continues to comply with this subsection (i) and (ii) of this Section 8.2(n);

(iv) promptly provide notice to each such Series 2015-3 Noteholder in the event that it fails to comply with subsection (i) or (ii) of this Section 8.2(n);

(v) promptly notify each Series 2015-3 Noteholder of any material change to the form or other terms or characteristics of the Retained Interest since the delivery of the most recent Monthly Noteholders Statement; and

(vi) provide any and all information requested by any Series 2015-3 Noteholder that any such Series 2015-3 Noteholder would reasonably require in order for such Series 2015-3 Noteholder to comply with its obligations under the CRR; provided that compliance by the Administrator with this clause (vi) shall be at the expense of the requesting Series 2015-3 Noteholder;

(o) on and after the A&R Effective Date, the Administrator (or, to the extent permitted by the U.S. Risk Retention Rules, a majority-owned affiliate of the Administrator) shall continue to comply with all requirements imposed by the U.S. Risk Retention Rules, including, without limitation (1) complying with the post-closing disclosure requirements set forth in Section 4(c)(1)(ii) of the U.S. Risk Retention Rules in an appropriate method that does not require any involvement of the Administrative Agent, any CP Conduit Purchaser, any Funding Agent, any APA Bank, any Committed Note Purchaser or any Non-Conduit Purchaser, (2) complying with the records maintenance requirements set forth in Section 4(d) of the U.S. Risk Retention Rules, and (3) complying and causing compliance with the hedging, transfer and financing prohibitions set forth in Section 12 of the U.S. Risk Retention Rules for the duration required by the U.S. Risk Retention Rules;

(p) they will maintain in effect and enforce policies and procedures designed to ensure compliance by the Administrator, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

ARTICLE IX

THE ADMINISTRATIVE AGENT

Section 9.1. Appointment. Each of the Non-Conduit Purchasers, CP Conduit Purchasers, the APA Banks and the Funding Agents hereby irrevocably designates and appoints the Administrative Agent as the agent of such Person under this Supplement and irrevocably authorizes the Administrative Agent, in such capacity, to take such action on its behalf under the provisions of this Supplement and to exercise such powers and perform such duties as are expressly delegated to the Administrative Agent by the terms of this Supplement, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Supplement, the Administrative Agent shall not have any duties or responsibilities except those expressly set forth herein, or any fiduciary relationship with any Non-Conduit Purchaser, any CP Conduit Purchaser, any APA Bank or any Funding Agent, and no implied covenants, functions, responsibilities, duties, obligations or liabilities shall be read into this Supplement or otherwise exist against the Administrative Agent.

Section 9.2. Delegation of Duties. The Administrative Agent may execute any of its duties under this Supplement by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. The Administrative Agent shall not be responsible for the negligence or misconduct of any agents or attorneys-in-fact selected by it with reasonable care.

Section 9.3. Exculpatory Provisions. Neither the Administrative Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates shall be (i) liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with the Base Indenture, this Supplement or any other Related Document (except to the extent that any of the foregoing are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from its or such Person's own gross negligence or willful misconduct) or (ii) responsible in any manner to any of the Non-Conduit Purchasers, the CP Conduit Purchasers, the APA Banks or the Funding Agents for any recitals, statements, representations or warranties made by ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary, the Administrator or any officer thereof contained in this Supplement or any other Related Document or in any certificate, report, statement or other document referred to or provided for in, or received by the Administrative Agent under or in connection with, this Supplement or any other Related Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Supplement, any other Related Document, or for any failure of any of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary or the Administrator to perform its obligations hereunder or thereunder. The Administrative Agent shall not be under any obligation to any Non-Conduit Purchaser, any CP Conduit Purchaser, any APA Bank or any Funding Agent to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Supplement, any other Related Document or to inspect the properties, books or records of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary or the Administrator.

Section 9.4. Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex or teletype message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including,

without limitation, counsel to ABRCF or the Administrator), independent accountants and other experts selected by the Administrative Agent. The Administrative Agent may deem and treat the registered holder of any Series 2015-3 Note as the owner thereof for all purposes unless a written notice of assignment, negotiation or transfer thereof shall have been filed with the Administrative Agent. The Administrative Agent shall be fully justified in failing or refusing to take any action under this Supplement or any other Related Document unless it shall first receive such advice or concurrence of the Requisite Noteholders, as it deems appropriate or it shall first be indemnified to its satisfaction by the Non-Conduit Purchasers and the Funding Agents against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action. The Administrative Agent shall in all cases be fully protected in acting, or in refraining from acting, under this Supplement and the other Related Documents in accordance with a request of the Requisite Noteholders (unless, in the case of any action relating to the giving of consent hereunder, the giving of such consent requires the consent of all Series 2015-3 Noteholders), and such request and any action taken or failure to act pursuant thereto shall be binding upon all the Non-Conduit Purchasers, the CP Conduit Purchasers, the APA Banks and the Funding Agents.

Section 9.5. Notice of Administrator Default or Amortization Event or Potential Amortization Event. The Administrative Agent shall not be deemed to have knowledge or notice of the occurrence of any Amortization Event or Potential Amortization Event or any Administrator Default unless the Administrative Agent has received written notice from a Non-Conduit Purchaser, a CP Conduit Purchaser, an APA Bank, a Funding Agent, ABRCF or the Administrator referring to the Indenture or this Supplement, describing such Amortization Event or Potential Amortization Event, or Administrator Default and stating that such notice is a “notice of an Amortization Event or Potential Amortization Event” or “notice of an Administrator Default,” as the case may be. In the event that the Administrative Agent receives such a notice, the Administrative Agent shall give notice thereof to the Non-Conduit Purchasers, the Funding Agents, the Trustee, ABRCF and the Administrator. The Administrative Agent shall take such action with respect to such event as shall be reasonably directed by the Requisite Noteholders, provided that unless and until the Administrative Agent shall have received such directions, the Administrative Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such event as it shall deem advisable in the best interests of the Purchaser Groups.

Section 9.6. Non-Reliance on the Administrative Agent and Other Purchaser Groups. Each of the Non-Conduit Purchasers, the CP Conduit Purchasers, the APA Banks and the Funding Agents expressly acknowledges that neither the Administrative Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by the Administrative Agent hereinafter taken, including any review of the affairs of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary or the Administrator shall be deemed to constitute any representation or warranty by the Administrative Agent to any such Person. Each of the Non-Conduit Purchasers, the CP Conduit Purchasers, the APA Banks and the Funding Agents represents to the Administrative Agent that it has, independently and without reliance upon the Administrative Agent or any other Non-Conduit Purchaser, CP Conduit Purchaser, APA Bank or Funding Agent and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of ABRCF, the Lessors, the Lessees,

the Permitted Sublessees, the Intermediary and the Administrator and made its own decision to enter into this Supplement. Each of the Non-Conduit Purchasers, the CP Conduit Purchasers, the APA Banks and the Funding Agents also represents that it will, independently and without reliance upon the Administrative Agent or any other Non-Conduit Purchaser, CP Conduit Purchaser, APA Bank or Funding Agent, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Supplement and the other Related Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other condition and creditworthiness of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary and the Administrator. Except for notices, reports and other documents expressly required to be furnished to the Non-Conduit Purchasers and the Funding Agents by the Administrative Agent hereunder, the Administrative Agent shall have no duty or responsibility to provide any Non-Conduit Purchaser, any CP Conduit Purchaser, any APA Bank or any Funding Agent with any credit or other information concerning the business, operations, property, condition (financial or otherwise), prospects or creditworthiness of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary or the Administrator which may come into the possession of the Administrative Agent or any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates.

Section 9.7. Indemnification. Each Non-Conduit Purchaser and each of the APA Banks in a CP Conduit Purchaser Group agrees to indemnify the Administrative Agent in its capacity as such (to the extent not reimbursed by ABRCF and the Administrator and without limiting the obligation of ABRCF and the Administrator to do so), ratably according to their respective Commitment Percentages (or, if indemnification is sought after the date upon which the Commitments shall have terminated, ratably in accordance with their respective Purchaser Group Invested Amounts) in effect on the date on which indemnification is sought under this Section 9.7 (or if indemnification is sought after the date upon which the Commitments shall have terminated and the Purchaser Group Invested Amounts shall have been reduced to zero, ratably in accordance with their Commitment Percentages immediately prior to their termination) from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever which may at any time be imposed on, incurred by or asserted against the Administrative Agent in any way relating to or arising out of this Supplement, any of the other Related Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by the Administrative Agent under or in connection with any of the foregoing; provided that no Non-Conduit Purchaser, APA Bank or Funding Agent shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from the Administrative Agent's gross negligence or willful misconduct. The agreements in this Section shall survive the payment of all amounts payable hereunder.

Section 9.8. The Administrative Agent in Its Individual Capacity. The Administrative Agent and its Affiliates may make loans to, accept deposits from and generally engage in any kind of business with ABRCF, the Administrator or any of their Affiliates as though the Administrative Agent were not the Administrative Agent hereunder. With respect to any Series

2015-3 Note held by the Administrative Agent, the Administrative Agent shall have the same rights and powers under this Supplement and the other Related Documents as any APA Bank or Funding Agent and may exercise the same as though it were not the Administrative Agent, and the terms "APA Bank," and "Funding Agent" shall include the Administrative Agent in its individual capacity.

Section 9.9. Resignation of Administrative Agent; Successor Administrative Agent. The Administrative Agent may resign as Administrative Agent at any time by giving 30 days' notice to the Non-Conduit Purchasers, the Funding Agents, the Trustee, ABRCF and the Administrator. If JPMorgan Chase shall resign as Administrative Agent under this Supplement, then the Requisite Noteholders shall appoint a successor administrative agent from among the Non-Conduit Purchasers and Funding Agents, which successor administrative agent shall be approved by ABRCF and the Administrator (which approval shall not be unreasonably withheld or delayed) whereupon such successor agent shall succeed to the rights, powers and duties of the Administrative Agent, and the term "Administrative Agent" shall mean such successor agent effective upon such appointment and approval, and the former Administrative Agent's rights, powers and duties as Administrative Agent shall be terminated, without any other or further act or deed on the part of such former Administrative Agent or any of the parties to this Supplement. If no successor administrative agent has accepted appointment as Administrative Agent prior to the effective date of the resignation of the Administrative Agent, the retiring Administrative Agent may appoint, after consulting with the Non-Conduit Purchasers, the Funding Agents, the Administrator and ABRCF, a successor Administrative Agent from among the Non-Conduit Purchasers and the Funding Agents. If no successor administrative agent has accepted appointment by the date which is thirty (30) days following a retiring Administrative Agent's notice of resignation, the retiring Administrative Agent's resignation shall nevertheless thereupon become effective and the Administrator shall assume and perform all of the duties of the Administrative Agent hereunder until such time, if any, as the Requisite Noteholders appoint a successor administrative agent as provided for above. After any retiring Administrative Agent's resignation as Administrative Agent, the provisions of this Article IX shall inure to its benefit as to any actions taken or omitted to be taken by it while it was Administrative Agent under this Supplement.

ARTICLE X

THE FUNDING AGENTS

Section 10.1. Appointment. Each CP Conduit Purchaser and each APA Bank with respect to such CP Conduit Purchaser hereby irrevocably designates and appoints the Funding Agent set forth next to such CP Conduit Purchaser's name on Schedule I as the agent of such Person under this Supplement and irrevocably authorizes such Funding Agent, in such capacity, to take such action on its behalf under the provisions of this Supplement and to exercise such powers and perform such duties as are expressly delegated to such Funding Agent by the terms of this Supplement, together with such other powers as are reasonably incidental thereto. Notwithstanding any provision to the contrary elsewhere in this Supplement, each Funding Agent shall not have any duties or responsibilities except those expressly set forth herein, or any fiduciary relationship with any CP Conduit Purchaser or APA Bank and no implied covenants, functions, responsibilities, duties,

obligations or liabilities shall be read into this Supplement or otherwise exist against each Funding Agent.

Section 10.2. Delegation of Duties. Each Funding Agent may execute any of its duties under this Supplement by or through agents or attorneys-in-fact and shall be entitled to advice of counsel concerning all matters pertaining to such duties. Each Funding Agent shall not be responsible to the CP Conduit Purchaser or any APA Bank in its CP Conduit Purchaser Group for the negligence or misconduct of any agents or attorneys in-fact selected by it with reasonable care.

Section 10.3. Exculpatory Provisions. Each Funding Agent and any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates shall not be (i) liable for any action lawfully taken or omitted to be taken by it or such Person under or in connection with the Base Indenture, this Supplement or any other Related Document (except to the extent that any of the foregoing are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from its or such Person's own gross negligence or willful misconduct) or (ii) responsible in any manner to any of the CP Conduit Purchasers and/or APA Banks for any recitals, statements, representations or warranties made by ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary, the Administrator, the Administrative Agent, or any officer thereof contained in this Supplement or any other Related Document or in any certificate, report, statement or other document referred to or provided for in, or received by such Funding Agent under or in connection with, this Supplement or any other Related Document or for the value, validity, effectiveness, genuineness, enforceability or sufficiency of this Supplement, any other Related Document, or for any failure of any of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary, the Administrative Agent, or the Administrator to perform its obligations hereunder or thereunder. Each Funding Agent shall not be under any obligation to the CP Conduit Purchaser or any APA Bank in its CP Conduit Purchaser Group to ascertain or to inquire as to the observance or performance of any of the agreements contained in, or conditions of, this Supplement, any other Related Document or to inspect the properties, books or records of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary, the Administrative Agent, or the Administrator.

Section 10.4. Reliance by Each Funding Agent. Each Funding Agent shall be entitled to rely, and shall be fully protected in relying, upon any writing, resolution, notice, consent, certificate, affidavit, letter, telecopy, telex or teletype message, statement, order or other document or conversation believed by it to be genuine and correct and to have been signed, sent or made by the proper Person or Persons and upon advice and statements of legal counsel (including, without limitation, counsel to ABRCF or the Administrator), independent accountants and other experts selected by such Funding Agent. Each Funding Agent shall be fully justified in failing or refusing to take any action under this Supplement or any other Related Document unless it shall first receive such advice or concurrence of the Related Purchaser Group, as it deems appropriate or it shall first be indemnified to its satisfaction by the Related Purchaser Group against any and all liability and expense which may be incurred by it by reason of taking or continuing to take any such action.

Section 10.5. Notice of Administrator Default or Amortization Event or Potential Amortization Event. Each Funding Agent shall not be deemed to have knowledge or notice of the occurrence of any Amortization Event or Potential Amortization Event or any Administrator Default

unless such Funding Agent has received written notice from a Non-Conduit Purchaser, a CP Conduit Purchaser, an APA Bank, ABRCF, the Administrative Agent or the Administrator referring to the Indenture or this Supplement, describing such Amortization Event or Potential Amortization Event, or Administrator Default and stating that such notice is a “notice of an Amortization Event or Potential Amortization Event” or “notice of an Administrator Default,” as the case may be. In the event that any Funding Agent receives such a notice, such Funding Agent shall give notice thereof to the CP Conduit Purchaser and APA Banks in its CP Conduit Purchaser Group. Such Funding Agent shall take such action with respect to such event as shall be reasonably directed by the CP Conduit Purchaser and APA Banks in its CP Conduit Purchaser Group, provided that unless and until such Funding Agent shall have received such directions, such Funding Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such event as it shall deem advisable in the best interests of the CP Conduit Purchaser and APA Banks in its CP Conduit Purchaser Group.

Section 10.6. Non-Reliance on Each Funding Agent and Other CP Conduit Purchaser Groups. Each CP Conduit Purchaser and each of the related APA Banks expressly acknowledge that neither its Funding Agent nor any of its officers, directors, employees, agents, attorneys-in-fact or Affiliates has made any representations or warranties to it and that no act by such Funding Agent hereinafter taken, including any review of the affairs of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary, the Administrative Agent, or the Administrator shall be deemed to constitute any representation or warranty by such Funding Agent to any such Person. Each CP Conduit Purchaser and each of the related APA Banks represents to its Funding Agent that it has, independently and without reliance upon such Funding Agent and based on such documents and information as it has deemed appropriate, made its own appraisal of and investigation into the business, operations, property, financial and other condition and creditworthiness of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary, the Administrative Agent, and the Administrator and made its own decision to enter into this Supplement. Each CP Conduit Purchaser and each of the related APA Banks also represents that it will, independently and without reliance upon its Funding Agent and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit analysis, appraisals and decisions in taking or not taking action under this Supplement and the other Related Documents, and to make such investigation as it deems necessary to inform itself as to the business, operations, property, financial and other conditions and creditworthiness of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary, the Administrative Agent, and the Administrator.

Section 10.7. Indemnification. Each APA Bank in a CP Conduit Purchaser Group agrees to indemnify its Funding Agent in its capacity as such (to the extent not reimbursed by ABRCF and the Administrator and without limiting the obligation of ABRCF and the Administrator to do so), ratably according to its respective APA Bank Percentage in effect on the date on which indemnification is sought under this Section 10.7 (or if indemnification is sought after the date upon which the Commitments shall have been terminated, ratably in accordance with its APA Bank Percentage at the time of termination) from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind whatsoever which may at any time be imposed on, incurred by or asserted against such Funding

Agent in any way relating to or arising out of this Supplement, any of the other Related Documents or any documents contemplated by or referred to herein or therein or the transactions contemplated hereby or thereby or any action taken or omitted by such Funding Agent under or in connection with any of the foregoing; provided that no APA Bank shall be liable for the payment of any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements that are found by a final and nonappealable decision of a court of competent jurisdiction to have resulted from such related Funding Agent's gross negligence or willful misconduct. The agreements in this Section shall survive the payment of all amounts payable hereunder.

ARTICLE XI

GENERAL

Section 11.1. Successors and Assigns. (a) This Supplement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that (i) ABRCF may not assign or transfer any of its rights under this Supplement without the prior written consent of all of the Series 2015-3 Noteholders, (ii) no Non-Conduit Purchaser may assign or transfer any of its rights under this Supplement other than pursuant to paragraph (e) or (f) below, (iii) no CP Conduit Purchaser may assign or transfer any of its rights under this Supplement other than in accordance with the Asset Purchase Agreement with respect to such CP Conduit Purchaser or otherwise to the APA Bank with respect to such CP Conduit Purchaser or a Program Support Provider with respect to such CP Conduit Purchaser or pursuant to clause (b) or (e) below of this Section 11.1, (iv) no APA Bank may assign or transfer any of its rights or obligations under this Supplement except to a Program Support Provider or pursuant to clause (c), (d) or (e) below of this Section 11.1 and (v) no Committed Note Purchaser may assign or transfer any of its rights under this Supplement unless such assignment or transfer is to ABG or an Affiliate of ABG pursuant to a transfer supplement, substantially in the form of Exhibit P (the "Class R Supplement"), executed by such acquiring Committed Note Purchaser, such assigning Committed Note Purchaser and the Administrative Agent, ABRCF and the Administrator and delivered to the Administrative Agent.

(b) Without limiting the foregoing, each CP Conduit Purchaser may assign all or a portion of the Purchaser Group Invested Amount with respect to such CP Conduit Purchaser and its rights and obligations under this Supplement and any other Related Documents to which it is a party to a Conduit Assignee with respect to such CP Conduit Purchaser. Prior to or concurrently with the effectiveness of any such assignment (or if impracticable, immediately thereafter), the assigning CP Conduit Purchaser shall notify the Administrative Agent, ABRCF, the Trustee and the Administrator thereof. Upon such assignment by a CP Conduit Purchaser to a Conduit Assignee, (A) such Conduit Assignee shall be the owner of the Purchaser Group Invested Amount or such portion thereof with respect to such CP Conduit Purchaser, (B) the related administrative or managing agent for such Conduit Assignee will act as the administrative agent for such Conduit Assignee hereunder, with all corresponding rights and powers, express or implied, granted to the Funding Agent hereunder or under the other Related Documents, (C) such Conduit Assignee and its liquidity support provider(s) and credit support provider(s) and other related parties shall have the benefit of all the rights and protections provided to such CP Conduit Purchaser herein and in

the other Related Documents (including, without limitation, any limitation on recourse against such Conduit Assignee as provided in this paragraph), (D) such Conduit Assignee shall assume all of such CP Conduit Purchaser's obligations, if any, hereunder or under the Base Indenture or under any other Related Document with respect to such portion of the Purchaser Group Invested Amount and such CP Conduit Purchaser shall be released from such obligations, (E) all distributions in respect of the Purchaser Group Invested Amount or such portion thereof with respect to such CP Conduit Purchaser shall be made to the applicable agent or administrative agent, as applicable, on behalf of such Conduit Assignee, (F) the definitions of the terms "Monthly Funding Costs" and "Discount" shall be determined in the manner set forth in the definition of "Monthly Funding Costs" and "Discount" applicable to such CP Conduit Purchaser on the basis of the interest rate or discount applicable to commercial paper issued by such Conduit Assignee (rather than such CP Conduit Purchaser), (G) the defined terms and other terms and provisions of this Supplement, the Base Indenture and the other Related Documents shall be interpreted in accordance with the foregoing, and (H) if requested by the Administrative Agent or the agent or administrative agent with respect to the Conduit Assignee, the parties will execute and deliver such further agreements and documents and take such other actions as the Administrative Agent or such agent or administrative agent may reasonably request to evidence and give effect to the foregoing. No assignment by any CP Conduit Purchaser to a Conduit Assignee of the Purchaser Group Invested Amount with respect to such CP Conduit Purchaser shall in any way diminish the obligations of the APA Bank with respect to such CP Conduit Purchaser under Section 2.3 to fund any Increase.

(c) Any APA Bank may, in the ordinary course of its business and in accordance with applicable law, at any time sell all or any part of its rights and obligations under this Supplement and the Class A Notes, with the prior written consent of the Administrative Agent, ABRCF and the Administrator (in each case, which consent shall not be unreasonably withheld), to one or more banks (an "Acquiring APA Bank") pursuant to a transfer supplement, substantially in the form of Exhibit H (the "Transfer Supplement"), executed by such Acquiring APA Bank, such assigning APA Bank, the Funding Agent with respect to such APA Bank, the Administrative Agent, ABRCF and the Administrator and delivered to the Administrative Agent. Notwithstanding the foregoing, no APA Bank shall so sell its rights hereunder if such Acquiring APA Bank is not an Eligible Assignee.

(d) Any APA Bank may, in the ordinary course of its business and in accordance with applicable law, at any time sell to one or more financial institutions or other entities ("APA Bank Participants") participations in its APA Bank Percentage of the Commitment Amount with respect to it and the other APA Banks included in the related CP Conduit Purchaser Group, its Class A Note and its rights hereunder pursuant to documentation in form and substance satisfactory to such APA Bank and the APA Bank Participant; provided, however, that (i) in the event of any such sale by an APA Bank to an APA Bank Participant, (A) such APA Bank's obligations under this Supplement shall remain unchanged, (B) such APA Bank shall remain solely responsible for the performance thereof and (C) ABRCF and the Administrative Agent shall continue to deal solely and directly with such APA Bank in connection with its rights and obligations under this Supplement and (ii) no APA Bank shall sell any participating interest under which the APA Bank Participant shall have rights to approve any amendment to, or any consent or waiver with respect to, this Supplement, the Base Indenture or any Related Document, except to the extent that the approval of such amendment, consent or waiver otherwise would require the unanimous consent of all APA

Banks hereunder. An APA Bank Participant shall have the right to receive Article VII Costs but only to the extent that the related selling APA Bank would have had such right absent the sale of the related participation and, with respect to amounts due pursuant to Section 7.2, only to the extent such APA Bank Participant shall have complied with the provisions of Section 7.2(e) and (g) as if such APA Bank Participant were the Administrative Agent, a Funding Agent, a Program Support Provider or a member of a CP Conduit Purchaser Group.

(e) Any CP Conduit Purchaser and the APA Bank with respect to such CP Conduit Purchaser may at any time sell all or any part of their respective rights and obligations, and any Non-Conduit Purchaser may at any time sell all or any part of its rights and obligations, under this Supplement and the Class A Notes, with the prior written consent of the Administrative Agent, ABRCF and the Administrator (in each case, which consent shall not be unreasonably withheld), (x) to a multi-seller commercial paper conduit and one or more banks providing support to such multi-seller commercial paper conduit or (y) to a financial institution or other entity (an “Acquiring Purchaser Group”) pursuant to a transfer supplement, substantially in the form of Exhibit I (the “Purchaser Group Supplement”), executed by such Acquiring Purchaser Group (including the CP Conduit Purchaser and the APA Banks, if any, with respect to such Acquiring Purchaser Group), the Funding Agent, if any, with respect to such Acquiring Purchaser Group, such assigning Purchaser Group (including the APA Banks, if any, with respect to such assigning Purchaser Group), the Funding Agent, if any, with respect to such assigning Purchaser Group and the Administrative Agent, ABRCF and the Administrator and delivered to the Administrative Agent.

(f) Any Non-Conduit Purchaser may, in the ordinary course of its business and in accordance with applicable law, at any time sell to one or more financial institutions or other entities (“Non-Conduit Purchaser Participants”) participations in its Commitment, its Class A Note and its rights hereunder pursuant to documentation in form and substance satisfactory to such Non-Conduit Purchaser and the Non-Conduit Purchaser Participant; provided, however, that (i) in the event of any such sale by a Non-Conduit Purchaser to a Non-Conduit Purchaser Participant, (A) such Non-Conduit Purchaser’s obligations under this Indenture Supplement shall remain unchanged, (B) such Non-Conduit Purchaser shall remain solely responsible for the performance thereof and (C) ABRCF and the Administrative Agent shall continue to deal solely and directly with such Non-Conduit Purchaser in connection with its rights and obligations under this Indenture Supplement and (ii) no Non-Conduit Purchaser shall sell any participating interest under which the Non-Conduit Purchaser Participant shall have rights to approve any amendment to, or any consent or waiver with respect to, this Supplement, the Base Indenture or any Related Document, except to the extent that the approval of such amendment, consent or waiver otherwise would require the unanimous consent of all Series 2015-3 Noteholders hereunder. A Non-Conduit Purchaser Participant shall have the right to receive Article VII Costs but only to the extent that the related selling Non-Conduit Purchaser would have had such right absent the sale of the related participation and, with respect to amounts due pursuant to Section 7.2, only to the extent such Non-Conduit Purchaser Participant shall have complied with the provisions of Sections 7.2(e) and (g) as if such Non-Conduit Purchaser Participant were a Non-Conduit Purchaser.

(g) ABRCF authorizes each APA Bank and Non-Conduit Purchaser to disclose to any APA Bank Participant, Acquiring APA Bank, Non-Conduit Purchaser Participant or Acquiring

Purchaser Group (each, a “Transferee”) and any prospective Transferee any and all financial information in such APA Bank’s or Non-Conduit Purchaser’s possession concerning ABRCF, the Collateral, the Administrator and the Related Documents which has been delivered to such APA Bank by ABRCF or the Administrator in connection with such APA Bank’s credit evaluation of ABRCF, the Collateral and the Administrator.

(h) Notwithstanding any other provision of this Supplement to the contrary, (i) any Non-Conduit Purchaser, any APA Bank or any Program Support Provider may at any time pledge or grant a security interest in all or any portion of its rights under its Class A Note and this Supplement to secure obligations of such Non-Conduit Purchaser, such APA Bank or such Program Support Provider to a Federal Reserve Bank or other central bank and (ii) any CP Conduit Purchaser may at any time pledge or grant a security interest in all or any portion of its rights under the Class A Note held by its Funding Agent to any collateral trustee in order to comply with Rule 3a-7 under the Investment Company Act or otherwise to secure obligations of such CP Conduit Purchaser under its Commercial Paper, in each case without notice to or consent of the Administrative Agent, the Issuer or the Administrator; provided that no such pledge or grant of a security interest shall release a Non-Conduit Purchaser, a CP Conduit Purchaser or an APA Bank from any of its obligations hereunder or substitute any such pledgee or grantee for such Non-Conduit Purchaser, such CP Conduit Purchaser or such APA Bank as a party hereto.

Section 11.2. Securities Law. Each Non-Conduit Purchaser, CP Conduit Purchaser, Committed Note Purchaser and APA Bank hereby represents and warrants to ABRCF that it is an “accredited investor” as such term is defined in Rule 501(a) of Regulation D under the Securities Act and has sufficient assets to bear the economic risk of, and sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of, its investment in a Series 2015-3 Note. Each Non-Conduit Purchaser, CP Conduit Purchaser, Committed Note Purchaser and APA Bank agrees that its Series 2015-3 Note will be acquired for investment only and not with a view to any public distribution thereof, and that such Non-Conduit Purchaser, CP Conduit Purchaser, Committed Note Purchaser and APA Bank will not offer to sell or otherwise dispose of its Series 2015-3 Note (or any interest therein) in violation of any of the registration requirements of the Securities Act, or any applicable state or other securities laws. Each Non-Conduit Purchaser, CP Conduit Purchaser, Committed Note Purchaser and APA Bank acknowledges that it has no right to require ABRCF to register its Series 2015-3 Note under the Securities Act or any other securities law. Each Non-Conduit Purchaser, CP Conduit Purchaser, Committed Note Purchaser and APA Bank hereby confirms and agrees that in connection with any transfer by it of an interest in the Series 2015-3 Note, such Non-Conduit Purchaser, CP Conduit Purchaser, Committed Note Purchaser or APA Bank has not engaged and will not engage in a general solicitation or general advertising including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by any general solicitation or general advertising.

Section 11.3. Adjustments; Set-off. (a) If any member of a Purchaser Group (a “Benefited Purchaser Group”) shall at any time receive in respect of its Purchaser Group Invested Amount any distribution of principal, interest, Commitment Fees or any interest thereon, or receive any collateral in respect thereof (whether voluntarily or involuntarily, by set-off or otherwise) in a

greater proportion than any such distribution received by any other Purchaser Group, if any, in respect of such other Purchaser Group's Purchaser Group Invested Amount, or interest thereon, such Benefited Purchaser Group shall purchase for cash from the other Purchaser Group such portion of such other Purchaser Group's interest in the Series 2015-3 Notes, or shall provide such other Purchaser Group with the benefits of any such collateral, or the proceeds thereof, as shall be necessary to cause such Benefited Purchaser Group to share the excess payment or benefits of such collateral or proceeds ratably with the other Purchaser Group; provided, however, that if all or any portion of such excess payment or benefits is thereafter recovered from such Benefited Purchaser Group, such purchase shall be rescinded, and the purchase price and benefits returned, to the extent of such recovery, but without interest. ABRCF agrees that any Purchaser Group so purchasing a portion of another Purchaser Group's Purchaser Group Invested Amount may exercise all rights of payment (including, without limitation, rights of set-off) with respect to such portion as fully as if such Purchaser Group were the direct holder of such portion.

(b) In addition to any rights and remedies of the Purchaser Groups provided by law, each member of a Purchaser Group shall have the right, without prior notice to ABRCF, any such notice being expressly waived by ABRCF to the extent permitted by applicable law, upon any amount becoming due and payable by ABRCF hereunder or under the Series 2015-3 Notes to set-off and appropriate and apply against any and all deposits (general or special, time or demand, provisional or final), in any currency, and any other credits, indebtedness or claims, in any currency, in each case whether direct or indirect, absolute or contingent, matured or unmatured, at any time held or owing by such Purchaser Group to or for the credit or the account of ABRCF. Each Non-Conduit Purchaser, CP Conduit Purchaser and APA Bank agrees promptly to notify ABRCF, the Administrator and the Administrative Agent after any such set-off and application made by such CP Conduit Purchaser or APA Bank; provided that the failure to give such notice shall not affect the validity of such set-off and application.

Section 11.4. No Bankruptcy Petition (a) Each of the Administrative Agent, the Non-Conduit Purchasers, the CP Conduit Purchasers, the Committed Note Purchasers, the APA Banks and the Funding Agents hereby covenants and agrees that, prior to the date which is one year and one day after the later of payment in full of all Series of Notes, it will not institute against, or join any other Person in instituting against, ABRCF any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other similar proceedings under any federal or state bankruptcy or similar law.

(b) ABRCF, the Trustee, the Administrative Agent, the Administrator, each CP Conduit Purchaser, each Non-Conduit Purchaser, each Funding Agent, each Committed Note Purchaser and each APA Bank hereby covenants and agrees that, prior to the date which is one year and one day after the payment in full of all outstanding Commercial Paper issued by, or for the benefit of, a CP Conduit Purchaser, it will not institute against, or join any other Person in instituting against, such CP Conduit Purchaser (or the Person issuing Commercial Paper for the benefit of such CP Conduit Purchaser) any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other similar proceedings under any federal or state bankruptcy or similar law.

(c) This covenant shall survive the termination of this Supplement and the Base Indenture and the payment of all amounts payable hereunder and thereunder.

Section 11.5. Limited Recourse (a) Notwithstanding anything to the contrary contained herein, any obligations of each CP Conduit Purchaser hereunder to any party hereto are solely the corporate or limited liability company obligations of such CP Conduit Purchaser and shall be payable at such time as funds are received by or are available to such CP Conduit Purchaser in excess of funds necessary to pay in full all of its outstanding Commercial Paper and, to the extent funds are not available to pay such obligations, the claims relating thereto shall not constitute a claim against such CP Conduit Purchaser but shall continue to accrue. Each party hereto agrees that the payment of any claim (as defined in Section 101 of Title 11 of the Bankruptcy Code) of any such party against a CP Conduit Purchaser shall be subordinated to the payment in full of all of its Commercial Paper.

(b) No recourse under any obligation, covenant or agreement of any CP Conduit Purchaser contained herein shall be had against any incorporator, stockholder, member, officer, director, employee or agent of such CP Conduit Purchaser, its administrative agent, the Funding Agent with respect to such CP Conduit Purchaser or any of their Affiliates by the enforcement of any assessment or by any legal or equitable proceeding, by virtue of any statute or otherwise; it being expressly agreed and understood that this Supplement is solely a corporate or limited liability company obligation of such CP Conduit Purchaser individually, and that no personal liability whatever shall attach to or be incurred by any incorporator, stockholder, member, officer, director, employee or agent of such CP Conduit Purchaser, its administrative agent, the Funding Agent with respect to such CP Conduit Purchaser or any of its Affiliates (solely by virtue of such capacity) or any of them under or by reason of any of the obligations, covenants or agreements of such CP Conduit Purchaser contained in this Agreement, or implied therefrom, and that any and all personal liability for breaches by such CP Conduit Purchaser of any of such obligations, covenants or agreements, either at common law or at equity, or by statute, rule or regulation, of every such incorporator, stockholder, member, officer, director, employee or agent is hereby expressly waived as a condition of and in consideration for the execution of this Supplement; provided that the foregoing shall not relieve any such Person from any liability it might otherwise have as a result of fraudulent actions taken or omissions made by them. The provisions of this Section 11.5 shall survive termination of this Supplement.

Section 11.6. Costs and Expenses. ABRCF agrees to pay on demand (x) all reasonable out-of-pocket costs and expenses of the Administrative Agent (including, without limitation, reasonable fees and disbursements of counsel to the Administrative Agent) and of each Purchaser Group (including in connection with the preparation, execution and delivery of this Supplement the reasonable fees and disbursements of one counsel, other than counsel to the Administrative Agent, for all such Purchaser Groups) in connection with (i) the preparation, execution and delivery of this Supplement and the other Related Documents and any amendments or waivers of, or consents under, any such documents and (ii) the enforcement by the Administrative Agent, any Non-Conduit Purchaser or any Funding Agent of the obligations and liabilities of ABRCF, the Lessors, the Lessees, the Permitted Sublessees, the Intermediary and the Administrator under the Indenture, this Supplement, the other Related Documents or any related document and

all costs and expenses, if any (including reasonable counsel fees and expenses), in connection with the enforcement of this Agreement and the other Related Documents and (y) all reasonable out of pocket costs and expenses of the Administrative Agent (including, without limitation, reasonable fees and disbursements of counsel to the Administrative Agent) in connection with the administration of this Supplement and the other Related Documents. Any payments made by ABRCF pursuant to this Section 11.6 shall be made solely from funds available in the Series 2015-3 Distribution Account for the payment of Article VII Costs, shall be non-recourse other than with respect to such funds, and shall not constitute a claim against ABRCF to the extent that insufficient funds exist to make such payment. The agreements in this Section shall survive the termination of this Supplement and the Base Indenture and the payment of all amounts payable hereunder and thereunder.

Section 11.7. Exhibits. The following exhibits attached hereto supplement the exhibits included in the Base Indenture.

<u>Exhibit A:</u>	Forms of Variable Funding Note
<u>Exhibit A-1</u>	Form of Variable Funding Note, Class A
<u>Exhibit A-2</u>	Form of Variable Funding Note, Class R
<u>Exhibit B:</u>	Form of Increase Notice
<u>Exhibit C:</u>	Form of Consent
<u>Exhibit D:</u>	Form of Series 2015-3 Demand Note
<u>Exhibit E:</u>	Form of Series 2015-3 Letter of Credit
<u>Exhibit F:</u>	Form of Lease Payment Deficit Notice
<u>Exhibit G:</u>	Form of Demand Notice
<u>Exhibit H:</u>	Form of Transfer Supplement
<u>Exhibit I:</u>	Form of Purchaser Group Supplement
<u>Exhibit J:</u>	Form of Supplemental Indenture No. 4 to the Base Indenture
<u>Exhibit K:</u>	Form of Amendment to the Master Exchange Agreement
<u>Exhibit L:</u>	Form of Amendment to the AESOP I Operating Lease
<u>Exhibit M:</u>	Form of Amendment to the Finance Lease
<u>Exhibit N:</u>	Form of Amendment to the AESOP I Operating Lease Loan Agreement
<u>Exhibit O:</u>	Form of Amendment to the AESOP I Finance Lease Loan Agreement
<u>Exhibit P:</u>	Form of Class R Supplement

Section 11.8. Ratification of Base Indenture. As supplemented by this Supplement, the Base Indenture is in all respects ratified and confirmed and the Base Indenture as so supplemented by this Supplement shall be read, taken, and construed as one and the same instrument.

Section 11.9. Counterparts. This Supplement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all of such counterparts shall together constitute but one and the same instrument.

Section 11.10. Governing Law. This Supplement shall be construed in accordance with the law of the State of New York, and the obligations, rights and remedies of the parties hereto shall be determined in accordance with such law.

Section 11.11. Amendments. This Supplement may be modified or amended from time to time in accordance with the terms of the Base Indenture; provided, however, that if, pursuant to the terms of the Base Indenture or this Supplement, the consent of the Required Noteholders is required for an amendment or modification of this Supplement, such requirement shall be satisfied if such amendment or modification is consented to by the Requisite Noteholders and the Class R Noteholders; provided, further, that any amendment that would materially and adversely affect any Series 2015-3 Noteholder shall also require that Standard & Poor's has confirmed that such amendment shall not result in a withdrawal or downgrade of the rating of the Commercial Paper issued by, or for the benefit of, any CP Conduit Purchaser whose Commercial Paper is rated by Standard & Poor's at the time of such amendment.

Section 11.12. Discharge of Indenture. Notwithstanding anything to the contrary contained in the Base Indenture, no discharge of the Indenture pursuant to Section 11.1(b) of the Base Indenture will be effective as to the Series 2015-3 Notes without the consent of the Requisite Noteholders and the Class R Noteholders.

Section 11.13. Capitalization of ABRCF. ABRCF agrees that on the Series 2015-3 Closing Date and on the date of any increase in the Series 2015-3 Maximum Invested Amount it will have capitalization in an amount equal to or greater than 3% of the sum of (x) the Series 2015-3 Maximum Invested Amount and (y) the invested amount of each other Series of Notes outstanding on such date.

Section 11.14. Series 2015-3 Demand Notes. Other than pursuant to a demand thereon pursuant to Section 3.5, ABRCF shall not reduce the amount of the Series 2015-3 Demand Notes or forgive amounts payable thereunder so that the outstanding principal amount of the Series 2015-3 Demand Notes after such reduction or forgiveness is less than the Series 2015-3 Letter of Credit Liquidity Amount. ABRCF shall not agree to any amendment of the Series 2015-3 Demand Notes without the consent of the Requisite Noteholders and without first satisfying the Rating Agency Confirmation Condition and the Rating Agency Consent Condition.

Section 11.15. Termination of Supplement. This Supplement shall cease to be of further effect when all outstanding Series 2015-3 Notes theretofore authenticated and issued have been delivered (other than destroyed, lost, or stolen Series 2015-3 Notes which have been replaced or paid) to the Trustee for cancellation and ABRCF has paid all sums payable hereunder and, if the Series 2015-3 Demand Note Payment Amount on the Series 2015-3 Letter of Credit Termination Date was greater than zero, the Series 2015-3 Cash Collateral Account Surplus shall equal zero, the Demand Note Preference Payment Amount shall have been reduced to zero and all amounts have been withdrawn from the Series 2015-3 Cash Collateral Account in accordance with Section 3.8(h).

Section 11.16. Collateral Representations and Warranties of ABRCF. ABRCF hereby represents and warrants to the Trustee, the Administrative Agent, each Funding Agent, each Purchaser Group and each Committed Note Purchaser that:

(a) the Base Indenture creates a valid and continuing security interest (as defined in the applicable UCC) in the Collateral in favor of the Trustee for the benefit of the Noteholders, which security interest is prior to all other liens, and is enforceable as such as against creditors of and purchasers from ABRCF. This Supplement will create a valid and continuing security interest (as defined in the applicable UCC) in the Series 2015-3 Collateral in favor of the Trustee for the benefit of the Series 2015-3 Noteholders, which security interest is prior to all other liens, and is enforceable as such as against creditors of and purchasers from ABRCF.

(b) The Collateral and the Series 2015-3 Collateral (in each case, other than the Vehicles) consist of “instruments,” “general intangibles” and “deposit accounts” within the meaning of the applicable UCC.

(c) ABRCF owns and has good and marketable title to the Collateral and the Series 2015-3 Collateral free and clear of any lien, claim or encumbrance of any Person.

(d) With respect to the portion of the Collateral that consists of instruments, all original executed copies of each instrument that constitute or evidence part of the Collateral have been delivered to the Trustee. None of the instruments that constitute or evidence the Collateral have any marks or notations indicating that they have been pledged, assigned or otherwise conveyed to any Person other than the Trustee.

(e) With respect to the portion of the Collateral that consists of general intangibles, ABRCF has caused the filing of all appropriate financing statements in the proper filing office in the appropriate jurisdictions under applicable law in order to perfect the security interest in the Collateral granted to the Trustee under the Base Indenture.

(f) With respect to the portion of the Collateral and the Series 2015-3 Collateral that consists of deposit or securities accounts maintained with a bank other than the Trustee (collectively, the “Bank Accounts”), ABRCF has delivered to the Trustee a fully executed agreement pursuant to which the bank maintaining the Bank Accounts has agreed to comply with all instructions originated by the Trustee directing disposition of the funds in the Bank Accounts without further consent by ABRCF. The Bank Accounts are not in the name of any person other than ABRCF or the Trustee. ABRCF has not consented to the bank maintaining the Bank Accounts to comply with instructions of any person other than the Trustee.

(g) Other than the security interest granted to the Trustee under the Base Indenture and this Supplement, ABRCF has not pledged, assigned, sold, granted a security interest in, or otherwise conveyed any of the Collateral or the Series 2015-3 Collateral. ABRCF has not authorized the filing of and is not aware of any financing statements against ABRCF that includes a description of collateral covering the Collateral other than any

financing statement under the Base Indenture or that has been terminated. ABRCF is not aware of any judgment or tax lien filings against ABRCF.

(h) ABRCF has not authorized the filing of and is not aware of any financing statements against ABRCF that include a description of collateral covering the Collateral other than any financing statements (i) relating to the security interest granted to the Trustee in the Base Indenture or (ii) that has been terminated.

Section 11.17. No Waiver; Cumulative Remedies. No failure to exercise and no delay in exercising, on the part of the Trustee, the Administrative Agent, any Non-Conduit Purchaser, any Funding Agent, any CP Conduit Purchaser or any APA Bank, any right, remedy, power or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided are cumulative and not exhaustive of any rights, remedies, powers and privileges provided by law.

Section 11.18. Waiver of Setoff. Notwithstanding any other provision of this Supplement or any other agreement to the contrary, all payments to the Administrative Agent, the Non-Conduit Purchasers, the Funding Agents, the CP Conduit Purchasers and the APA Banks hereunder shall be made without set-off or counterclaim.

Section 11.19. Notices. All notices, requests, instructions and demands to or upon any party hereto to be effective shall be given (i) in the case of ABRCF, the Administrator and the Trustee, in the manner set forth in Section 13.1 of the Base Indenture and (ii) in the case of the Administrative Agent, the Non-Conduit Purchasers, the Committed Note Purchaser, the CP Conduit Purchasers, the APA Banks and the Funding Agents, in writing, and, unless otherwise expressly provided herein, shall be deemed to have been duly given or made when delivered by hand or three days after being deposited in the mail, postage prepaid, in the case of facsimile notice, when received, or in the case of overnight air courier, one Business Day after the date such notice is delivered to such overnight courier, addressed as follows in the case of the Administrative Agent and to the addresses therefor set forth in Schedule I, in the case of the Non-Conduit Purchasers, the Committed Note Purchaser, the CP Conduit Purchasers, the APA Banks and the Funding Agents; or to such other address as may be hereafter notified by the respective parties hereto:

Administrative Agent:

JPMorgan Chase Bank, N.A.
c/o JPMorgan Securities LLC
10 South Dearborn - 16th Floor
Chicago, IL 60670
Attention: Asset-Backed Finance
Fax (312) 732-1844

Section 11.20. Confidential Information (a) The Trustee and each Series 2015-3 Noteholder will maintain the confidentiality of all Confidential Information in accordance with

procedures adopted by the Trustee or such Series 2015-3 Noteholder in good faith to protect Confidential Information of third parties delivered to such Person; provided, that such Person may deliver or disclose Confidential Information to: (i) such Person's directors, trustees, officers, employees, agents, attorneys, independent or internal auditors and affiliates who agree to hold confidential the Confidential Information substantially in accordance with the terms of this Section 11.20; (ii) (x) such Person's financial advisors and other professional advisors or (y) in the case of a CP Conduit Purchaser (or any administrative agent on its behalf), any collateral trustee appointed by such CP Conduit Purchaser in order to comply with Rule 3a-7 under the Investment Company Act, in each case who agree to hold confidential the Confidential Information substantially in accordance with the terms of this Section 11.20; (iii) any other Series 2015-3 Noteholder; (iv) any Person of the type that would be, to such Person's knowledge, permitted to acquire Series 2015-3 Notes in accordance with the requirements of the Indenture to which such Person sells or offers to sell any such Series 2015-3 Note or any part thereof or any participation therein and that agrees to hold confidential the Confidential Information substantially in accordance with this Section 11.20 (or in accordance with such other confidentiality procedures as are acceptable to ABRCF); (v) any federal or state or other regulatory, governmental or judicial authority having jurisdiction over such Person; (vi) the National Association of Insurance Commissioners or any similar organization, or any nationally recognized rating agency that requires access to information about the investment portfolio of such Person, (vii) any reinsurers or liquidity or credit providers that agree to hold confidential the Confidential Information substantially in accordance with this Section 11.20 (or in accordance with such other confidentiality procedures as are acceptable to ABRCF); (viii) any Person acting as a placement agent or dealer with respect to any commercial paper (provided that any Confidential Information provided to any such placement agent or dealer does not reveal the identity of ABG or any of its Affiliates); (ix) any other Person with the consent of ABRCF; or (x) any other Person to which such delivery or disclosure may be necessary or appropriate (A) to effect compliance with any law, rule, regulation, statute or order applicable to such Person, (B) in response to any subpoena or other legal process upon prior notice to ABRCF (unless prohibited by applicable law, rule, order or decree or other requirement having the force of law), (C) in connection with any litigation to which such Person is a party upon prior notice to ABRCF (unless prohibited by applicable law, rule, order or decree or other requirement having the force of law) or (D) if an Amortization Event with respect to the Series 2015-3 Notes has occurred and is continuing, to the extent such Person may reasonably determine such delivery and disclosure to be necessary or appropriate in the enforcement or for the protection of the rights and remedies under the Series 2015-3 Notes, the Indenture or any other Related Document; and provided, further, however, that delivery to Series 2015-3 Noteholders of any report or information required by the terms of the Indenture to be provided to Series 2015-3 Noteholders shall not be a violation of this Section 11.20. Each Series 2015-3 Noteholder agrees, except as set forth in clauses (v), (vi) and (x) above, that it shall use the Confidential Information for the sole purpose of making an investment in the Series 2015-3 Notes or administering its investment in the Series 2015-3 Notes. In the event of any required disclosure of the Confidential Information by such Series 2015-3 Noteholder, such Series 2015-3 Noteholder agrees to use reasonable efforts to protect the confidentiality of the Confidential Information. Each Series 2015-3 Noteholder, by its acceptance of a Series 2015-3 Note, will be deemed to have agreed to be bound by and to be entitled to the benefits of this Section 11.20.

(b) For the purposes of this Section 11.20, “Confidential Information” means information delivered to the Trustee or any Series 2015-3 Noteholder by or on behalf of ABRCF in connection with and relating to the transactions contemplated by or otherwise pursuant to the Indenture and the Related Documents; provided, that such term does not include information that: (i) was publicly known or otherwise known to the Trustee or such Series 2015-3 Noteholder prior to the time of such disclosure; (ii) subsequently becomes publicly known through no act or omission by the Trustee, any Series 2015-3 Noteholder or any person acting on behalf of the Trustee or any Series 2015-3 Noteholder; (iii) otherwise is known or becomes known to the Trustee or any Series 2015-3 Noteholder other than (x) through disclosure by ABRCF or (y) as a result of the breach of a fiduciary duty to ABRCF or a contractual duty to ABRCF; or (iv) is allowed to be treated as non-confidential by consent of ABRCF.

Section 11.21. Information. (a) The Trustee shall promptly provide to the Administrative Agent a copy of each notice, opinion of counsel, certificate or other item delivered to, or required to be provided by, the Trustee pursuant to this Supplement or any other Related Document.

(b) ABRCF shall promptly provide to the Administrative Agent a copy of the financial information and any other materials required to be delivered to ABRCF pursuant to Section 31.5(i) and (ii) under the Leases. The Administrative Agent shall provide copies of all such information and other materials furnished to it by ABRCF pursuant to this Section 11.21 to each Funding Agent and each Non-Conduit Purchaser.

Section 11.22. Waiver of Jury Trial, etc. EACH OF THE PARTIES HERETO HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES (TO THE EXTENT PERMITTED BY APPLICABLE LAW) ANY RIGHTS IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON, OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH, THIS SUPPLEMENT, THE SERIES 2015-3 NOTES OR ANY OTHER SERIES 2015-3 DOCUMENTS, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN), OR ACTIONS OF THE PARTIES HERETO. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES HERETO TO ENTER INTO THIS SUPPLEMENT.

Section 11.23. Submission to Jurisdiction. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY SUBMITS (TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW) TO THE NON-EXCLUSIVE JURISDICTION OF ANY NEW YORK STATE OR FEDERAL COURT SITTING IN THE BOROUGH OF MANHATTAN, NEW YORK CITY, STATE OF NEW YORK, OVER ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENT, THE SERIES 2015-3 NOTES OR ANY OTHER SERIES 2015-3 DOCUMENT AND EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY AGREES THAT ALL CLAIMS IN RESPECT OF SUCH ACTION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE OR FEDERAL COURT. EACH OF THE PARTIES HERETO EACH HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION EACH MAY NOW OR HEREAFTER HAVE, TO THE LAYING OF VENUE IN ANY SUCH ACTION OR

PROCEEDING IN ANY SUCH COURT AS WELL AS ANY RIGHT EACH MAY NOW OR HEREAFTER HAVE, TO REMOVE ANY SUCH ACTION OR PROCEEDING, ONCE COMMENCED, TO ANOTHER COURT ON THE GROUNDS OF FORUM NON CONVENIENS OR OTHERWISE. NOTHING CONTAINED HEREIN SHALL PRECLUDE ANY PARTY HERETO FROM BRINGING AN ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS SUPPLEMENT, THE SERIES 2015-3 NOTES OR ANY OTHER SERIES 2015-3 DOCUMENT IN ANY OTHER COUNTRY, STATE OR PLACE HAVING JURISDICTION OVER SUCH ACTION OR PROCEEDING.

Section 11.24. Reserved. Section 11.25. Consent to Certain Amendments. Each Series 2015-3 Noteholder, by executing this Supplement, hereby agrees and consents to (i) the execution by ABRCF of a Supplemental Indenture to the Base Indenture substantially in the form of Exhibit J hereto, (ii) the execution of an amendment to the Master Exchange Agreement substantially in the form of Exhibit K hereto, (iii) the execution of an amendment to the AESOP I Operating Lease in the form of Exhibit L hereto, (iv) the execution of an amendment to the Finance Lease in the form of Exhibit M hereto, (v) the execution of an amendment to the AESOP I Operating Lease Loan Agreement in the form of Exhibit N hereto and (vi) the execution of an amendment to the AESOP I Finance Lease Loan Agreement in the form of Exhibit O hereto. Such agreement and consent will apply to each proposed amendment set forth in Exhibits J, K, L, M, N and O individually, and the failure to adopt any of the amendments set forth therein will not revoke the agreement and consent with respect to any other amendment.

Section 11.26. U.S. Patriot Act Notice. Each Funding Agent and Non-Conduit Purchaser that is subject to the requirements of the U.S. Patriot Act (Title III of Pub.: 107-56 (the "Patriot Act") hereby notifies ABRCF that, pursuant to Section 326 thereof, it is required to obtain, verify and record information that identifies ABRCF, including the name and address of ABRCF and other information allowing such Funding Agent and Non-Conduit Purchaser to identify ABRCF in accordance with the Patriot Act.

Section 11.27. Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Notwithstanding anything to the contrary in this Supplement, any other Related Document or in any other agreement, arrangement or understanding among the parties hereto or any other parties to the Related Documents, each party hereto acknowledges that any liability of any EEA Financial Institution arising under this Supplement or any other Related Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

- (a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an EEA Financial Institution; and
- (b) the effects of any Bail-In Action on any such liability, including, if applicable:
 - (i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such EEA Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Supplement or any other Related Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of any EEA Resolution Authority.

IN WITNESS WHEREOF, each of the parties hereto have caused this Supplement to be duly executed by their respective duly authorized officers as of the date above first written.

AVIS BUDGET RENTAL CAR FUNDING (AESOP) LLC,
as Issuer

By: /s/ Rochelle Tarlowe
Name: Rochelle Tarlowe
Title: Senior Vice President and Treasurer

THE BANK OF NEW YORK MELLON TRUST COMPANY,
N.A.,
as Trustee and Series 2015-3 Agent

By: /s/ Linda Wirfel
Name: Linda Wirfel
Title: Vice President

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent

By: /s/ Catherine V. Frank
Name: Catherine V. Frank
Title: Managing Director

AGREED, ACKNOWLEDGED AND CONSENTED:

SHEFFIELD RECEIVABLES COMPANY LLC,
as a CP Conduit Purchaser under the Series 2015-3 Supplement

By: /s/ John McCarthy
Name: John McCarthy
Title: Director

BARCLAYS BANK PLC,
as an APA Bank under the Series 2015-3 Supplement

By: /s/ John McCarthy
Name: John McCarthy
Title: Director

BARCLAYS BANK PLC,
as a Funding Agent under the Series 2015-3 Supplement

By: /s/ John McCarthy
Name: John McCarthy
Title: Director

DEUTSCHE BANK AG, NEW YORK BRANCH
as a Non-Conduit Purchaser under the Series 2015-3 Supplement

By: /s/ Jay Steiner

Name: Jay Steiner

Title: Managing Director

By: /s/ Maureen Farley

Name: Maureen Farley

Title: Vice President

CHARTA, LLC (as successor to Charta Corporation),
as a CP Conduit Purchaser under the Series 2015-3 Supplement

By: Citibank, N.A., as
Attorney-in-fact

By: /s/ Linda Moses
Name: Linda Moses
Title: Vice President

CITIBANK, N.A., as
an APA Bank under the Series 2015-3 Supplement

By: /s/ Brett Bushinger
Name: Brett Bushinger
Title: Vice President

CITIBANK, N.A.,
as a Funding Agent under the Series 2015-3 Supplement

By: /s/ Brett Bushinger
Name: Brett Bushinger
Title: Vice President

AESOP LEASING, L.P.
as a Committed Note Purchaser under the Series 2015-3 Supplement

By: /s/ Rochelle Tarlowe
Name: Rochelle Tarlowe
Title: Senior Vice President and Treasurer

AVIS BUDGET CAR RENTAL, LLC,
as Administrator

By: /s/ Rochelle Tarlowe
Name: Rochelle Tarlowe
Title: Senior Vice President and Treasurer

CP Conduit Purchaser Groups

	<u>CP Conduit</u>	<u>APA Bank</u>	<u>Funding Agent</u>	<u>APA Bank Percentage</u>	<u>Maximum Purchaser Group Invested Amount</u>	<u>Conduit Type</u>	<u>Purchased Percentage</u>
1.	Charta, LLC	Citibank, N.A.	Citibank, N.A.	100%	\$250,000,000	Pooled Funding Conduit Purchaser	31.250%
2.	Sheffield Receivables Company LLC	Barclays Bank PLC	Barclays Bank PLC	100%	\$275,000,000	Pooled Funding Conduit Purchaser	34.375%

Non-Conduit Purchasers

	<u>Non-Conduit Purchaser</u>	<u>Maximum Purchaser Group Invested Amount</u>	<u>Purchased Percentage</u>
1.	Deutsche Bank AG, New York Branch	\$275,000,000	34.375%

Committed Note Purchasers

	<u>Committed Note Purchaser</u>	<u>Class R Maximum Invested Amount</u>	<u>Purchased Percentage</u>
1.	AESOP Leasing, L.P.	\$44,000,000 (or such higher amount as provided in accordance with Section 2.6(a) herein)	100.00%

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Subsidiary	Jurisdiction of Incorporation
2233516 Ontario, Inc.	Canada
AAA France Cars SAS	France
AB Canada Holdings I Limited Partnership	Canada
AB Canada Holdings II Partnership	Canada
AB Canada Holdings III Limited Partnership	Canada
AB Car Rental Services Inc.	Delaware
AB FleetCo SAS	France
AB Funding Pty Ltd.	Australia
AB Group Financial Services Limited	England and Wales
AB Luxembourg Holdings S.á r.l.	Luxembourg
AB Scotland Finance I, LP	Scotland
AB Scotland Finance II, LP	Scotland
ABG Car Services Holdings, LLC	Delaware
ABG Commerce Consultancy (Shanghai) Co., Ltd.	China
ABG Scandinavia Holdings AS	Norway
ACE Administracao e Participacao Ltda.	Brazil
ACL Hire Ltd.	Scotland
Advance Ross Corporation	Delaware
Advance Ross Intermediate Corporation	Delaware
Advance Ross Sub Company	Delaware
AE Consolidation Limited	England and Wales
AE Holdco Limited	England and Wales
Aegis Motor Insurance Limited	Isle of Man
AESOP Funding Corp.	Delaware
AESOP Leasing Corp.	Delaware
AESOP Leasing L.P.	Delaware
Anji Car Rental & Leasing Company Limited	China
Apex Car Rentals Pty Ltd.	Australia
Apex Rent A Car Ltd.	New Zealand
Arbitra S.A.	Argentina
Armadale Commercials Ltd.	Scotland
AU Holdco Pty Ltd.	Australia
Auto Accident Consultants Pty. Limited	Australia
Auto-Hall S.A.	Monaco
Avis (US) Holdings BV	The Netherlands
Avis Africa Limited	England and Wales
Avis Alquile un Coche S.A.	Spain
Avis Asia Limited	England and Wales

Avis Autovermietung Beteiligungsgesellschaft mbH	Germany
Avis Autovermietung Gesellschaft m.b.H.	Austria
Avis Belgium SA	Belgium
Avis Budget Auto Service GmbH	Germany
Avis Budget Autoverhuur BV	The Netherlands
Avis Budget Autovermietung AG	Switzerland
Avis Budget Autovermietung GmbH & Co KG	Germany
Avis Budget Autovermietung Verwaltungsgesellschaft mbH	Germany
Avis Budget Brasil S.A.	Brazil
Avis Budget Car Rental Canada ULC	Canada
Avis Budget Car Rental LLC	Delaware
Avis Budget Contact Centers Inc.	Canada
Avis Budget de Puerto Rico, Inc.	Puerto Rico
Avis Budget Denmark A/S	Denmark
Avis Budget EMEA Limited	England and Wales
Avis Budget Europe International Reinsurance Limited	Isle of Man
Avis Budget Finance, Inc.	Delaware
Avis Budget Finance plc	Jersey Channel Islands
Avis Budget Group Business Support Centre Szolgaltato Kft	Hungary
Avis Budget Group Contact Centre EMEA S.A.	Spain
AvisBudget Group Limited	New Zealand
Avis Budget Group Pty Limited	Australia
Avis Budget Holdings, LLC	Delaware
Avis Budget International Capital (Singapore) Pte. Ltd.	Singapore
Avis Budget International Financing S.á r.l.	Luxembourg
Avis Budget Italia S.p.A.	Italy
Avis Budget Italia SpA Fleet Co S.A.P.A.	Italy
Avis Budget Leasing Demark A/S	Denmark
Avis Budget Rental Car Funding (AESOP) LLC	Delaware
Avis Budget Services Limited	England and Wales
Avis Budget UK Limited	England and Wales
Avis Car Rental Group, LLC	Delaware
Avis Car Sales, LLC	Delaware
Avis Caribbean, Limited	Delaware
Avis Europe Group Holdings BV	The Netherlands
Avis Europe Holdings Limited	England and Wales
Avis Europe Investment Holdings Limited	England and Wales
Avis Europe Investments Limited	England and Wales
Avis Europe and Middle East Limited	England and Wales
Avis Europe Overseas Limited	England and Wales
Avis Europe Risk Management Limited	England and Wales
Avis Finance Company (No. 2) Limited	England and Wales
Avis Finance Company (No. 3) Limited	Jersey Channel Islands

Avis Finance Company Limited	England and Wales
Avis Financement Vehicules SAS	France
Avis Group Holdings, LLC	Delaware
Avis India Investments Private Limited	India
Avis International Holdings, LLC	Delaware
Avis International, Ltd.	Delaware
Avis Investment Services (No. 2)	England and Wales
Avis Investment Services Limited	England and Wales
Avis Leisure Services Limited	Jersey Channel Islands
Avis Licence Holdings Limited	England and Wales
Avis Location de Voitures S.à r.l	Luxembourg
Avis Location de Voitures SAS	France
Avis Management Pty. Limited	Australia
Avis Management Services Limited	Sweden
Avis New York General Partnership	New York
Avis Pension Trustees Limited	England and Wales
Avis Portugal S.G.P.S., LDA	Portugal
Avis Rent A Car (Isle Of Man) Limited	Isle of Man
Avis Rent A Car Limited	New Zealand
Avis Rent A Car Sdn. Bhd.	Malaysia
Avis Rent A Car System, LLC	Delaware
Aviscar Inc.	Canada
Bell'Aria S.p.A	Italy
BRC Automoveis de Aluguel Ltda.	Brazil
Budget International, Inc.	Delaware
Budget Rent A Car Australia Pty. Ltd.	Australia
Budget Rent A Car Limited	New Zealand
Budget Rent a Car Operations Pty. Ltd.	Australia
Budget Rent A Car System, Inc.	Delaware
Budget Truck Rental LLC	Delaware
Budgetcar Inc.	Canada
Business Rent A Car GmbH	Austria
Camfox Pty. Ltd.	Australia
CCRG Servicios De Automoveis Ltda	Brazil
CD Intellectual Property Holdings, LLC	Delaware
Cendant Finance Holding Company LLC	Delaware
Centre Point Funding, LLC	Delaware
Chaconne Pty. Limited	Australia
Cilva Holdings Limited	England and Wales
Constellation Reinsurance Company Limited	Barbados
Dallas Automoveis e Acessorios Ltda.	Brazil
Dallas Rent A Car Ltda.	Brazil
DRC Automoveis de Aluguel Ltda.	Brazil

Europe Leisure Holdings NV	The Netherlands
Garage St Martin sas	France
Garep AG	Switzerland
Gestlas- Gestao Automovel, S.A.	Portugal
J&W Harris Holdings Ltd.	Scotland
Jupol-Car Sp. z.o.o.	Poland
Maggiore Asset Management S.r.l.	Italy
Manor National Limited	England and Wales
Mercury Car Rentals Private Limited	India
Milton Location de Voitures SAS	France
Morini SpA	Italy
Mobility, Inc.	Washington
Motorent, Inc.	Tennessee
National Car Rentals (Private) Limited	Singapore
Payhot Limited	England and Wales
Payless Car Rental Canada Inc.	Canada
Payless Car Rental, Inc.	Nevada
Payless Car Rental System, Inc.	Florida
Payless Car Sales, Inc.	Florida
Payless Parking, LLC	Florida
PR Holdco, Inc.	Delaware
Prolita Limited	England and Wales
PV Holding Corp.	Delaware
PVI Krafftfahrzeug Leasing GmbH	Germany
Quartx Fleet Management Inc.	Delaware
RAC Norway AS	Norway
SCA sas	France
Servicios Avis S.A.	Mexico
Show Group Enterprises (NZ) Limited	New Zealand
Show Group Enterprises Pty Limited	Australia
Societe De Vehicules De Location	France
Sovial Sociedade de Viaturas de Aluguer LDA	Portugal
Sovialma Sociedade de Viaturas de Aluguer da Madeira LDA	Portugal
Strongdraw Limited	England and Wales
Sweden Rent A Car AB	Sweden
Turiscar Rent A Car, S.A.	Portugal
Virgin Islands Enterprises, Inc.	Virgin Islands
W.T.H. Fleet Leasing Pty. Limited	Australia
W.T.H. PTY. Limited	Australia
We Try Harder Pty. Limited	Australia
Wizard Co., Inc.	Delaware
Wizard Services, Inc.	Delaware
WTH Canada, Inc.	Canada

WTH Car Rental, ULC	Canada
WTH Funding Limited Partnership	Canada
Yourway Rent A Car Pty Limited	Australia
Zipcar Australia Pty Ltd	Australia
Zipcar, Inc.	Delaware
Zipcar (UK) Limited	England and Wales
Zipcar Austria GmbH	Austria
Zipcar Belgium SPRL	Belgium
Zipcar Canada Inc.	Canada
Zipcar Carsharing S.A.	Spain
Zipcar France S.A.S.	France
Zipcar International Finance Company Limited	England and Wales
Zipcar International Holdings Limited	England and Wales
Zipcar Securities Corporation	Massachusetts
Zodiac Autovermietung AG	Switzerland
Zodiac Europe Finance Company Limited	England and Wales
Zodiac Europe Investments Limited	England and Wales
Zodiac Europe Limited	England and Wales
Zodiac Rent A Car Limited	England and Wales

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-78475, 333-38638, 333-58670, 333-98933, 333-114744, 333-124925, 333-144143, 333-161418, 333-197770 and 333-212706 on Form S-8 of our reports dated February 21, 2019, relating to the consolidated financial statements and financial statement schedule of Avis Budget Group, Inc. and subsidiaries, and the effectiveness of Avis Budget Group, Inc. and subsidiaries' internal control over financial reporting, appearing in this Annual Report on Form 10-K of Avis Budget Group, Inc. for the year ended December 31, 2018.

/s/ DELOITTE & TOUCHE LLP
New York, New York
February 21, 2019

SECTION 302 CERTIFICATION

I, Larry D. De Shon, certify that:

1. I have reviewed this annual report on Form 10-K of Avis Budget Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 21, 2019

/s/ Larry D. De Shon

President and Chief Executive
Officer

SECTION 302 CERTIFICATION

I, Martyn Smith, certify that:

1. I have reviewed this annual report on Form 10-K of Avis Budget Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 21, 2019

/s/ Martyn Smith

Interim Chief Financial Officer

**CERTIFICATION OF CEO AND CFO PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Avis Budget Group, Inc. (the "Company") on Form 10-K for the period ended December 31, 2018, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Larry D. De Shon, as Chief Executive Officer of the Company, and Martyn Smith, as Interim Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

/s/ LARRY D. DE SHON

Larry D. De Shon
President and Chief Executive Officer
February 21, 2019

/s/ MARTYN SMITH

Martyn Smith
Interim Chief Financial Officer
February 21, 2019