

Director Independence Criteria

A director shall be considered "independent" if, in the opinion of the Avis Budget Group Board of Directors (the "Board"), the director does not have a relationship with Avis Budget Group which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. The Board has established the following criteria to assist it in making such determinations.

A director is not independent if:

- The director is, or has been within the past three years, employed by Avis Budget Group.
- Any of the director's family members is currently, or has been within the past three years, an executive officer of Avis Budget Group.
- The director or any of his or her family members has received, during any period of twelve consecutive months within the three years preceding the determination of independence, more than \$120,000 in direct compensation from Avis Budget Group, other than (i) compensation for Board or Board committee service; (ii) compensation paid to a family member who is an employee (other than an executive officer) of Avis Budget Group, or (iii) benefits under a tax-qualified retirement plan, or non-discretionary compensation.
- The director is, or has a family member who is, a current partner of Avis Budget Group's outside auditor (the "Auditor"), or was a partner or employee of the Auditor who worked on Avis Budget Group's audit at any time during any of the past three years.
- The director is, or any of his or her family members is, an executive officer of another entity where at any time during the past three years any of the executive officers of Avis Budget Group serve on the compensation committee of such other entity.
- The director is, or any of his or her family members is, currently a partner in, or a controlling shareholder or an executive officer of, a company to which Avis Budget Group made, or from which Avis Budget received, payments for property or services in the current or any of the past three fiscal years that exceeded the greater of (i) \$200,000 or (ii) 5% of such other company's consolidated gross revenues, other than (x) payments arising solely from investments in Avis Budget Group's securities, or (y) payments under non-discretionary charitable contributions matching programs.
- The director is, or has a family member who is, an executive officer of a charitable organization to which Avis Budget made payments to in the current or any of the past three fiscal years that exceeded the greater of (i) \$200,000 or (ii) 5% of the charity's revenues.

For purposes of establishing director independence:

- i. a "family member" includes a person's spouse, parents, children and siblings, whether by blood, marriage or adoption, or anyone residing in such person's home;
- ii. "executive officer" of a company means the president, principal financial officer, principal accounting officer, any vice president in charge of a principal business unit, division or function, or any other officer or other person who performs a policy-making function;
- iii. "shareholder" means a record or beneficial owner of a security listed or applying to list and includes, for example, a limited partner, the owner of a depository receipt, or unit; and
- iv. references to "Avis Budget Group" in the foregoing criteria shall be deemed to include Avis Budget Group, Inc. and any subsidiary in a consolidated group with Avis Budget Group, Inc.

The Board will annually review all commercial and charitable relationships of directors. Whether directors meet these categorical independence criteria will be reviewed and will be made public when a director is first elected to the Board and annually thereafter prior to their standing for re-election to the Board.

The Board also recognizes that members of certain Board committees may be subject to additional, more stringent standards of independence, pursuant to applicable rules and regulations, including the NASDAQ Stock Market listing rules. Any such standards will be reflected in the charter of the applicable Board committee.