

Taking the **High Road**

Code of Conduct and
Business Principles



avis budget group

Message From Ronald L. Nelson

Dear Associates:

The foundation of our success rests on the Avis Budget Group, Inc. Code of Conduct and Business Principles that define, inform and guide our business.



These Principles reflect our ongoing commitment to the highest standards of ethics, integrity and compliance in all aspects of conducting business.

The Company demands the highest level of ethical behavior from our people—executive leadership and employees alike.

In the pages that follow are the Avis Budget Group, Inc. Code of Conduct and Business Principles. I ask that you read these principles and keep them in the forefront as you conduct your daily business. Your personal commitment to maintaining these Principles will ensure that Avis Budget Group, Inc. remains a leader in the industry we serve.

Thank you for your commitment to Avis Budget Group, Inc. and the values embodied within these Principles.

Sincerely,

A handwritten signature in black ink that reads "Ronald L. Nelson". The signature is fluid and cursive.

Ronald L. Nelson
Chairman and Chief Executive Officer
Avis Budget Group, Inc.

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Introduction

Avis Budget Group, Inc., together with its subsidiaries (referred to collectively as “Avis Budget” or the “Company”), is pleased to provide you with the following Code of Conduct and Business Principles. These Principles represent the core of our business philosophy and values. They are yet another example of our commitment to ourselves, our communities, our business partners, our shareholders, our customers and even our competitors, to demonstrate that we are a world-class company.

IT IS IMPORTANT TO NOTE THAT AVIS BUDGET RESERVES THE RIGHT TO MODIFY OR REVISE THESE PRINCIPLES OR ANY OF ITS GUIDELINES, PRACTICES, WORKING CONDITIONS OR BENEFITS AT ANY TIME, WITH OR WITHOUT NOTICE. FURTHER, NO POLICY SET FORTH IN THIS MANUAL, OR OTHERWISE ESTABLISHED, IN WRITING OR NOT, IS INTENDED TO CREATE A CONTRACT OF EMPLOYMENT OR OTHERWISE ALTER OUR EMPLOYMENT AT-WILL POLICY.

Subject to local law, rule or regulation these Principles supersede any prior Principles or guidelines on the same subject matter. Although these Principles apply to all Avis Budget directors, officers and employees regardless of date of hire or association through merger or acquisition, each Avis Budget Company or subsidiary may from time to time establish additional policies, which are particular to the needs of that business. In addition, although our values will not change, some of the Principles may vary from one country to another to ensure compliance with applicable law.

Failure to comply with the Principles herein is grounds for disciplinary action, up to and including termination of employment. Individuals also may be subject to legal prosecution resulting in fines, imprisonment or both.

If you should have any questions about the interpretation of any of these Principles, please contact your Human Resources representative, the Human Resources department, or the Corporate Compliance Officer.

Additional Responsibilities of Managers. Managers are expected to lead by example according to our standards of ethical conduct, in both words and actions. Managers are responsible for promoting open and honest two-way communication. Managers should be role models who show respect and consideration for all of our associates. Managers must diligently look for indications that unethical or illegal conduct may have occurred and report it. If any manager has a concern about unethical

or illegal activities, he or she must take appropriate and consistent action, as well as inform his/her manager, the Legal Department or the Corporate Compliance Officer.

Employment At Will

Every employee is considered to be an “employee-at-will,” unless employed pursuant to a collective bargaining agreement or a duly executed individual employment contract that provides otherwise. **This means an employee does not have a contractual right or obligation to remain employed with Avis Budget or its subsidiaries for any specific period of time. Avis Budget reserves the right to change employment benefits, compensation or terms, at any time, with or without notice. Further, either the employee or Avis Budget may terminate employment at any time with or without notice, and with or without cause.**

An employee’s status as an at-will employee is not altered in any way by Avis Budget’s reservation of the right, in its sole discretion, to manage performance or to impose discipline (i.e., verbal or written warning, suspension or termination in any given situation). No manager or supervisor has the authority to alter the at-will relationship either verbally or in writing.

Open Door Communications

We believe it is important for all employees to have a voice in issues that affect them. If at anytime an employee wishes to discuss a policy, work practice/procedure, or any other issue that affects the work environment, employees should feel free to speak to any member of management. Because of the relationship that exists between a manager and employee, the most appropriate place to begin is an employee’s immediate manager. However, if an employee is uncomfortable talking to the immediate manager, the employee should feel free to speak to a more senior manager or a Human Resources representative. Likewise, we encourage managers to solicit employee feedback on work related issues through employee meetings, employee surveys and one-on-one discussions.

Integrity Hotline

Employees are encouraged to voice their concerns to local management or Human Resources. In addition, if at any time an employee wishes to register a concern and to remain anonymous, should an employee witnesses any behavior which the employee believes is unethical or criminal, or otherwise may involve accounting mismanagement or fraud, employees should promptly contact the Integrity Hotline at 1-888-732-1413. No employee will be subjected to any form of actual or threatened retaliation or retribution for contacting the Integrity Hotline, or otherwise reporting a legitimate concern.

Working Together

We are dedicated to creating a workplace that values and respects people from diverse backgrounds and enables our employees to do their best work. We embrace the unique combination of talents, experiences, and perspectives of each employee, making our success possible.

Equal Employment Opportunity. We are committed to providing equal employment opportunity (EEO) to all applicants and employees without regard to race, color, religion, sex, sexual preference/orientation, age, marital status, national

origin, citizenship, physical or mental disability, or Veteran status, or any other protected classification under any applicable law. In addition, the Company will reasonably accommodate known disabilities and religious beliefs of employees and qualified applicants unless such accommodation would impose undue hardship on the Company's operation.

This policy relates to every aspect of employment including recruitment, testing, selection, compensation, benefits, training and development, promotion, transfer, termination, and all

other privileges and terms and conditions of employment. Avis Budget has "zero tolerance" for unlawful discrimination or harassment of any kind by any employee.

Employees who believe they have been unlawfully discriminated against should discuss their concerns with their manager, or, if this is not appropriate, contact their Human Resources representative or the Equal Employment Opportunity department at world headquarters. In all cases where a manager or another member of management is notified first, Human Resources should be notified immediately. Human Resources will accept, investigate and attempt to resolve all internal employee or applicant complaints.

Avis Budget will take appropriate action to ensure that the rights of individuals to file complaints (whether through the internal process or with a federal, state, or local agency) will be respected and not interfered with in any manner. Further, the Company will not retaliate against any individual who either raises concerns of a violation of this EEO policy, or who participates in the investigation of such concerns.



Sexual and Other Unlawful Harassment. We are committed to providing a work environment that is free from sexual discrimination and unlawful sexual harassment in any form, as well as unlawful harassment based upon any other protected characteristic. In keeping with that commitment, we have set forth procedures by which allegations of sexual or other unlawful harassment may be reported, investigated and resolved. Each manager and employee has the responsibility to maintain a workplace free of sexual and other unlawful harassment. This duty includes ensuring that employees are not subjected to insulting, degrading or exploitative sexual treatment.

Sexual harassment is a form of employee misconduct which interferes with work productivity and wrongfully deprives employees of the opportunity to work in an environment free from unsolicited and unwelcome sexual advances, requests for sexual favors and other such verbal or physical conduct. Sexual harassment has many different definitions. It is not the intent of this policy to limit the definition of sexual harassment, rather to give employees as much guidance as possible concerning what activities may constitute sexual harassment.

Prohibited conduct includes, but is not limited to, unwelcome sexual advances, requests for sexual favors and other similar verbal or physical contact of a sexual nature where:

- submission to such conduct is either an explicit or implicit condition of employment or promotion;
- submission to or rejection of such conduct is used as a basis for making an employment-related decision;
- the conduct unreasonably interferes with an individual's work performance; or
- the conduct creates a hostile, intimidating or offensive work environment.

Sexual harassment may be male to female, female to male, female to female or male to male.

Similarly, other unlawful harassment may be committed by and between individuals who share the same protected characteristics, such as race, age, or national origin.

Actions that may result in charges of sexual harassment include, but are not limited to, the following:

- (a) Unwelcome physical contact, including touching on any part of the body, kissing, hugging or standing so close as to brush up against another person;
- (b) Requests for sexual favors either directly or indirectly;
- (c) Requiring explicit or implicit sexual conduct as a condition of employment, a condition of obtaining a raise, a condition of obtaining new duties or any type of advancement in the workplace; also, implying or threatening termination or unfairly evaluating performance; or
- (d) Requiring an employee to perform certain duties or responsibilities simply because of his/her gender or other protected characteristics.

Other behavior that may seem innocent or acceptable to some people can constitute sexual harassment to others. Prohibited behaviors include, but are not limited to:

- (a) Unwelcome sexual flirtations, advances, jokes or propositions;
- (b) Unwelcome comments about an individual's body or personal life;
- (c) Openly discussing intimate details of one's own personal life;
- (d) Sexually degrading words to describe an individual;
- (e) The display in the workplace of objects, pictures, cartoons or writings, which might be perceived as sexually suggestive.

Unwelcome conduct such as degrading jokes, comments, cartoons or writing based upon other protected characteristics, such as race, color, national origin, or age is similarly prohibited.

Complaint Procedure. All employees are required to report any incidents of sexual or other unlawful harassment of which they have knowledge. Similarly, if an employee ever feels aggrieved because of sexual harassment, the employee

has an obligation to communicate the problem immediately and should report such concerns to his or her manager, and/or the offending employee directly. If this is not an acceptable option, the employee should report his or her concern directly to a Human Resources representative, either locally, at the area level or to the Avis Budget Equal Employment Opportunity department at world headquarters. In all cases where a manager or another member of management is notified first, Human Resources should be notified immediately.

Management has an obligation to report any suspected violations of this policy to Human Resources, where appropriate. A manager who is aware of a violation, even if the employee is outside the manager's immediate area of supervision, but doesn't report it will be held accountable for his/her inaction.

The Human Resources department will conduct a prompt investigation of the allegations to obtain the facts from any and all parties or witnesses.

While we will attempt to maintain the confidentiality of the information received, it will not always be possible to do so. Should the facts support the allegations made, we will remedy the situation and, if appropriate under the circumstances, take disciplinary action up to and including termination.

We prohibit retaliation of any sort against a person bringing a complaint or otherwise cooperating in the investigation of a complaint. Accordingly, the initiation of a complaint of sexual or other unlawful harassment or cooperation in such an investigation will not adversely affect the employment, evaluation, wages, advancement, assigned duties, shifts or any other condition of employment or career development. Conversely, because such matters warrant such serious attention, allegations which are found to be intentionally or recklessly false may result in disciplinary action against the accuser, up to and including termination. Should an



A Shuttler is subjected to insulting gender-related remarks made by co-workers. What should she do?

She should report the

remarks to her manager or to a Human Resources Representative. If it is not appropriate to do so, she can report the remarks to Area level Human Resources or to the Equal Employment Opportunity department at world headquarters. Once reported, the Company will conduct a prompt and thorough investigation and will take appropriate corrective action.

employee feel he or she is being retaliated against, he or she should report such action to the Human Resources department immediately or, if this is inappropriate, to the Equal Employment Opportunity department at world headquarters.

Favoritism/Nepotism. We are committed to fostering a professional work environment in which employees are treated fairly and impartially by their managers. We also wish to avoid perceptions of favoritism, claims of lack of objectivity toward subordinate job performance and complaints of sexual harassment, or even the appearance of impropriety. Accordingly, managers may not favor any employee on the basis of the existence of any personal friendship or relationship with the employee.

In this regard, we reserve the right, in our sole discretion, to:

- Decline to hire or employ relatives who would work as managers or subordinates to one another, either directly or indirectly, or would work in the same department or function;
- Require the transfer or resignation of one or both employees who are dating one another, or who are otherwise engaged in a close personal relationship;
- Decline to hire or employ relatives of executives who are at the level of Senior Vice President or above for any full-time (non-seasonal) position.

For the purposes of this policy, the term “Relative” includes spouse or domestic partner, child, parent, sibling, grandparent, grandchild, mother/father-in-law, sister/brother-in-law, son/daughter-in-law, aunt, uncle, niece, nephew, first cousin, or any relative who supports or is supported by the employee. The term “manager” includes all employees who directly or indirectly supervise or direct another employee on a full- or part-time basis.



A Shift Manager authorizes upgrades every time the Shift Manager's friend, a Courtesy Bus Driver, rents a vehicle under the employee discount rental program. What should the Rental Sales Agent handling the transactions do?

The Rental Sales Agent should report the upgrades to the higher level Manager at that location for investigation.

Standards of Work-Related Behavior. Each employee has an obligation to observe and follow the Company's Principles and to maintain proper standards of conduct at all times. Employees always should conduct themselves in a manner that is consistent with protecting our good name and reputation. If an individual's behavior interferes with the orderly and efficient operation of a department, or any part of the Company, whether on Company property, traveling on Company business, or simply in dealing with co-workers or appearing to act on behalf of the Company to others outside the Company, we will take the appropriate action to address and correct that behavior.

While we reserve the right to impose appropriate discipline or performance management for certain types of conduct, employment with Avis Budget is at-will, unless otherwise employed pursuant to a collective bargaining agreement or duly executed individual employment contract.

Consequently, certain conduct may warrant, in our sole discretion, immediate termination. Action short of termination may include other discipline such as an oral or written warning, suspension, demotion, reassignment or reduction in compensation or bonus eligibility depending upon the circumstances. In all cases, the Company will decide what disciplinary action is appropriate, and whether to impose progressive discipline. Examples of more serious conduct warranting immediate termination include, but are not limited to, the following:

- Any violation of this Code of Conduct and Business Principles;
- Theft, fraud or illegal gambling;
- Dishonesty or misrepresentation including falsification, concealment or unauthorized destruction of Company business records such as employment applications, time cards and expense reports or computer files;
- Harassment of or discrimination against an employee or business party;
- Threatening or intimidating conduct, including fighting, horseplay or practical jokes which adversely affects operations, damages Company property or endangers persons on the Company's premises, or any other conduct which the Company deems improper, unprofessional or unbusinesslike;
- Use of threatening, intimidating, coercive or abusive language in the workplace;

- Insubordination (refusal to comply with lawful and ethical business instructions) or failure to perform reasonable duties as assigned;
- Indecent or inappropriate conduct in the workplace or at a Company-related business meeting or function;
- Conviction of a felony or misdemeanor, which compromises the integrity of the business or which is otherwise related to the employee's job duties. Employees who are arrested during their employment, or who have pending criminal charges related to a prior arrest at the time of hire, must immediately disclose such arrests. Failure to disclose such charges or arrests to Human Resources may result in disciplinary action, up to and including termination. Although the Company reserves the right to suspend or terminate the employment of an individual based on the arrest, not all arrests or convictions will result in suspension or termination, as the facts and circumstances surrounding the arrest or conviction will be taken into consideration;
- Possession of weapons or explosives in or on Company property;
- Conduct that compromises the health or safety of employees or the security of the workplace;
- Disruption of employee work time, without management approval, due to solicitation for non-work related matters such as membership, funds, purchases or charitable organizations;
- Possession, distribution, sale, transfer, use or being under the influence of alcohol or unlawful drugs;
- Serious violation of any other Company policy.

Employees may also be subject to any work rules or standards specific to the Avis Budget company for which they work or, if applicable, pursuant to a collective bargaining agreement.

In connection with enforcement of this policy, and consistent with existing policy and applicable law, we reserve the right to conduct searches of Company property and facilities, with or without notice to employees, as well as employee briefcases,



An employee learns that his coworker brought a firearm to work. What should he do? He should immediately report it to his manager, to security or to his local human resources representative.

packages, property and other parcels, and including employee vehicles parked on company property or Company vehicles regardless of location.

Health and Safety. We are committed to providing our employees with a healthy and safe workplace in compliance with applicable laws. Employees must be aware of safety issues and policies that affect their jobs and immediately advise the Company, their manager(s), or the person(s) responsible for health and safety, of any workplace injury, or any circumstance presenting a dangerous situation, so that a

timely investigation may be conducted and corrective action taken to resolve the issue. Upon learning of any circumstance that might affect health and safety in the workplace, managers must act immediately to remove the threat to the health and safety of our employees.

Workplace Violence. We have zero tolerance for threats, threatening behavior, or fighting or other acts of violence against employees, customers, visitors or guests by any person on Company property. Weapons (including personal defense items such as pepper spray) and explosives are absolutely prohibited from all Company property, including vehicles. Since protection of all employees and patrons is our paramount concern, any person who engages in or threatens to engage in violence on Avis Budget property shall be removed from the premises as quickly as safety permits, and shall remain off Avis Budget property pending the outcome of an investigation. Should the investigation confirm that a violation of this policy has occurred, Avis Budget will take appropriate action, which may include discharge.

Substance Abuse. We are firmly committed to providing a safe workplace and promoting high standards of employee safety and health. Employee involvement with drugs and/or alcohol (on or off the job) can take its toll in the work place by increasing absenteeism, lowering productivity, undermining public confidence in the Company, and most importantly, undermining the safety and property of employees.

Except in cases involving appropriate use of medication prescribed for the user by a licensed medical practitioner or over-the-counter drugs, employees are prohibited from bringing drugs onto Company property, or using drugs while on Company property or conducting Company business at any time. An employee who buys, sells, possesses, distributes or transfers drugs or who possesses drug paraphernalia while on duty or on Company property will be subject to immediate discharge. Additionally, employees are prohibited from being at work or on Company property while under the influence of alcohol, unlawful drugs or drug metabolites, regardless of when the drugs were taken.

Over-the-counter or prescription drugs may have significant effects on job performance or workplace safety. Employees who are taking medication which may impact job performance should report this to their manager, or the Human Resources department to determine whether any special precautions or accommodations should be taken.

Consistent with applicable law, we may require that an employee who is suspected of violating this policy submit to a screening test. In addition, in accordance with law and regulations certain employees may be subject to periodic testing. Refusal to submit to a drug or alcohol screening test at the Company's request may result in discharge.



Protecting Our Information, Records, Systems And Property

We are committed to taking all necessary measures to secure Avis Budget's information, records, systems and property. It is critical that together we protect and control corporate information assets and their use.

Our Information

In the course of employment at Avis Budget, employees will be exposed to a variety of information, including Material Non-Public Information, Confidential Information, Personally Identifiable Information ("PII"), and Legally Privileged Information (collectively referred to as "Business Information"). Depending upon the type of information, **employees must take particular precautions to protect the Company, other employees, vendors and customers, and, in many cases, themselves, from the unlawful and inappropriate use or disclosure of that information.** In addition, there are certain actions that must be taken in the event of inadvertent disclosure of certain types of information. Each employee must protect against unauthorized disclosure of business information to which he or she has access. Access to such information does not give an employee permission to disclose the information. Employees must not disclose Business Information to persons either within or outside the Company, including family members, except for reasons strictly related to the performance of their authorized duties, and should share such information only with other employees who have a "need to know."

The following is a summary of the types of information, and the precautions which employees must take.

Material Non-Public Information. Employees of Avis Budget may, in the course of performing their duties, come into possession of "material non-public information" about the Company or its subsidiaries, or other companies with whom Avis Budget does business. "Material non-public information" is defined as any non-public information that a reasonable investor would consider important in making a decision to buy or sell securities. In short, it includes any information that could be expected to affect the price of securities, either positively or negatively. Buying or selling securities based on such information is referred to as "insider trading" and can result in substantial fines and imprisonment.

It is illegal for an employee to directly or indirectly buy or sell stocks (shares) or bonds based on insider information or to discuss such information with others who might buy or sell such securities, including shares or bonds.

For example, if in the course of employment and prior to a public announcement, an employee becomes aware of a change in earnings, an acquisition, or a major change in management that would materially affect the Company or one of its subsidiaries, the employee could be guilty of insider trading if he or she bought or sold securities of Avis Budget based on this knowledge or passed this information to anyone who then bought or sold such securities.

Confidential and Proprietary Information. Information that Avis Budget chooses to treat as proprietary and not to share or release for circulation beyond certain authorized individuals is considered Confidential and Proprietary and is the sole property of Avis Budget. Confidential information includes competitive information and other information that must be treated with confidence.

Confidential information includes, but is not limited to:

- Proposed or advance product plans;
- Projected earnings, proposed dividends, important management or organizational changes, information about mergers or acquisitions and any other information related to the foregoing;
- Product or service design and development or training;
- Computer software and systems developed by, for or unique to the Company's business;
- Client or prospective client or customer lists (including phone numbers and postal and email addresses) and/or client or customer contact information;
- Advertising, marketing or pricing plans, cost structures or strategies;
- All analyses, compilations, studies or other documents, whether or not prepared by the employee, which contain or otherwise reflect business information.

Information relating to the Company must be kept secure, used solely as authorized by the Company and must not be given to unauthorized outsiders or used for personal interest or profit.

Personally Identifiable Information (PII). PII is any information that by itself or as part of a combination of information specifically distinguishes an individual by unique descriptors or identifiers. In the course of employment, employees may come into possession of PII relating to other employees, customers or vendors. PII must be restricted and protected from discovery by or disclosure to unauthorized parties through encryption or similar encoding security measures. Employees should never store PII on the hard drive of their computers, or leave PII available in and around their workstations, but instead should access it only through a secure site, or otherwise keep such information in a locked drawer, office or storage area. Examples of PII which might require encryption (or similar encoding security measures) may include:

- Name (in combination with any of the following items)
- Social Security Number, SIN (Canadian) or EU Country equivalent ID
- Income Tax or Wage Records or Other Financial Information
- Gender, Sexual Orientation or Sexual Preferences
- Postal Address
- Driver's License Number
- Employment History

After completing a one-way rental for a truck customer, a co-worker sees a Rental Sales Associate write down the customer's credit card number on a piece of paper, which he then slips into his pocket. What should the co-worker do?

The co-worker should notify his or her manager or Human Resources representative for investigation or the Corporate Compliance Officer.



- Birth Date or Age
- Credit Card Number
- Personal Phone Number

- Mother's Maiden Name
- Fax Number
- Personal Email Address
- Birth Certificate Number
- Racial, National, or Ethnic Origin
- Passport Number
- Online Identifiers
- Bank Account Numbers
- Marital or Family Status
- Medical & Health Records

In the event PII is inadvertently disclosed, the Company has prompt and immediate obligations to notify those individuals whose PII might be compromised and to notify the authorities. Accordingly, in the event of the unauthorized disclosure of PII, employees must immediately notify the Corporate Compliance Officer or the Legal Department.

Privileged Information. Privileged Information is information developed in the context of a protected relationship such as attorney-client communication including attorney-work product or self-critical analysis in the context of an employee request for legal advice or guidance from an Avis Budget attorney or another outside attorney at the direction of Avis Budget Legal Department. It is protected from discovery or disclosure based on legal rule to promote open communication between an attorney and his/her client and the attorney's thoughts and ideas on a matter. The unauthorized disclosure of Privileged Information may cause the waiver or loss of the privileged qualities of that communication. The decision to waive this privilege can only be made with the advice of the Avis Budget Legal Department. Employees who have access to legally privileged information should not share that information with anyone who does not have a need to know because that may result in a waiver of the privilege.



These confidentiality requirements continue even after employment has ended with the Company. In the event of a violation of these requirements after termination of employment, we may take action to enforce this policy, including seeking both injunctive relief and/or monetary damages as appropriate.

Our Records

Financial Reporting and Records. Each manager is responsible and accountable for maintaining an adequate system of internal controls over all areas of his or her responsibility to ensure that Company financial records and other reports are fairly and accurately stated. These controls should provide reasonable assurance that: all transactions have been properly recorded; each such transaction has been made with management authorization and in accordance with applicable laws and regulations; and Company assets are adequately safeguarded. Each employee within his or her area of responsibility is expected to adhere to these established controls and the following prohibitions:

- No employee may willfully make false or misleading entries in the Company's books and records for any reason.
- No employee may willfully conceal Company information from authorized auditors or governmental regulatory agencies. Employees are required to disclose, on a timely basis, information required to evaluate the fairness of the Company's financial presentation, the soundness of its financial condition and the performance of its operations.
- No employee may make a payment or transfer of Company funds or assets that is not authorized, properly recorded and clearly accounted for on the Company's books. Employees may not make or approve a payment or transfer Company funds or assets with the intention or understanding that any part of such payment or transfer is to be used in any manner other than as specified in the supporting transactional documents.
- No employee shall deliberately attempt to circumvent any Company processes or controls.

Records Management. We create, maintain and retain our business records in accordance with applicable laws and regulations. We create information in many forms such as email, instant messaging (IM), Web page content, word processing files, systems files and databases, and communicate on various media such as paper, digital, microfiche, audio, computer hard drives, CD-ROMs and diskettes. To ensure consistency, we require all employees to comply with the Avis Budget Records Management Policy, which provides guidance on the proper classification of records, as well as filing, archival, retention and disposal. **We prohibit the unauthorized destruction of or tampering with any records, whether in**

paper, electronic or other form. It is a violation of Company policy for any employee to dispose of Company records with the intent to impede, obstruct or influence any litigation or government proceeding or in relation to or in reasonable anticipation of any such matter. In addition, we must



An accounting employee reasonably believes that the Company has concealed Company information from its auditors. What should she do?

Because she believes the conduct involves accounting fraud, she should contact the Corporate Compliance Officer. If she wishes to remain anonymous, she should contact the Integrity Hotline at (888)732-1413 to report the suspected irregularity.

ensure the preservation of relevant records when the Company is required by law or government regulation to maintain certain records or when it has reason to know of a pending or reasonably anticipated investigation or litigation relating to those records. A link to the Records Management Policy can be found on your Company's Neighborhood intranet.

Our Systems

Our business systems include, but are not limited to, mainframe computers and terminals, personal computers, storage and printing devices, electronic mail, telephones, facsimile machines, voicemail, toll-free communications and Internet access. The business systems and the data that reside on them are the property of Avis Budget. **Employees should not have any expectations of personal privacy with respect to their use of Avis Budget business systems or the data resident on them.** Employees are prohibited from using the Company's business systems in any manner inconsistent with these Principles.

1. Business Use—We provide access to our business systems and information to authorized individuals for the purpose of conducting Company-related business. The systems are our exclusive property, regardless of authorized use. Personal use of Avis Budget business systems is to be avoided. When necessary and reasonable, personal use of Company business systems may be permitted. Under no circumstances may an employee use or give out Avis Budget inbound (i.e.,

toll-free) numbers for personal reasons. Nor should any individual use any other employee's business system without permission or authorization.

2. Strict Prohibitions—We strictly prohibit the use of our business systems and information for any of the following activities:

- Illegal purposes or purposes contrary to our Principles;
- Harassing, intimidating or defaming another individual or organization;
- Sending, receiving or searching for sexually oriented messages or images, or other images or messages that might be considered lewd or offensive;
- Disrupting users, services or equipment at Avis Budget locations or any other site accessible from Avis Budget locations;
- Issuing, in Avis Budget's sole discretion, offensive or disparaging statements or language based upon race, culture, sex, age, disability, religion, or any other personal attribute, or protected characteristic;
- Removing, installing or modifying any software or programs without prior Company authorization;
- Attempting to circumvent or subvert system or network security measures;
- Intercepting or viewing network traffic;
- Accessing files, data or systems to which express authorization has not been obtained;
- Unauthorized alteration, destruction or deletion of data or information contained in the Company's business systems, including the erasure of a computer's hard drive.
- Sending or promoting the distribution of unsolicited and unnecessary "junk mail" (i.e., chain letters, advertisements or other communications that represent a waste of valuable time or computer resources for either our Company or others);
- Sharing personally assigned passwords, access codes or user IDs with others;

- Allowing others to gain access to the Company's information technology systems through the use of passwords or other security codes other than as permitted by policy;
- Sending copyrighted material not authorized for reproduction;
- Attaching executable software files to electronic mail messages where Avis Budget does not hold the copyright, and therefore does not have legal right to transfer ownership or license to the software;
- Duplicating Company purchased and licensed software for unlicensed business or personal use;
- Any non-Avis Budget-related commercial venture.

3. Security—Users are responsible for all business system resources assigned to them and are expected to employ authorized security mechanisms and procedures for protecting data created or used by them.

4. Passwords—Passwords to our business systems should be chosen and maintained in a secure manner. User IDs and passwords should not be shared, unless necessary within a work team, and must be kept confidential. Individuals



are responsible for all activity associated with their assigned User IDs and passwords. If there is a reason to believe that a password or the security of a Company computer or communication resource has, in any manner, been compromised, the employee must change his or her password immediately and report the incident to Avis Budget's Information Technology department, or the Corporate Compliance Officer.

5. Electronic Mail—All electronic mail (email) messages, including instant messages, are the property of Avis Budget. While we recognize that personal communication among co-workers is a natural and pleasant outgrowth of working together and that personal communications with family members or other external associates occasionally occur during working hours, users should make every effort to limit personal communications using the electronic mail system. Abuse of the Company's business systems may result in disciplinary action, up to and including termination of employment.

6. Internet Access—Access to the Internet from any Avis Budget system must be through an approved Company firewall. Our resources must not concurrently be connected to the Company network and an Internet dial-up connection.

7. Remote Access—Remote Access to Company systems must be controlled sufficiently so that our computing resources are not subject to theft, damage, service interruption or unauthorized use.

8. System Monitoring and Filtering—

We reserve the right to monitor, retrieve and/or filter all activity on the computer and telecommunication systems in order to respond to discovery requests in litigation, or for other investigations.

9. Reporting Violations or System

Breaches—All suspected security incidents or breaches, thefts and exposures of sensitive information must be reported promptly to the Avis Budget Information Technology department, Corporate Security or the Corporate Compliance Officer.



Our Assets

Use of Avis Budget Property. The use of Avis Budget property for individual profit or any unlawful or unauthorized personal purpose is prohibited. The Company's information, technology, intellectual property, buildings, land, equipment, machines, software and cash must be used for business purposes only, except as provided by our policy or approved by a manager. Employees shall not intentionally damage, destroy or misappropriate the property of Avis Budget or others.

Intellectual Property. We are committed to protecting our brands and other intellectual assets. This means that employees must safeguard the intellectual property of Avis Budget, such as trademarks, service marks, patents, copyrights and trade secrets. Individuals must not retrieve, reproduce or post intellectual property that is protected by trademark, copyright or patent law unless permission is obtained or unless otherwise permitted by law.

In addition, each employee acknowledges that he or she has no rights to any Avis Budget product, invention or process of a proprietary nature, regardless of whether patented, copyrighted, trademarked or licensed. Employees must protect against the improper use of such Company property by others.

Additionally, materials, products, enhancements and modifications to products and/or any writing or work authorship created by any employee in the course of performing services for Avis Budget (including, but not limited to, software, source code, blueprints, diagrams, flow charts, specifications or functional descriptions, and specifically including any modifications, enhancements or changes) will be deemed a "work for hire," and the property of Avis Budget, and the Company will be entitled to, or vest in the ownership or possession of, such Work. To the extent any Work is not deemed a "work for hire" by operation of law, it is our policy that all Company employees irrevocably assign, transfer and convey to Avis Budget all of their right, title and interest in such Work, including, but not limited to, all rights of patent, copyright, trade secret or other proprietary rights in such Work.

Upon termination from employment or other contractual relationship with the company, for any reason, whether voluntary or involuntary, the employee or individual shall promptly deliver to the Company all Confidential and Proprietary information, means for access to business systems and information and all other Company property in his or her possession.

Working With Others

We endeavor to form partnerships with organizations of different sizes and perspectives, and value the support and services they provide to our employees and customers. Through such alliances and partnerships, we will strive to grow our business while maintaining the highest ethical standards.

An Airport Manager wants to use a Purchasing Card to buy office supplies for the location from a stationary store that is owned and managed by the Airport Manager's brother. Is this acceptable?

Because the purchase from this supplier creates an appearance of impropriety, the Manager should not purchase from the supplier that is a relative, unless the Regional Manager has approved the transaction in advance with full disclosure of the relationship to the Regional Manager.



Conflicts of Interest. All employees occupy a position of trust with the Company and, as a result, have a duty of loyalty to make decisions and conduct themselves in a manner that is in the Company's best interests. Employees are required to avoid any relationship or activity that might create or give the appearance of a conflict between their personal interests and the interests of Avis Budget or its subsidiaries. We make decisions regarding our employees, suppliers, vendors and contractors in a non-discriminatory manner and based on appropriate skills, quality, cost, service and ability to provide a range of goods and services. A decision to hire an employee, or retain a supplier, vendor or contractor must never be based on personal interests or interests of family members, but must be in the best interests of Avis Budget and its shareholders.

All arrangements with third parties must comply with Company policy and the law. **We will not use a third party to perform any act prohibited by law or by this Code of Conduct and Business Principles.**

Employees must disclose any relationship that appears to create a conflict of interest to their manager or the Corporate Compliance Officer. Employees must also obtain written pre-approval before proceeding with any transaction, conduct or investment that creates or appears to create a conflict of interest, such as: engaging in personal business transactions that arise from or are based upon a position of authority; owning a financial interest (other than less than one percent

of the capital stock of a public company) in a business that does business or competes with Avis Budget; or participating in an opportunity discovered from information provided by a competitor, customer or supplier.

Executive officers of Avis Budget must disclose actual or potential conflicts of interest to the Corporate Compliance Officer or the Audit Committee of the Board of Directors and obtain from such person or committee written pre-approval before engaging in any such transaction or conduct or making any such investment.

In addition, an employee of the Company must seek prior approval from the Corporate Compliance Officer before accepting an invitation to serve as a director or trustee of any other business. If such service existed at the time of hire or upon acquisition of a new company, the employee must promptly disclose the existence of such service and obtain approval to continue providing such service before doing so.

Here are additional examples of potential conflicts of interest that may require disclosure:

- Employee or immediate family member of employee acting as a director, partner, consultant or employee of a firm that provides goods or services to Avis Budget or is a competitor of Avis Budget or one of its subsidiaries.
- Holding a second job that may interfere with employment duties at Avis Budget.
- Ownership by employees or members of their immediate family of a material financial interest, known to the employee, in a firm which is either a competitor of or vendor to Avis Budget or one of its subsidiaries.
- Using Avis Budget's confidential information in any manner that violates the Company's confidentiality policy.

Corporate Opportunities. Employees of Avis Budget owe a duty to the Company to advance its legitimate interests when the opportunity to do so arises. If an employee learns of a business or investment opportunity through the use of corporate property or information or the employee's position at Avis Budget, such as from a competitor or actual or potential customer, supplier or business associate of the Company, the employee may not participate in the business or make the investment without the prior written approval of the Corporate Compliance Officer. Executive officers must obtain the prior written approval of the Corporate Compliance Officer

or Audit Committee of the Board of Directors before pursuing such business or investment opportunity for personal reasons. Such an opportunity should be considered an investment opportunity for Avis Budget in the first instance, subject to other conflict-of-interest safeguards as outlined in this document.

Bribes and Kickbacks. Employees must ensure that payments made by or on behalf of Avis Budget are made only for legitimate business purposes. Under no circumstances is it acceptable to offer, give, solicit or receive any form of bribe or kickback. An employee must not give or offer anything of value that would be beyond usual or customary practices or would violate laws on giving to foreign and U.S. government officials. This policy applies to all Avis Budget transactions within and outside of the United States.

Gifts and Entertainment. Employees or the immediate family of employees may not use their position with Avis Budget to grant or solicit any cash, gifts or free services to or from any Avis Budget customer, vendor or contractor for personal benefit. Gifts or entertainment from others should not be accepted if they reasonably could be considered to improperly or materially influence the Company's business relationship with or create an obligation to a customer, vendor or contractor.

Gifts or entertainment that are lavish or frequent may appear to influence our independent judgment on behalf of Avis Budget. If an invitation seems inappropriate, an employee must contact the Corporate Compliance Officer for guidance before acceptance.

The following examples are guidelines regarding gifts and entertainment:

- Nominal (\$75.00USD or less) gifts and entertainment, such as logo items, pens, calendars, caps, shirts and mugs are acceptable.



An Airport Manager and a group of Shift Managers were taken to a formal dinner by a prospective Vendor, where they received bottles of wine and gift cards. Another employee learns of the situation and believes that the acceptance of the Vendor's gifts influences the independent judgment of the management team. What can the employee do? The employee should discuss his or her concerns with Human Resources.

- Reasonable invitations to business-related meetings, conventions, conferences or product-training seminars may be accepted.
- Invitations to social or cultural events may be accepted if the cost is reasonable and attendance serves a customary business purpose such as networking.
- Invitations to sporting activities or ticketed events that are usual and customary in the conduct of business and promote good working relationships with customers and suppliers may be accepted.

Money Laundering or Illicit Financing. Employees must actively guard against the use of our products and services by third parties for the purposes of money laundering or illicit financing activity, including terrorist activity. Money laundering is the process by which the proceeds of criminal activity are moved through the financial system in order to hide all traces of their criminal origin. Money laundering is an essential part of much criminal activity and has become the focus of considerable attention by governments, international organizations and law enforcement agencies throughout the world. By contrast, illicit financing activity, including activity by or for terrorist groups, focuses on the destination and use of funds that may come from legitimate or criminal sources, or a combination of the two.

We are committed to cooperate fully with law enforcement and regulatory investigations concerning possible money laundering or illicit financing activity. An employee must immediately contact Avis Budget's Legal Department if the employee is approached in any manner by government agencies for records and information on customers, agents or business partners that may be under investigation. Strict rules specify time frames for complying with such governmental inquiries or requests and for reporting certain activities that may bear upon money laundering or terrorist activity. Therefore, immediate action is vital in both reporting requests and being responsive when given instructions by Avis Budget's Legal Department.

Travel and Entertainment Expenses. Travel and Entertainment expenses must be reasonable and substantiated by receipts as required by Avis Budget's Travel and Expense Reimbursement Guidelines, which can be obtained from the Finance department. A link to Avis Budget's T&E policy can be found on your Company's Neighborhood intranet.

Public Relations. Avis Budget's Corporate Communications department is responsible for all public relations, including all contact with the media. Unless

specifically authorized to represent Avis Budget to the media, an employee may not respond to inquiries or requests for information. This includes newspapers, magazines, trade publications, radio, television and Web sites, as well as any other external source seeking information about the Company. If the media contacts an employee about any topic, the employee must refer the call to Avis Budget's Communications department. Employees must be careful not to disclose confidential, personnel or business information through public or casual discussions, to the media or others.

Public Advocacy or Testimony. An employee may not appear as a witness, give testimony or sign a statement advocating a position at the request of outside parties, except as required by law without approval of the Legal Department. Nor shall an employee lobby before any government, legislative, judicial or administrative body without specific, prior approval from the General Counsel. The Company has a Governmental Affairs unit within the Legal Department charged with advocating the Company's position before government bodies and all testimony or other communication with such bodies must be directed to this designated unit.

External Inquiries

- Any questions, inquiries or media contacts regarding external communications must be referred to Avis Budget's Communications department at (973) 496-3916.
- Any inquiries from shareholders or potential investors must be referred to Avis Budget Investor Relations at (973) 496-7277.
- Any legal request for Company information such as a subpoena or governmental inquiry must be referred to the Avis Budget Legal Department at (973) 496-0202.
- All inquiries of any nature concerning current or former employees of the Company must be referred immediately and directly to the Human Resources department. No one should provide a reference, either written or verbal, for a current or former employee on behalf of the Company. Upon inquiry to the Human Resources department, prospective employers will be referred to Avis Budget's outsourced provider for job verification, or otherwise advised only as to the dates of the employee's employment and his/her most recent job title. Last salary will be provided if the employee has authorized the release of such information.

Working With The Government

Our Government Relations counsel actively lobbies the Government on important legislative and regulatory issues. It is in our best interest to be politically active and to remain involved in matters that affect our industries and interests in Washington, D.C. as well as the state capitols.

Employee Political Activities. Employees may, of course, participate in the political process as private citizens. It is important to separate personal political activity from Avis Budget's in order to comply with the applicable rules and regulations regarding lobbying or the attempt to influence government officials. Avis Budget will not reimburse employees for money or personal time contributed to political campaigns. In addition, an employee may not work on behalf of a candidate's campaign during working hours, or at any time use the Company's facilities or resources for that purpose.

Avis Budget Political Activities. Unless specifically authorized by the General Counsel, an employee may not make any political contribution on the Company's



behalf, or use Avis Budget's name, funds, property, equipment or services for the support of political parties, initiatives, committees or candidates. Lobbying activities or government contacts on behalf of Avis Budget, other than sales activities, should be coordinated with the General Counsel.

Avis Budget is prohibited from making contributions to candidates, officeholders and political parties at the U.S. federal level and under certain state and local laws in the United States. Avis Budget has established a political action committee (PAC) that is a voluntary political contribution fund authorized by U.S. federal law. Employees may make political contributions on a personal basis, in accordance with applicable law and may participate in the PAC on a voluntary basis. The Company is prohibited from requiring employees to make contributions to the PAC. Laws governing contributions to state and local candidates (and comparable political figures outside the United States) vary from state to state and country to country, and are to be observed by all employees as applicable.

All travel by government officials that is sponsored by Avis Budget must be approved in advance by management and the General Counsel, in accordance with policy. In addition, entertainment of government officials may be prohibited by law, and employees must get approval from management in each instance.

Regulatory or Legal Inquiries. Inquiries from federal, state and local governmental officials and entities which are related to Avis Budget and its business affairs (or from comparable governmental officials or entities outside the United States) should be referred to Avis Budget's Legal Department immediately. Examples of governmental inquiries include requests for information, notice of an investigation or service of a subpoena.

Anti-Corruption Laws. Avis Budget complies with the anti-corruption treaties and laws of the countries in which it does business, including the U.S. Foreign Corrupt Practices Act (FCPA), which applies to its global business. The Company will not directly or indirectly offer or make a corrupt payment to government officials, including employees of state-owned enterprises. These requirements apply both to Avis Budget employees and agents, such as third-party sales representatives, regardless of where they are doing business. If an employee is authorized to engage agents, they must be reputable and agree in writing to Avis Budget's anti-corruption standards.

Working To Achieve Competitive Advantage

We compete lawfully in the industries we serve. We are committed to avoiding actions which are unlawful, including dividing territories, services and customer lists with competitors or working with competitors to set prices for products and services.

Antitrust and Competition. Avis Budget's business activities are subject to antitrust and competition laws in most countries around the world. These laws are intended to promote fair competition and free enterprise by prohibiting activities that unreasonably restrain or inhibit competition, "bring about a monopoly" (in the United States), "abuse a dominant market position" (in the European Union), artificially maintain pricing or otherwise illegally hamper or distort normal commerce.

These laws apply to such diverse activities as marketing, procurement, contracting, and mergers and acquisitions. These laws specifically prohibit or restrict agreements (including tacit and unspoken agreements) among other things, to:

- Fix, coordinate or control prices.
- Allocate or divide up customers, territories or markets.
- Refrain from competing against other market participants wholly or in some limited fashion.

The antitrust and competition laws also prohibit or restrict certain group boycotts and "tying" arrangements. Unlawful tying may occur when the purchase of one product or service requires the purchase of another, "tied" product or service.

Trade Shows and Trade Association Meetings. The antitrust and competition laws are particularly relevant if an employee attends trade shows or trade associa-



tion meetings while acting on behalf of Avis Budget, because of the opportunity to interact with competitors or potential competitors. **In order to avoid possible violations of such laws, employees should not discuss pricing, including pricing strategies and costs; the allocation of customers, territories or markets; market segments; agreements not to compete or to compete only in a limited fashion; agreements to regulate or limit production; or agreements to participate in group boycotts.** Employees who attend such meetings are encouraged to discuss these matters with the Legal Department in advance.

Any effort with another company or companies to seek relief from courts, regulatory agencies or legislative bodies should only be conducted by or at the express direction of Avis Budget's Legal Department.

Fair Dealing. Employees should endeavor to deal fairly with Avis Budget's customers, suppliers, competitors and employees. Employees should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair-dealing practice.

Intellectual Property of Others. Employees may not reproduce, distribute or alter copyrighted materials without permission of the copyright owner or its authorized agents or as otherwise permitted by law. An employee may not bring the confidential property of others to Avis Budget for use, nor may an employee share one vendor's or supplier's confidential information with another without authorization to do so. Software used in connection with Avis Budget's business must be properly licensed and used only in accordance with that license. Using unlicensed software could constitute copyright infringement. The unauthorized reproduction, distribution or use of copyrighted materials, including software, can result in severe civil and criminal penalties and is strictly prohibited.

Marketing, Advertising and Promotions. Avis Budget markets its products and services in a fair, truthful and ethical manner. Marketing, telemarketing, point-of-purchase and advertising materials are designed to reflect available products and services. Avis Budget uses marketing, telemarketing, point-of-purchase and advertising materials to educate the public, report to its constituents, increase awareness of its services, recruit employees, promote brand recognition and support marketing initiatives. Complex laws and regulations apply to these activities. When providing these marketing, telemarketing, point-of-purchase and advertising opportunities, Avis Budget practices appropriate protection of personally identifiable customer data in order to safeguard customer privacy.

Working For And Within A Community

We are a committed corporate citizen, dedicated to improving the communities where our employees live and work, and to helping people develop the skills they need to succeed in life. We value diversity in all aspects of our business operations, including providing our products and services to our customers and the communities we serve.

Community Service. We serve society by providing life-enriching travel products and services at a fair price and by actively supporting the communities in which we operate. Avis Budget provides generous financial and voluntary support to hundreds of worthwhile community programs.

Personal Community

Activities. Employees are free to support community, charitable and political organizations and causes of their choice, as long as they make it clear that their views and activities are their own and not as a representative of the Company. An employee's outside activities must not interfere with job performance. In addition, while we encourage employees to support the causes in which they believe, an employee may not pressure another employee to express views or to contribute to or support political, religious or charitable causes that are or may be contrary to his or her personal belief.

Diversity and Anti-Discrimination Policy. Avis Budget prohibits unlawful discrimination based on race, religion, national origin, gender or any other protected classification in all transactions involving the rental of vehicles. The Company's "zero tolerance" for discrimination policy requires prompt reporting of all diversity violation complaints to Customer Affairs and the Company will conduct a thorough and prompt investigation and review through the Company Diversity Committee.

A Customer Service Representative ("CSR") is approached by a customer who claims she was denied an upgrade because of his national origin. What should the CSR do? The CSR should direct the customer to Customer Affairs at (800) 621-2844 for investigation. If the customer provides information regarding



the complaint, the CSR should obtain the customer's name and contact information and forward all information to Customer Affairs.

Employee Acknowledgment Form

This is to acknowledge that I have received a copy of the Avis Budget Group, Inc. Code of Conduct and Business Principles and understand that it contains important information regarding the Company's values and expectations and my privileges and obligations as an employee. I acknowledge that I am expected to read, understand, and adhere to the Company principles and will familiarize myself with the material in this manual. I understand that this manual supersedes any and all previous Company manuals. I also acknowledge that neither this manual nor any other company guidelines, employee handbooks, manuals, principles, policies or practices create an employment contract. The Company has the right, with or without notice, in an individual case or generally, to change any of its guidelines, principles, practices, working conditions or benefits at any time.

Also, I understand that the employment relationship is based on mutual consent of each employee and the Company. Accordingly, either the Company or I may terminate the employment relationship at will, at any time, with or without cause or advance notice, unless employed pursuant to a collective bargaining agreement or duly executed individual employment agreement that provides otherwise.

Employee Name (Print): _____

Employee Signature: _____

Date: _____

Please sign, date and return to your Human Resources Representative.

avis budget group