

HERTZ GLOBAL HOLDINGS INC  
Form DEF 14A  
April 09, 2010

QuickLinks -- Click here to rapidly navigate through this document

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**HERTZ GLOBAL HOLDINGS, INC.**

---

(Name of Registrant as Specified In Its Charter)

---

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:
  - (2) Aggregate number of securities to which transaction applies:
  - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
  - (4) Proposed maximum aggregate value of transaction:
  - (5) Total fee paid:

Edgar Filing: HERTZ GLOBAL HOLDINGS INC - Form DEF 14A

- o Fee paid previously with preliminary materials.
  - o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
    - (1) Amount Previously Paid:
    - (2) Form, Schedule or Registration Statement No.:
    - (3) Filing Party:
    - (4) Date Filed:
-

**Notice of  
Annual Meeting  
of Stockholders  
and Proxy  
Statement  
May 27, 2010**

---

Hertz Global Holdings, Inc.  
225 Brae Boulevard  
Park Ridge, NJ 07656

April 9, 2010

Dear Stockholder:

You are cordially invited to attend our annual meeting of stockholders to be held at 10:30 a.m. (Park Ridge time) on Thursday, May 27, 2010, at the Park Ridge Marriott Hotel, 300 Brae Boulevard, Park Ridge, New Jersey 07656.

This year, we will be using the "Notice and Access" method of providing proxy materials to you via the Internet at [www.hertz.com/stockholdermeeting](http://www.hertz.com/stockholdermeeting), instead of by mail. We believe that this process should provide you with a convenient and quick way to access your proxy materials and vote your shares, while allowing us to conserve natural resources and reduce the costs of printing and distributing the proxy materials. On or about April 14, 2010, we will mail to our stockholders a Notice of Internet Availability of Proxy Materials (the "Notice") containing instructions on how to access our proxy statement and annual report to stockholders for 2009 and how to vote. The Notice also contains instructions on how to receive a paper copy of your proxy materials.

Your vote is important. Please vote as promptly as possible by using the Internet, telephone or by signing, dating and returning the proxy card mailed to those who request to receive paper copies of this proxy statement. Whether you plan to attend the annual meeting or not, you may vote by following the instructions set forth in the Notice. If you attend the annual meeting, you may vote in person.

Registration and seating will begin at 10:00 a.m. In order to be admitted to the annual meeting, a stockholder must present proof of stock ownership as of the April 2, 2010 record date, which can be the Notice, a proxy card, or a brokerage statement reflecting stock ownership as of the April 2, 2010 record date. Stockholders will be asked to sign an admittance card and must also present a form of photo identification such as a driver's license. Cameras and recording devices will not be permitted at the meeting.

Sincerely,

Mark P. Frissora  
Chairman and Chief Executive Officer

---

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS  
OF HERTZ GLOBAL HOLDINGS, INC.**

**Time and Date:** 10:30 a.m. (Park Ridge time), Thursday, May 27, 2010

**Place:** Park Ridge Marriott Hotel, 300 Brae Boulevard, Park Ridge, New Jersey 07656

- Proposals:**
1. The election of the four nominees identified in the accompanying proxy statement to serve as directors for three-year terms;
  2. The approval of the amendment and restatement of the Hertz Global Holdings, Inc. 2008 Omnibus Incentive Plan;
  3. The approval of the Hertz Global Holdings, Inc. Senior Executive Bonus Plan;
  4. The ratification of the selection of PricewaterhouseCoopers LLP as the Corporation's independent registered public accounting firm for the year 2010; and
  5. The transaction of any other business that may properly be brought before the annual meeting.

*The Board of Directors of the Corporation recommends a vote **FOR** each of proposals 1 - 4.*

**Who Can Vote:** Only holders of record of the Corporation's common shares at the close of business on April 2, 2010 will be entitled to vote at the meeting. You may vote with respect to the matters described in the proxy statement by following the instructions set forth in the Notice of Internet Availability of Proxy Materials (the "Notice"), which contains instructions on how you can receive a paper copy of the proxy materials. You can vote your shares electronically via the Internet, by telephone, or by completing and returning the proxy card if you requested paper proxy materials or in person at our annual meeting.

**Date of Mailing:** This proxy statement and accompanying materials were filed with the Securities and Exchange Commission on April 9, 2010 and we expect to first send the Notice to stockholders on April 14, 2010.

J. Jeffrey Zimmerman  
*Senior Vice President, General Counsel  
and Secretary*

Park Ridge, New Jersey  
April 9, 2010

---

**IMPORTANT INFORMATION ABOUT ANNUAL  
MEETING AND PROXY PROCEDURES**

The Board of Directors of Hertz Global Holdings, Inc. is soliciting proxies to be used at the annual meeting of stockholders to be held on Thursday, May 27, 2010, beginning at 10:30 a.m. (Park Ridge time) at the Park Ridge Marriott Hotel, 300 Brae Boulevard, Park Ridge, New Jersey 07656. This proxy statement and accompanying materials were filed with the Securities and Exchange Commission ("SEC") on April 9, 2010 and we expect to first send the Notice of Internet Availability of Proxy Materials (the "Notice") to stockholders on April 14, 2010.

*Unless the context otherwise requires, in this proxy statement (i) the "Corporation" means Hertz Global Holdings, Inc., our top level holding company, (ii) "Hertz" means The Hertz Corporation, our primary operating company and a direct wholly owned subsidiary of Hertz Investors, Inc., which is wholly owned by the Corporation, (iii) "we," "us" and "our" mean the Corporation and its consolidated subsidiaries, including Hertz, (iv) "our Board" or "the Board" means the Board of Directors of the Corporation and (v) "our common stock" means the common stock of the Corporation.*

**The Purpose of the Annual Meeting**

At the annual meeting, stockholders will act upon the matters set forth in the Notice, including:

1. the election of four directors for three-year terms;
2. approving the amendment and restatement of the Hertz Global Holdings, Inc. 2008 Omnibus Incentive Plan;
3. approving the Hertz Global Holdings, Inc. Senior Executive Bonus Plan; and
4. the ratification of the selection of the Corporation's independent registered public accounting firm.

The Corporation's senior management will also present information about the Corporation's performance during 2009 and will answer questions from stockholders.

**Stockholders Entitled to Vote at the Annual Meeting**

Our Board has established the record date for the annual meeting as April 2, 2010. Only holders of record of the Corporation's common stock at the close of business on the record date are entitled to receive notice of the meeting and to vote at the meeting. On April 2, 2010, the Corporation had 411,366,789 shares of common stock outstanding.

**Voting Procedures; Quorum**

If you are a stockholder of record, you may submit a proxy in two ways. First, you may follow the instructions on your Notice to vote by Internet or by telephone. Second, if you requested printed proxy materials, you may complete, sign, date and return the proxy card in the envelope enclosed with your printed proxy materials, which requires no postage stamp if mailed in the United States, so that it is received prior to our annual meeting. Finally, while we encourage voting in advance by proxy, stockholders of record also have the option of voting their shares in person at our annual meeting.

The presence, in person or by proxy, of the holders of a majority of the shares entitled to vote at the annual meeting is necessary to constitute a quorum. Abstentions and "broker non-votes" are counted as present and entitled to vote for purposes of determining a quorum. A broker non-vote occurs when a nominee, such as a broker, holding shares in "street name" for a beneficial owner, does not vote on a particular proposal because that nominee does not have discretionary voting power with respect to a proposal and has not received instructions from the beneficial owner.

## Edgar Filing: HERTZ GLOBAL HOLDINGS INC - Form DEF 14A

Each share of common stock is entitled to one vote and stockholders do not have the right to cumulate their votes for the election of directors.

Directors are elected by the affirmative vote of a plurality of the shares of common stock present and validly cast in the election in person or by proxy. Under applicable Delaware law, abstentions will have no effect in determining the outcome of this vote. Broker non-votes will also have no effect in determining the outcome of this vote.

Approval of the proposal ratifying the appointment of our independent public accounting firm and the proposals relating to the adoption of the Hertz Global Holdings, Inc. Senior Executive Bonus Plan and the amendment and restatement of the Hertz Global Holdings, Inc. 2008 Omnibus Incentive Plan require the favorable vote of a majority of the shares of common stock present at the meeting in person or by proxy. Under applicable Delaware law, abstentions will have the same effect as a vote against these proposals because abstentions are treated as present and entitled to vote for purposes of determining the number of shares entitled to vote on the applicable proposal, but do not contribute to the affirmative votes required to approve the proposal. Broker non-votes will have no effect in determining the outcome of these votes because a broker non-vote will count neither as a vote for nor as a vote against the applicable proposal. For the approval of the amendment and restatement of the Hertz Global Holdings, Inc. 2008 Omnibus Incentive Plan, New York Stock Exchange ("NYSE") rules require that the total vote cast (which includes for and against votes and abstentions, but excludes broker non-votes) on this proposal must represent over 50 percent of the shares of common stock entitled to vote on the proposal.

If you are a stockholder of shares held in street name, and you would like to instruct your broker how to vote your shares, you should follow the directions provided by your broker. Please note that because the NYSE rules currently regard matters such as the ratification of independent public accounting firms as "routine," your broker is permitted to vote on the proposal to ratify the appointment of our independent public accounting firm even if it does not receive instructions from you. However, under NYSE rules, your broker does not have discretion to vote on the proposals to elect directors, adopt the Hertz Global Holdings, Inc. Senior Executive Bonus Plan or adopt the amendment and restatement of the Hertz Global Holdings, Inc. 2008 Omnibus Incentive Plan if it does not receive instructions from you.

Unless a stockholder gives instructions to the contrary, proxies will be voted in accordance with the Board's recommendations.

### **Notice of Internet Availability of Proxy Materials**

We are permitted to furnish proxy materials, including this proxy statement and our annual report to stockholders for 2009 (the "2009 Annual Report"), to our stockholders by providing access to such documents on the Internet instead of mailing printed copies. Our stockholders will not receive printed copies of the proxy materials unless they are requested. Instead, the Notice will instruct you as to how you may access and review all of the proxy materials on the Internet. It also instructs you as to how you may submit your proxy on the Internet. If you would like to receive a paper or e-mail copy of our proxy materials, you should follow the instructions for requesting such materials in the Notice. Any request to receive proxy materials by mail or e-mail will remain in effect in the future until you revoke it. By receiving proxy materials online, you will save us the cost of producing and mailing documents to your home or business and help us conserve natural resources. If you receive more than one Notice, it generally means that some of your shares are registered differently or are in more than one account. Please provide voting instructions for each Notice you receive.

### **Revocation of Proxies**

Even if you voted by telephone or on the Internet or if you requested paper proxy materials and signed the proxy card in the form accompanying the proxy statement, you may revoke your proxy before

it is voted at the annual meeting by delivering a signed revocation letter to J. Jeffrey Zimmerman, Senior Vice President, General Counsel and Secretary. You may also revoke your proxy by submitting a new proxy, dated later than your first proxy, or by a later-dated vote by telephone or on the Internet, in each case, as applicable. If you are attending in person and have previously mailed your proxy card, you may revoke your proxy and vote in person at the meeting. Your attendance at the annual meeting will not by itself revoke your proxy. If you are a stockholder of shares held in street name by your broker and you have directed your broker to vote your shares, you should instruct your broker to change your vote or obtain a proxy to vote your shares if you wish to cast your vote in person at the meeting.

#### **Solicitation of Proxies**

Proxies may be solicited on behalf of our Board by mail, telephone, electronically on the Internet or in person, and Hertz will pay the solicitation costs on behalf of the Corporation. The Notice will be supplied to brokers, dealers, banks and voting trustees, or their nominees, for the purpose of soliciting proxies from beneficial owners, and Hertz will reimburse those record holders for their reasonable expenses on behalf of the Corporation. Georgeson Inc. has been retained by Hertz to facilitate the distribution of proxy materials at a fee of approximately \$2,000 plus distribution costs and other costs and expenses.

#### **Additional Information**

The Corporation's Form 10-K, as amended, for the fiscal year ended December 31, 2009 is filed with the SEC and may also be obtained via a link posted on the "Investor Relations" portion of our website, *www.hertz.com*. *Copies of the Form 10-K, as amended, for the fiscal year ended December 31, 2009, or any exhibits thereto, will be sent within a reasonable time without charge upon written request to Hertz Global Holdings, Inc., 225 Brae Boulevard, Park Ridge, New Jersey 07656-0713, Attention: Corporate Secretary.*



**PROPOSAL 1: ELECTION OF DIRECTORS**

**Board Structure**

The Corporation currently has twelve directors divided into three classes: four in Class I, four in Class II and four in Class III. The terms of office of the four Class I directors expire at the 2010 annual meeting of stockholders.

**Class I Election**

The four nominees for election as Class I directors are listed below. If elected, the nominees for election as Class I directors will serve for a term of three years and until their successors are elected and qualify. If for any reason any nominee cannot or will not serve as a director, such proxies may be voted for the election of a substitute nominee designated by our Board.

**Class I Nominees**

A plurality of the votes cast is required for the election of directors. This means that the director nominee with the most votes for a particular slot is elected for that slot. Only votes "for" or "withheld" affect the outcome. Abstentions and broker non-votes will have no effect for purposes of the election of directors. The Class I Nominees are as follows:

<b>Director</b>	<b>Age, Principal Occupation, Business Experience and Other Directorships Held</b>	<b>Director Since</b>
<b>Barry H. Beracha</b> (Class I)	Mr. Beracha has served as a director of the Corporation and Hertz since November 2006. He most recently served as Executive Vice President of Sara Lee Corp. and Chief Executive Officer of the Sara Lee Bakery Group, which was created when Sara Lee acquired The Earthgrains Company in 2001. Mr. Beracha retired from Sara Lee in June 2003. He also served as Chairman and Chief Executive Officer of The Earthgrains Company, which was spun off from Anheuser Busch Companies, Inc. in 1996. In 1967, Mr. Beracha joined Anheuser Busch Companies, Inc., and held various management positions of increasing responsibility within the company until the spin-off of The Earthgrains Company in March 1996, prior to which he held the title of Vice President and Group Executive of Anheuser Busch Companies, Inc. Mr. Beracha serves on the Board of Directors of Pepsi Bottling Group, where he served as the non-executive Chairman of the Board from March 2007 to October 2008 and is a member of the Compensation and Management Committee and of the Audit and Affiliated Transactions Committee, which he chaired prior to becoming the Non-Executive Chairman of the Board. Mr. Beracha retired from the Board of Directors of McCormick & Co., where he served as Chairman of the Compensation Committee, in March 2007. He served as Chairman of the Board of Trustees of St. Louis University from December 2005 to May 2009. Mr. Beracha is 68 years old.	2006

Director	Age, Principal Occupation, Business Experience and Other Directorships Held	Director Since
<b>Brian A. Bernasek</b> (Class I)	<p>The Board has concluded that Mr. Beracha should serve as a director because as a result of his significant experience in the roles of chairman and chief executive officer of leading companies and his service as non-executive Chairman of the Board of Pepsi Bottling Group, he brings to our Board extensive leadership, financial expertise, management and business development skills.</p> <p>Mr. Bernasek has served as a director of the Corporation and Hertz since December 2006. Mr. Bernasek is a Principal of The Carlyle Group ("Carlyle"), which he joined in 2000. Prior to that time, he held positions with Investcorp International, a private equity firm, and Morgan Stanley &amp; Co., in its Investment Banking Division. Mr. Bernasek serves on the Board of Directors of Allison Transmission. Mr. Bernasek is 37 years old.</p> <p>The Board has concluded that Mr. Bernasek should serve as a director because in addition to his demonstrated leadership skills as a Principal of Carlyle and his extensive experience in investment banking and private equity, he brings to our Board a deep knowledge of complex financial and investment issues and valuable insights on the automotive industry as a result of his current and past service on automotive and transportation related boards. Mr. Bernasek is a director nominee designated by Carlyle, one of our Sponsors, pursuant to the terms of the Stockholders' Agreement described under "Certain Relationships and Related Party Transactions Stockholders' Agreement."</p>	2006
<b>Robert F. End</b> (Class I)	<p>Mr. End has served as a director of the Corporation and Hertz since December 2005. Mr. End is a Managing Director of Transportation Resource Partners ("TRP"), a private equity firm. Prior to joining TRP in 2009, Mr. End had been a Managing Director of Merrill Lynch Global Private Equity Division ("MLGPE"), where he served as Co-Head of the North American Region, and a Managing Director of Merrill Lynch Global Private Equity, Inc., the Manager of ML Global Private Equity Fund, L.P., a proprietary private equity fund which he joined in 2004. Previously, Mr. End was a founding Partner and Director of Stonington Partners Inc., a private equity firm established in 1994. Prior to leaving Merrill Lynch in 1994, Mr. End was a Managing Director of Merrill Lynch Capital Partners, Merrill Lynch's private equity group. Mr. End joined Merrill Lynch in 1986 and worked in the Investment Banking Division before joining the private equity group in 1989. Mr. End is a director of NPC International, Inc. and one other private company. Mr. End is 54 years old.</p>	2005

<b>Director</b>	<b>Age, Principal Occupation, Business Experience and Other Directorships Held</b>	<b>Director Since</b>
	<p>The Board has concluded that Mr. End should serve as a director because Mr. End's years of experience with private equity groups provides our Board with useful insights into investments and business development and through his proven leadership skills as Managing Director of MLGPE and his service on other boards he brings to our Board significant knowledge and expertise. Mr. End is a Sponsor Nominee designated by MLGPE, one of our Sponsors, pursuant to the terms of the Stockholders' Agreement described under "Certain Relationships and Related Party Transactions -Stockholders' Agreement."</p>	
<b>George W. Tamke</b> (Class I)	<p>Mr. Tamke has served as Lead Director of the Corporation and Hertz since July 2006. Mr. Tamke served as the Chairman of the Board of Directors of the Corporation and Hertz from December 2005 until July 2006. Mr. Tamke is an operating officer with Clayton, Dubilier &amp; Rice, LLC ("CD&amp;R"). Prior to joining CD&amp;R in 2000, he was an executive at Emerson Electric Co., a manufacturer of electrical and electronic equipment, serving as President and Chief Operating Officer from 1997 to 1999 and as Vice Chairman and Co-Chief Executive Officer from 1999 to February 2000. He has served as a director of Target Corporation since June 1999, as a director and Chairman of Culligan Ltd. since October 2004. Mr. Tamke was a director of Kinko's, Inc. from January 2001 to February 2004, its Chairman from August 2001 to February 2004, and its Interim President and Chief Executive Officer from January 2001 to August 2001. Mr. Tamke was a director and Chairman of ServiceMaster Global Holdings, Inc. from March 2007 to January 2010. Mr. Tamke is 62 years old.</p> <p>The Board has concluded that Mr. Tamke should serve as a director because of his demonstrated leadership skills as our Lead Director since 2006 and because he contributes to our Board the significant management, strategic and operational experience and good judgment that he gained in his roles of Co-Chief Executive Officer of Emerson Electric Co. and Chief Executive Officer of Kinko's, Inc. and as a director of public companies. In addition, his experience as a director of Target Corporation, Culligan Ltd. and ServiceMaster Global Holdings, Inc. gives Mr. Tamke a deep understanding of the role of the Board of Directors and positions him well to serve as Lead Director of the Corporation and Hertz. Mr. Tamke is a Sponsor Nominee designated by CD&amp;R, one of our Sponsors, pursuant to the terms of the Stockholders' Agreement described under "Certain Relationships and Related Party Transactions - Stockholders' Agreement."</p> <p style="text-align: center;"><b><i>The Board recommends a vote FOR all of the Class I nominees.</i></b></p>	2005

**Continuing Directors**

The eight directors whose terms will continue after the annual meeting and will expire at the 2011 annual meeting (Class II) or the 2012 annual meeting (Class III) are listed below:

<b>Director</b>	<b>Age, Principal Occupation, Business Experience and Other Directorships Held</b>	<b>Director Since</b>
<b>Michael J. Durham</b> (Class II)	<p>Mr. Durham has served as a director of the Corporation and Hertz since November 2006. Mr. Durham served as Director, President and Chief Executive Officer of Sabre, Inc., then a NYSE-listed company providing information technology services to the travel industry, from October 1996, the date of Sabre, Inc.'s initial public offering, until October 1999. From March 1995 until July 1996, when Sabre was a subsidiary of AMR Corporation, he served as Sabre's President. Prior to joining Sabre, Mr. Durham spent 16 years with American Airlines, serving as the Senior Vice President and Treasurer of AMR Corporation and Senior Vice President of Finance and Chief Financial Officer of American Airlines from October 1989 until he assumed the position of President of Sabre in March of 1995. Mr. Durham currently serves as non-executive Chairman of the Board of Asbury Automotive Group, a NYSE-listed company in the automotive retailing industry and as a non-executive Chairman of the Board of Axiom Corporation, a NASDAQ-listed company in the customer information management industry. Mr. Durham also serves as a member of the Boards of Directors of Culligan International, Inc. Travel Ad Network, Inc. and SCI Solutions, Inc., all privately held corporations. During the preceding five years, Mr. Durham has served on the Board of Directors of NWA, Corp. (the parent company of Northwest Airlines) and AGL Resources Inc., both publicly listed companies. Mr. Durham also served on the Board of Directors of Bombardier, Inc. a publicly traded Canadian corporation listed in Canada. Mr. Durham is 59 years old.</p>	2006

The Board concluded that Mr. Durham should serve as a director because of his extensive business experience, much of it gained serving in the travel and transportation industry. Mr. Durham's tenure both as Chief Executive Officer and Chief Financial Officer of large multinational public companies allows him to add value to the Corporation's Board. In particular, Mr. Durham is able to provide our Board with leadership skills and a breadth of knowledge about the challenges and issues facing companies in the travel sector. In addition, Mr. Durham's experience serving as the non-executive Chairman of the Board of a company in the automotive industry enables Mr. Durham to provide us with insight into the challenges facing the automotive industry and his role with Axiom Corporation provides important information-technology expertise. Mr. Durham's experience as a director, and frequently a member of the audit committee, on a number of different public and private company boards also gives him a valuable perspective to share with the Corporation.

<b>Director</b>	<b>Age, Principal Occupation, Business Experience and Other Directorships Held</b>	<b>Director Since</b>
<b>Mark P. Frissora</b> (Class II)	<p>Mr. Frissora has served as the Chief Executive Officer and Chairman of the Board of the Corporation and Hertz since January 1, 2007, and as Chief Executive Officer and a director of the Corporation and Hertz since July 2006. Prior to joining the Corporation and Hertz, Mr. Frissora served as Chief Executive Officer of Tenneco Inc. from November 1999 to July 2006 and as President of the automotive operations of Tenneco Inc. from April 1999 to July 2006. He also served as the Chairman of Tenneco from March 2000 to July 2006. From 1996 to April 1999, he held various positions within Tenneco Inc.'s automotive operations, including Senior Vice President and General Manager of the worldwide original equipment business. Previously Mr. Frissora served as a Vice President of Aeroquip Vickers Corporation from 1991 to 1996. In the 15 years prior to joining Aeroquip Vickers, he served for 10 years with General Electric and five years with Philips Lighting Company in management roles focusing on product development and marketing. He is a director of NCR Corporation, where he serves on its compensation committee. He is also a director of Walgreen Co., where he serves as the Chairman of the finance committee and is a member of the governance committee. Mr. Frissora is also a director of Delphi Automotive LLP and is a member of their audit and finance committees. Mr. Frissora is 54 years old.</p> <p>The Board has concluded that Mr. Frissora should serve as a director because as our Chairman and CEO since 2006, he has demonstrated a deep knowledge and understanding of the Corporation, and the leadership abilities, financial and operational expertise, commitment, good judgment and management skills necessary to lead our Corporation. Pursuant to the terms of the Stockholders' Agreement, the Corporation and Sponsors are contractually obligated to take certain actions to ensure Mr. Frissora, in his capacity as CEO of the Corporation, is elected to the Board. In addition, Mr. Frissora's employment agreement provides that he will serve as a member of the Board and as Chairman of the Board.</p>	2006
<b>David H. Wasserman</b> (Class II)	<p>Mr. Wasserman has served as a director of the Corporation since August 2005 and of Hertz since December 2005. Mr. Wasserman is a financial officer of CD&amp;R, which he joined in 1998. Prior to joining CD&amp;R, he was employed by Goldman, Sachs &amp; Co. in the Principal Investment Area. He has also been employed by Fidelity Capital and as a management consultant. Mr. Wasserman serves on the Board of Directors of Culligan Ltd., ServiceMaster Global Holdings, Inc. and ICO Global Communications (Holdings) Limited and formerly served as a director of Kinko's, Inc. and Covansys Corporation. Mr. Wasserman is 43 years old.</p>	2005

Director	Age, Principal Occupation, Business Experience and Other Directorships Held	Director Since
<b>Henry C. Wolf</b> (Class II)	<p>The Board has concluded that Mr. Wasserman should serve as a director because with his financial experience at CD&amp;R and Goldman, Sachs &amp; Co., Mr. Wasserman provides our Board with a depth of financial and investment knowledge and with his service as a director of other major companies he brings to our Board valuable board experience and insights. Mr. Wasserman is a Sponsor Nominee designated by CD&amp;R, one of our Sponsors, pursuant to the terms of the Stockholders' Agreement described under "Certain Relationships and Related Party Transactions Stockholders' Agreement."</p> <p>Mr. Wolf has served as a director of the Corporation and Hertz since November 2006. Mr. Wolf served as Chief Financial Officer for Norfolk Southern Corporation from 1993 until his retirement from Norfolk Southern in July 2007. Mr. Wolf held the title of Vice Chairman and Chief Financial Officer of Norfolk Southern from 1998 until his retirement. From 1993 until 1998, he served as Executive Vice President of Finance of Norfolk Southern. He served as Norfolk Southern's Vice President of Taxation from 1991 until 1993, Assistant Vice President Tax Counsel from 1984 until 1990, Senior Tax Counsel from 1983 until 1984, General Tax Attorney from 1976 until 1983 and Senior Tax Attorney from 1973 until 1976. Mr. Wolf is a director of AGL Resources, Inc., a NYSE-listed company in the natural gas industry, as well as the Chairman of its audit committee. He is also Chairman of the Board of Directors of Shenandoah Life Insurance Company. In addition, Mr. Wolf serves as Vice Rector of the Board of Visitors of the College of William and Mary, and as a Member of the Board of Trustees of the Colonial Williamsburg Foundation. Mr. Wolf is 67 years old.</p> <p>The Board has concluded that Mr. Wolf should serve as a director because Mr. Wolf's unique professional background with over forty years of experience with legal, financial, tax and accounting matters along with his demonstrated executive level management skills that he gained from his service as the Vice Chairman and Chief Financial Officer for Norfolk Southern and his service as a director and audit committee chairman of AGL Resources, Inc. make him an important advisor. In addition, his background in strategic planning and experience with mergers and acquisitions in a regulated environment represent an important resource for the Corporation.</p>	2006
<b>Carl T. Berquist</b> (Class III)	<p>Mr. Berquist has served as a director of the Corporation and Hertz since November 2006. Mr. Berquist joined Marriott International, Inc. in December 2002 as Executive Vice President, Financial Information and Enterprise Risk Management and served as Chief Accounting Officer of Marriott International. Effective May 1, 2009, Mr. Berquist became Executive Vice President and Chief Financial Officer of Marriott International. Prior to joining Marriott, Mr. Berquist was a partner at Arthur Andersen LLP. During his 28-year career with Arthur Andersen, Mr. Berquist held numerous leadership positions covering the management of the business as well as various operational roles, including managing partner of the worldwide real-estate and hospitality practice. His last position was managing partner of the mid-Atlantic region which included five offices from Philadelphia, Pennsylvania to Richmond, Virginia. Mr. Berquist is a board member of several private companies and is a member of the Board of Trustees of the Business School at Penn State University. Mr. Berquist is 59 years old.</p>	2006

<b>Director</b>	<b>Age, Principal Occupation, Business Experience and Other Directorships Held</b>	<b>Director Since</b>
<b>Gregory S. Ledford</b> (Class III)	<p>The Board has concluded that Mr. Berquist should serve as a director because with his demonstrated years of leadership in management and operational positions as a chief financial officer, enterprise risk management executive and major audit company partner, he provides our Board with in-depth knowledge and experience in financial, accounting and risk management issues. His knowledge of the travel industry gained while at Marriott also makes him an important asset to the Board.</p> <p>Mr. Ledford has served as a director of the Corporation since September 2005 and of Hertz since December 2005. Mr. Ledford is a Managing Director of Carlyle. Mr. Ledford joined Carlyle in 1988 and is currently head of Carlyle's Automotive and Transportation practice. He led Carlyle's investments in Horizon Lines Holdings Corporation, Grand Vehicle Works Holdings Corporation and Piedmont/Hawthorne Holdings Inc. From 1991 to 1997, he was Chairman and Chief Executive Officer of The Reilly Corp., a former Carlyle portfolio company that was successfully sold in September 1997. Prior to joining Carlyle, Mr. Ledford was Director of Capital Leasing for MCI Communications. Mr. Ledford serves on the Boards of Directors of Allison Transmission and United Components Inc. Mr. Ledford is 52 years old.</p> <p>The Board has concluded that Mr. Ledford should serve as a director because in addition to his demonstrated leadership and consensus building skills as Managing Director of the Carlyle Group and his service as a director on a number of automotive industry boards, his years of experience in automotive-related positions provides our Board with valuable insights and a unique perspective on automotive and transportation related issues. Mr. Ledford is a Sponsor Nominee designated by Carlyle, one of our Sponsors, pursuant to the terms of the Stockholders' Agreement described under "Certain Relationships and Related Party Transactions Stockholders' Agreement."</p>	2005

<b>Director</b>	<b>Age, Principal Occupation, Business Experience and Other Directorships Held</b>	<b>Director Since</b>
<b>Angel L. Morales</b> (Class III)	<p>Mr. Morales has served as a director of the Corporation and Hertz since April 2010. Mr. Morales is a Managing Director, Head of the Industrial Group and member of the Investment Committee of BAML Capital Partners ("BAMLCP"), the private equity division of Bank of America Corporation ("Bank of America"). Mr. Morales was a founding member of Merrill Lynch Global Private Equity, the private equity arm of Merrill Lynch &amp; Co., Inc. ("Merrill Lynch") prior to its merger with Bank of America. Mr. Morales joined Merrill Lynch in 1996. Mr. Morales is a director and Chair of the Audit Committee of Aeolus Re Ltd and a director of Nuveen Investments, Inc. Mr. Morales is 36 years old.</p> <p>The Board has concluded that Mr. Morales should serve as a director because Mr. Morales' years of experience in the private equity industry provides our Board with useful insights into investments and business development and through his proven leadership skills as a Managing Director of BAMLCP and his service on other boards he brings to our Board significant knowledge and expertise. Mr. Morales is a Sponsor Nominee designated by MLGPE, one of our Sponsors, pursuant to the terms of the Stockholders' Agreement described under "Certain Relationships and Related Party Transactions -Stockholders' Agreement."</p>	April 2010
<b>Nathan K. Sleeper</b> (Class III)	<p>Mr. Sleeper served as a director of the Corporation from August to September 2005 and has served as a director of the Corporation and Hertz since December 2005. Mr. Sleeper is a financial officer of CD&amp;R, which he joined in 2000. Prior to joining CD&amp;R, he was employed by Goldman, Sachs &amp; Co. in the Investment Banking Area. He has also been employed by Tiger Management. He has served as a director of Culligan Ltd. since October 2004, as a director of U.S. Foodservice, Inc. since July 2007 and as a director of NCI Building Systems, Inc. since November 2009. Mr. Sleeper is 36 years old.</p> <p>The Board has concluded that Mr. Sleeper should serve as a director because his extensive experience in investment banking and as a financial principal at CD&amp;R provides our Board with a depth of financial knowledge, business development and investment expertise. Mr. Sleeper is a Sponsor Nominee designated by CD&amp;R, one of our Sponsors, pursuant to the terms of the Stockholders' Agreement described under "Certain Relationships and Related Party Transactions -Stockholders' Agreement."</p>	2005



**PROPOSAL 2: THE APPROVAL OF THE AMENDMENT AND RESTATEMENT OF THE  
HERTZ GLOBAL HOLDINGS, INC. 2008 OMNIBUS INCENTIVE PLAN**

On March 4, 2010, upon recommendation of the Compensation Committee, the Board of Directors of the Corporation adopted the amendment and restatement of the Hertz Global Holdings, Inc. 2008 Omnibus Incentive Plan (the "Amended Plan"), subject to the approval of our stockholders. The primary purpose of the amendment and restatement is to: (i) increase by 15,000,000 the number of shares of common stock available for grant under the Amended Plan from 17,700,000 to 32,700,000 shares of common stock, (ii) expand the performance goal criteria for performance awards to include total net cash flow and customer satisfaction, (iii) clarify that certain awards may be payable in shares of common stock, cash or a combination of both, (iv) permit the granting of restricted stock and restricted stock unit awards with a vesting period of less than three years for an aggregate number of shares of common stock not to exceed 5% of the total number of shares of common stock available for issuance under the Amended Plan, (v) incorporate prior non-material amendments approved by the Board of Directors, (vi) reflect certain amendments to comply with Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and (vii) make certain other administrative changes.

The Hertz Global Holdings, Inc. 2008 Omnibus Incentive Plan was first approved by stockholders in May 2008 (the "2008 Omnibus Plan"), and has been employed as a principal feature of the Corporation's compensation program since that time. If the stockholders approve the Amended Plan, it will allow us to use the additional shares authorized for issuance pursuant to the Amended Plan to assist the Corporation in achieving its goals of increasing profitability and stockholder value, while also preserving a federal income tax deduction under Section 162(m) of the Code for certain compensation paid under the Amended Plan. The Board of Directors believes that the ability to grant stock options, stock appreciation rights, performance stock, restricted stock and other equity awards is necessary for us to attract and retain the services of well-qualified employees and advisors, including officers and directors who will contribute to our success. As of March 26, 2010, there were 4,954,454 shares available for issuance under the 2008 Omnibus Plan. Accordingly, unless our stockholders approve the increase in shares reserved for issuance under the Amended Plan, we will be limited in our ability to make equity awards to our employees, non-employee directors or consultants.

A description of the material provisions of the Amended Plan is set forth below. The statements made in this Proposal 2 concerning the terms and provisions of the Amended Plan are summaries and do not purport to be a complete recitation of the Amended Plan provisions. These statements are qualified in their entirety by express reference to the full text Amended Plan, including as it is proposed to be amended. The full text of the Amended Plan is attached to this proxy statement as Annex A and is incorporated by reference herein.

As of March 26, 2010, the closing price of our common stock was \$10.01.

**Administration and Eligibility**

The Amended Plan will be administered by the Compensation Committee or its designee. Employees, non-employee directors or consultants of the Corporation and its subsidiaries will be eligible to receive awards of common stock, stock options, stock appreciation rights, performance stock, performance stock units, performance units, restricted stock, restricted stock units or deferred stock units at the Compensation Committee's discretion. There are approximately 25,000 employees and 11 non-employee directors eligible to receive awards under the Amended Plan. Subject to applicable law, the Compensation Committee may delegate to an officer, director or group of officers or directors of the Corporation or its affiliates some or all of its authority under the Amended Plan with respect to participants who are not our executive officers.

### **Shares Available for Issuance**

Prior to this amendment and restatement, 17,700,000 shares were authorized for issuance under the 2008 Omnibus Plan. As of March 26, 2010, 4,954,454 shares remained available for awards under the 2008 Omnibus Plan. If the Amended Plan is approved by our stockholders, an additional 15,000,000 shares, for a total of 19,954,454, will be available for issuance. A participant may receive a maximum of 5,000,000 stock options or stock appreciation rights and 5,000,000 shares of performance stock or performance stock units in any 36 month period. The maximum dollar amount of cash that may be earned by an individual in connection with the grant of performance units during any calendar year may not exceed \$7,500,000. Awards that for any reason are canceled, terminated, forfeited, settled in cash or otherwise settled without the issuance of common stock will be available again under the Amended Plan. In the event of a stock dividend, stock split, share combination, extraordinary cash dividend, recapitalization, reorganization, merger, consolidation, split-up, spin-off, combination, exchange of shares or other similar event affecting the Corporation's common stock, the Compensation Committee will adjust the shares available under the Amended Plan and any outstanding awards to reflect the event and preserve the intrinsic value of the awards. Under the Amended Plan, the Compensation Committee is not permitted to reduce the exercise price of outstanding options or the base price of outstanding stock appreciation rights or grant any new award or cash payment in substitution or upon cancellation of options or stock appreciation rights for any other reason, unless the adjustment is approved by our stockholders.

### **Amendment or Termination**

The Board or Compensation Committee may terminate, amend or suspend the Amended Plan at any time. The Amended Plan will continue in effect until March 4, 2020 (or if applicable, the 10 year anniversary of the date of the latest stockholder approval of the Amended Plan) if not earlier terminated by the Board or Compensation Committee. An amendment to the Amended Plan will be submitted for stockholder approval to the extent required by the Code or other applicable laws, rules or regulations or if the amendment will (i) materially increase the benefits under the Amended Plan, (ii) materially increase the number of shares of our Corporation's common stock subject to the Amended Plan or the individual award limitations set forth in the plan, other than for antidilutive purposes, (iii) modify the restrictions on repricing set forth in the plan or (iv) materially modify the requirements for participation in the Amended Plan.

### **Stock Options and Stock Appreciation Rights**

Options granted under the Amended Plan may be incentive stock options (within the meaning of Section 422 of the Code) or non-statutory stock options. The grant date of options granted under the Amended Plan will be the date the options are awarded by the Compensation Committee or a future date determined by the Compensation Committee. Except in the case of replacement awards, options will have an exercise price per share that is no less than the fair market value (as defined in the Amended Plan) of a share of common stock on the option grant date.

Options under the Amended Plan will vest based on a minimum period of service or the occurrence of certain events, as determined by the Compensation Committee. No option will remain exercisable beyond 10 years after its grant date.

Stock appreciation rights may be granted to participants in tandem with options or on their own. Unless otherwise determined by the Compensation Committee at or after the grant date, tandem stock appreciation rights will have substantially similar terms as the options with which they are granted. The grant date of stock appreciation rights granted under the Amended Plan will be the date the stock appreciation rights are awarded by the Compensation Committee or a future date determined by the Compensation Committee. Free-standing stock appreciation rights will vest based on a minimum period

of service or the occurrence of events, as determined by the Compensation Committee. No stock appreciation right will remain exercisable longer than 10 years after its grant date.

Unless otherwise determined by the Compensation Committee at or after the grant date, in the event of a participant's death or disability, the participant's unvested options or stock appreciation rights will vest and all of the participant's options and stock appreciation rights will remain exercisable until the first anniversary of the participant's termination of employment (or the expiration of the award's term, whichever is earlier). If a participant's employment is terminated for cause, all of the participant's options and stock appreciation rights will immediately be forfeited and canceled. If a participant's employment is terminated without cause or as a result of retirement, then the participant may exercise any options and stock appreciation rights that are exercisable on the date of such termination until the earlier of (i) the 90th day following the date of such termination or, if later, the 90th day following expiration of any blackout period in effect with respect to such options or stock appreciation rights, and (ii) the expiration of the term of such options or stock appreciation rights, and any options and stock appreciation rights that are not exercisable upon the participant's termination or retirement shall be forfeited and canceled as of the date of such termination; provided that, in the case of a participant's termination as a result of retirement, if the Compensation Committee requests and the participant agrees to execute a release of claims and be bound by certain restrictive covenants, then the participant's options and stock appreciation rights may be exercised over a longer period (but no later than the expiration of the award's term). Unless otherwise determined by the Compensation Committee at or after the grant date, upon a termination of a participant's employment for any other reason, the participant may exercise any vested options or stock appreciation rights until the earlier of (i) the 30<sup>th</sup> day following the participant's date of termination or, if later, the 30<sup>th</sup> day following the expiration of any blackout period in effect with respect to the options or stock appreciation rights or (ii) the expiration of the award's term.

#### **Performance Stock, Performance Stock Units, Performance Units**

Performance stock is common stock of the Corporation that is subject to forfeiture until predetermined performance conditions have been achieved. A performance stock unit is a contractual right to receive a stated number of shares of common stock, or if provided by the Compensation Committee on or after the grant date, cash equal to the fair market value of such shares of common stock or any combination of shares of common stock and cash having an aggregate fair market value equal to such stated number of shares of common stock, which right is forfeitable until the achievement of predetermined performance conditions. A performance unit is a contractual right to receive a cash-denominated award, payable in cash or shares of common stock or a combination thereof, which right is forfeitable until the achievement of predetermined performance conditions.

The grant date of any performance stock, performance stock units or performance units granted under the Amended Plan will be the date on which such performance stock, performance stock units or performance units are awarded by the Compensation Committee or on such other future date as the Compensation Committee shall determine. Performance stock, performance stock units and performance units granted under the Amended Plan will vest based on the achievement of pre-determined performance goals over performance periods determined by the Compensation Committee or upon the occurrence of certain events, as determined by the Compensation Committee. Unless otherwise determined by the Compensation Committee at or after the grant date, in the event of a participant's death or disability, a pro rata portion of the participant's performance stock, performance stock units and performance units will vest to the extent performance goals are achieved at the end of the performance period.

Unless otherwise determined by the Compensation Committee at or after the grant date, upon a termination of employment for any other reason, all outstanding performance stock, performance stock units and performance units held by the participant will be immediately canceled, provided that if the termination of employment is the result of retirement, and the Compensation Committee requests and the participant agrees to execute a release of claims and be bound by certain restrictive covenants, then,

so long as the participant complies with the covenants in its agreement, a pro rata portion of the participant's performance stock, performance stock units and performance units will vest to the extent performance goals are achieved at the end of the performance period.

#### **Restricted Stock, Restricted Stock Units and Share Awards**

Restricted stock is common stock of the Corporation that is subject to forfeiture until vested. A restricted stock unit is a contractual right to receive a stated number of shares of common stock, or if provided by the Compensation Committee on or after the grant date, cash equal to the fair market value of such shares of common stock or any combination of shares of common stock and cash having an aggregate fair market value equal to such stated number of shares of common stock, that is subject to forfeiture until vested. Share awards are awards of unrestricted common stock.

The grant date of any restricted stock or restricted stock unit under the Amended Plan will be the date on which such restricted stock or restricted stock units are awarded by the Compensation Committee or on such other future date as the Compensation Committee shall determine. Restricted stock and restricted stock units granted under the Amended Plan will vest based on a minimum period of service (generally over a three-year period) or the occurrence of events specified by the Compensation Committee. The Compensation Committee has the discretion to grant restricted stock and restricted stock unit awards that have a vesting period of less than three years for an aggregate number of shares of common stock not to exceed 5% of the total number of shares of common stock available for issuance under the Amended Plan. Unless otherwise determined by the Compensation Committee at or after the grant date, in the event of a participant's death or disability, a pro rata portion of the participant's restricted stock and restricted stock units will vest, and the remainder will be forfeited. Unless otherwise determined by the Compensation Committee at or after the grant date, upon a termination of employment for any other reason, any unvested restricted stock or restricted stock units of the participant will be canceled. Share awards are granted by the Compensation Committee upon terms and conditions determined by the Compensation Committee in its discretion.

#### **Deferred Stock Units**

Each deferred stock unit granted under the Amended Plan represents the contractual right to receive a stated number of shares of common stock or, if provided by the Compensation Committee on or after the grant date, cash equal to the fair market value of such shares of common stock or any combination of shares of common stock and cash having an aggregate fair market value equal to such stated number of shares of common stock, on a specified future date. The grant date of any freestanding deferred stock units under the Amended Plan will be the date on which such freestanding deferred stock units are awarded by the Compensation Committee or on such other future date as the Compensation Committee shall determine. Deferred stock units may be granted by the Compensation Committee independent of other awards or compensation, or subject, to the extent permitted by law and subject to the terms and conditions the Compensation Committee determines, they may be received at the participant's election instead of cash compensation. Generally, upon a participant's termination of employment other than for cause, the Corporation will issue to the participant the shares of common stock underlying any of the participant's deferred stock units. If a participant's employment terminates for cause, any deferred stock units granted independently by the Compensation Committee will be immediately canceled.

#### **Change in Control**

Upon the occurrence of a change in control of the Corporation (as defined in the Amended Plan), unless outstanding awards are honored, assumed or substituted with alternative awards that provide substantially similar terms, conditions and economic value to the substituted awards, all awards will immediately become exercisable and any restrictions related to the awards will lapse, provided, that, at the discretion of the Compensation Committee (as constituted immediately prior to the change in

control) each option, stock appreciation right, restricted stock unit and/or deferred stock unit may be canceled in exchange for an amount of cash calculated pursuant to the Amended Plan. Notwithstanding the foregoing, the Compensation Committee may, in its discretion, instead terminate any outstanding options or stock appreciation rights if either the Corporation provides holders of such options and stock appreciation rights with reasonable advance notice to exercise their outstanding and unexercised options and stock appreciation rights, or the Compensation Committee reasonably determines that the change in control price (as defined in the Amended Plan) is equal to or less than the exercise price for such options or stock appreciation rights.

### Forfeiture

Unless otherwise determined by the Compensation Committee, participants will be subject to confidentiality, non-competition and non-solicitation covenants during the period commencing with a participant's employment and continuing until the one year period following the later of the participant's termination of employment and the expiration of any post-termination exercise period. If the participant violates any of these covenants during the protected period, any unexercised options, stock appreciation rights, outstanding performance stock, performance stock units, performance units, restricted stock or restricted stock units will be forfeited as of the date the violation occurred. The participant must also pay to the Corporation any financial gain on options or stock appreciation rights exercised or performance stock, performance stock units, performance units, restricted stock or restricted stock units vesting, or share awards granted, in the twelve month period prior to the violation. The Compensation Committee may also require that a participant forfeit some or all of his outstanding options, stock appreciation rights, performance stock, performance stock units, performance units, restricted stock or restricted stock units or the portion of the proceeds that a participant realized from the sale of common stock subject to any options, stock appreciation rights or received as share awards or in settlement of any performance stock, performance stock units, performance units, restricted stock or restricted stock units, if the participant engages in misconduct, fraud or gross negligence that results in, or is connected with, a restatement of the Corporation's financial statements. In addition, all awards granted under the Amended Plan are subject to the Corporation's compensation recovery policy under the Corporation's Standards of Business Conduct to the extent applicable. See "Compensation Discussion and Analysis Policy On Recovering Bonuses In The Event of a Restatement" for a description of the Corporation's compensation recovery policy.

### New Plan Benefits and Option History

Future benefits under the Amended Plan are not currently determinable. Moreover, it is also not possible to determine the amounts that would have been paid for 2009 had the Amended Plan been in effect during such year.

From the inception of the 2008 Omnibus Plan through March 26, 2010, options granted under the Plan include the following:

<b>Name and Principal Position</b>	<b>Number of Options</b>
Mark P. Frissora, Chief Executive Officer	740,174
Elyse Douglas, Chief Financial Officer	172,707
Michel Taride, President, Hertz Europe Limited	127,063
Gerald Plescia, President, Hertz Equipment Rental Corporation	120,772
Jeffrey Zimmerman, General Counsel, Secretary	

	<b>Number of</b>	<b>Weighted</b>
	<b>Option Shares</b>	<b>Average</b>
		<b>Exercise Price</b>
Balance, December 31, 2011	-	\$ -
Granted	750,000	0.10
Canceled	-	-
Exercised	-	-
Expired	-	-
Balance, June 30, 2012	750,000	0.10
Exercisable, June, 2012	312,500	\$ 0.10

---

At June 30, 2012, the weighted average remaining contractual life of the options outstanding was 1.72 years. The intrinsic value of the exercisable options outstanding at June 30, 2012 was \$82,500.

#### **NOTE 7 SUBSEQUENT EVENTS**

On July 3, 2012 the Company purchased a 17% working interest in an oil well located in Archer County, Texas for a price of \$68,000 cash.

---

#### **Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

*This discussion and analysis of our financial condition and results of operations should be read in conjunction with our financial statements and notes thereto included in this quarterly report on Form 10-Q (the Quarterly Report ) and the audited financial statements and notes thereto included in our annual report on Form 10-K for the year ended December 31, 2011 (the 2011 Annual Report ), as filed with the Securities and Exchange Commission (the SEC ). In addition to historical information, this discussion and analysis contains forward-looking statements that involve risks, uncertainties, and assumptions. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors, including but not limited to those identified in the 2011 Annual Report in the section entitled Risk Factors.*

#### **Overview**

BRI is an oil and gas exploration company, with properties located mostly in the Bakken. As of April 16, 2012, the Company owns 50% of the mineral rights to approximately 6,000 gross acres of land located about 8 miles southeast of Williston, North Dakota. Our current and proposed operations consist of holding certain mineral rights which presently entitle the Company to royalty rights on average of 12.5% from the oil and gas produced on such lands. We have no working interest rights to influence the activities conducted by the Lessees of our mineral rights. In the event the operators fail to meet their drilling commitment, the Company has only three options: 1) it can agree to grant an extension; 2) it can renegotiate the terms of the existing leases; or 3) it can legally terminate the leases. We will focus on evolving the Company into a growth-orientated independent energy company engaged in the acquisition, exploration, exploitation, and development of oil and natural gas properties; focusing our activities initially in the Williston Basin, a large sedimentary basin in eastern Montana, Western North and South Dakota, and Southern Saskatchewan known for its rich deposits of petroleum and potash.

On February 4, 2011, we entered into agreements relating to the private placement of \$50,000 of our securities through the sale of 200,000 shares of our common stock at \$0.25 per share, with 100,000 total warrant shares attached that are exercisable at \$.50 per share for three years from the date of this sale and callable at \$0.01 per share at any time after February 4, 2012, if the underlying shares are registered and the common stock trades for 20 consecutive trading days at an average closing sales price of \$.75 or more. In conjunction with the private placement, there were no fees, commissions, or professional fees for services payable. The placement was undertaken by the officers of the Company. The private placement of these securities was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended. The proceeds from these sales of unregistered securities were used to fund Company operations.

On March 18, 2011, we entered into agreements relating to the private placement of \$695,000 of our securities on substantially similar terms as in the February 4, 2011 closing. The placement was undertaken by the officers of the Company. The private placement of these securities was exempt from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended. The proceeds from these sales of unregistered securities were used to fund Company operations. With the conclusion of the March 18, 2011 closings, the raise under the original private placement which commenced in November 2010 for \$2.5 million were completed in full.

In May and June 2011, we entered into a series of convertible debt agreements with certain investors in an aggregate amount of \$300,000. Such notes bear an annual interest rate of 6% and were convertible into shares of common stock of the Company upon the closing of a qualified equity financing round prior to December 31, 2011. Conversion, if it occurred, would have been at a 25% discount to the price per share of the qualified financing round. Interest on the Notes shall not be deemed payable in the event of an equity conversion pursuant to a qualified financing round. The Company issued the notes pursuant to the exemption from registration afforded by the provisions of Section 4(2) of the Securities Act and Rule 506 of Regulation D thereunder. In January 2012, holders of \$155,000 of such notes elected to convert at a price of \$0.375 per share. Also in January 2012, holders of \$95,000 of such notes elected to extend such notes until June 30, 2012.

In September 2011 and February 2012, we sold an aggregate of 150,000 shares of common stock of the Company at \$0.50 per share pursuant to subscription agreements. The September 2011 and February 2012 investors also received an aggregate of 75,000 warrants exercisable at \$0.75 per share reflecting 50%

of the original investment amount. The Company received gross proceeds of \$75,000 in connection with this sale. The Company issued the shares and warrants pursuant to the exemption from registration afforded by the provisions of Section 4(2) of the Securities Act and Rule 506 of Regulation D thereunder.

### ***Results of Operations***

#### *Comparison of the Six Months Ended June 30, 2012 and June 30, 2011*

*Revenue.* We accrued revenue for the quarter ended June 30, 2012 of \$260,904, compared to revenue of \$28,039 for the six months ended June 30, 2011. The revenue amount for the period ended June 30, 2012 is based on our estimates for second quarter oil production from our currently producing wells and is based on a conservative estimate of currently available public information. Since the beginning of 2011, we have received royalty checks totaling \$415,768 to date from wells operated by Continental Resources and Oasis Petroleum. Typically, royalty checks from oil well operators can be delivered anytime between 60 to 150 days following the month of initial production. Following oil well production, the oil well operator will usually seek a division order title opinion from any attorney which would describe the ownership of the production. Following issuance of this opinion, the oil well operator will generally issue division orders which would set forth payments to the royalty holders. North Dakota law requires payment of 18% annual interest if royalty payments are not made within 150 days after oil produced by the well is marketed. For additional information regarding the rights of royalty holders, see the Royalty Owner Information Center link found on the website for the North Dakota Petroleum Council, [www.ndoil.org](http://www.ndoil.org).

*General and Administrative Expenses.* General and administrative expenses were \$102,256 for the six-month period ended June 30, 2012 compared to \$24,413 for the same period in 2011, an increase of \$77,843. The increase in 2012 is principally attributable to recognition of compensation expense for the vested stock options granted during the first quarter 2012.

Our material financial obligations include our salaries paid to our three current employees, fees paid to outside consultants, public company reporting expenses, transfer agent fees, bank fees, and other recurring fees.

### ***Liquidity and Capital Resources***

The Company has historically met our capital requirements through the issuance of stock and by borrowings. From November 2010 through March 2011, the Company raised approximately \$2.5 million in equity financing, net of offering costs of approximately \$0.2 million. As of June 30, 2012, the Company had cash of \$470,009. Our recent rate



of use of cash in our operations over the last six months has been approximately \$81,000 per month and consists mainly of salaries, office rent, travel and professional fees. Given our recent rate of use of cash in our operations, we believe we have sufficient capital to carry on operations for the next year. Our long term capital requirements and the adequacy of our available funds will depend on many factors, including the reporting company costs, public relations fees, and operating expenses, among others.

In the future, we anticipate we will be able to provide the necessary liquidity we need by the revenues generated from the royalties received through sales of our oil reserves in our existing properties. No assurances, however, can be given that such royalties will be received and as of June 30, 2012, the royalty revenues received have not been sufficient to provide liquidity. If the Company does not generate sufficient revenues it will continue to finance operations through equity and/or debt financings.

We will continue to evaluate additional properties containing mineral rights which we may seek to acquire. With respect to transactions involving the acquisition of additional mineral rights or other business collaboration transactions, we may seek to issue shares of our common stock or other equity to finance part or all such acquisitions or transactions. To the extent that such acquisitions or transactions require cash payments, such payments will likely have a material impact on our liquidity.

Until we can generate significant revenues from operations, we expect to continue to fund operations with proceeds of offerings of our equity and debt securities. However, we may not be successful in obtaining cash from new or existing agreements or licenses, or in receiving royalty payments under our existing leases. In addition, we cannot be sure that additional financing will be available when needed or that, if available, financing will be obtained on terms favorable to us or to our stockholders. Having insufficient funds may require us to delay, scale back, or eliminate some or all of our business development

---

activities. Failure to obtain adequate financing also may adversely affect our ability to operate as a going concern. If we raise additional funds from the issuance of equity securities, substantial dilution to our existing stockholders would likely result. If we raise additional funds by incurring debt financing, the terms of the debt may involve significant cash payment obligations as well as covenants and specific financial ratios that may restrict our ability to operate our business.

*Satisfaction of our cash obligations for the next 12 months*

A critical component of our operating plan impacting our continued existence is the ability to obtain additional capital through additional equity and/or debt financing and JV drilling partnerships. We do not anticipate enough positive internal operating cash flow until we can generate substantial oil and gas royalty revenues. In the event we cannot obtain the necessary capital to pursue our strategic plan, we may have to cease or significantly curtail our operations. This would materially impact our ability to continue operations. However, due to our low overhead, we are not dependent on new capital if we do not wish to accelerate our drilling programs and/or buy up working interests in potential wells during the next 12 months.

Since inception, we have financed cash flow requirements through debt financing and issuance of common stock for cash and services. As we expand operational activities, we may continue to experience net negative cash flows from operations, pending receipt of sales or development fees, and will be required to obtain additional financing to fund operations through common stock offerings and debt borrowings to the extent necessary to provide working capital.

Over the next twelve months we believe that existing capital and anticipated funds from operations will be sufficient to sustain current operations. We may seek additional capital in the future to fund growth and expansion through additional equity or debt financing or credit facilities. No assurance can be made that such financing would be available, and if available it may take either the form of debt or equity. In either case, the financing could have a negative impact on our financial condition and our Stockholders.

We anticipate incurring operating losses over the next six months. We have collected approximately \$490,000 in royalty income from August 2011 to June 30, 2012 from production on six wells. We have information that an additional twelve (12) wells are either in production or are in confidential status. Although we believe that our income from our wells will likely reduce or eliminate operating losses in the near future, we have no control over the timing of when we will receive such royalty payments. In addition, we can give no assurance that we will be successful in addressing operational risks as previously identified under the "Risk Factors" section, and the failure to do so can have a material adverse effect on our business prospects, financial condition and results of operations.

### ***Off-Balance Sheet Arrangements***

We currently do not have any off-balance sheet arrangement that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

### ***Critical Accounting Policies, Estimates, and Judgments***

Our financial statements are prepared in accordance with accounting principles that are generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. We continually evaluate our estimates and judgments, the most critical of which are those related to revenue recognition, the timing of the royalty revenues, and income taxes. We base our estimates and judgments on historical experience and other factors that we believe to be reasonable under the circumstances. Materially different results can occur as circumstances change and additional information becomes known.

Besides the estimates identified above that are considered critical, we make many other accounting estimates in preparing our financial statements and related disclosures. All estimates, whether or not deemed critical, affect reported amounts of assets, liabilities, revenues and expenses, as well as

14

---

disclosures of contingent assets and liabilities. These estimates and judgments are also based on historical experience and other factors that are believed to be reasonable under the circumstances. Materially different results can occur as circumstances change and additional information becomes known, even for estimates and judgments that are not deemed critical.

For further information, refer to the consolidated financial statements and notes thereto included in the Company's annual report on Form 10-K for the year ended December 31, 2011.

#### **Item 4. CONTROLS AND PROCEDURES**

Management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is defined in Rule 13a-15(f) or 15d-15(f) promulgated under the Securities Exchange Act of 1934, as amended, as a process designed by, or under the supervision of, a company's principal executive and principal financial officers and effected by a company's board of directors, management and other personnel, to provide reasonable assurances regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the company;

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

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.

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of our internal control over financial reporting as of June 30, 2012.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

We identified material weaknesses in our internal control over financial reporting as of June 30, 2012 because certain elements of an effective control environment were not present as of June 30, 2012, including the financial reporting processes and procedures, and internal control procedures by our board of directors as we have yet to establish an audit committee and our full board has not been adequately performing those functions. There exists a significant overlap between management and our board of directors, with three of our six directors being members of management.

Based on this assessment and the material weaknesses described above, management has concluded that internal control over financial reporting was not effective as of June 30, 2012. We have hired a Chief Financial Officer and have developed policies relating to our internal controls and procedures to help address any material weaknesses.

We intend to take the following steps as soon as practicable to remediate the material weaknesses we identified as follows:

We will segregate incompatible functions using existing personnel where possible or, given sufficient capital resources, we will hire additional personnel to perform those functions. In this regard, we note in particular the formal appointment of David Deffinbaugh, our CFO, to our Board as well as the entry of Mr. Deffinbaugh into a written employment agreement with the Company.

§

We will, and have, appointed additional outside directors, particularly those who may have experience with regard to financial reporting, financial reporting processes and procedures and internal control procedures. In this regard, we note in particular the appointment of W. Edwards Nichols to our Board.

15

---

§

To the extent we can attract outside directors, we plan to form an audit committee to review and assist the board with its oversight responsibilities and appoint a financial expert to be the chairperson of such audit committee.

### **Changes in Internal Control Over Financial Reporting**

As of the end of the period covered by this Report, there have been no changes in internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) during the quarter ended June 30, 2012, that materially affected, or are reasonably likely to materially affect, our Company's internal control over financial reporting.

16

---

## **PART II OTHER INFORMATION**

### **Item 1.**

## **LEGAL PROCEEDINGS**

On April 2, 2012, BRI was served with a summons relating to a complaint filed by Allan Holms, both individually and derivatively through Roil Energy, LLC. Allan Holms is the half-brother of BRI's CEO, Val Holms. The complaint (filed in the Superior Court of the State of Washington located in Spokane County) names, among others, Joseph Edington, Val and Mari Holms, Holms Energy, LLC and BRI as defendants. The Complaint primarily alleges breach of contract, tortious interference with prospective business opportunity and fraud. The complaint focuses on events allegedly occurring around February and March 2010 whereby Allan Holms alleged an oral agreement took place whereby he was to receive up to 40% of the originally issued equity of Roil Energy, LLC. Allan Holms alleges Roil Energy was originally intended to be the predecessor entity to BRI. Both Mr. Val Holms, our CEO, and BRI dispute such allegations in their entirety and intend to and have vigorously defended against such claims. On August 17, 2012, BRI filed a motion to dismiss the lawsuit in the Superior Court of the State of Washington, County of Spokane to dismiss the complaint filed by Allan Holms on April 2, 2012, and the Court has scheduled a hearing on September 21, 2012 to hear oral arguments relating to the motion to dismiss.

On June 6, 2012, BRI filed a Temporary Restraining Order (the TRO) and Verified Complaint for Injunctive Relief against McKinley Romero, Peter Swan Investment Consulting Ltd and IWJ Consulting Group, LLC (collectively, the Defendants), in connection with the Defendants' request to the transfer agent to remove restrictive legends from an aggregate of 4.7 million shares, which the Company believes were improperly obtained by the Defendants. The Company obtained the TRO from the Second Judicial District Court of the State of Nevada, County of Washoe on June 6, 2012 enjoining the Defendants from seeking removal of the restrictive legends. On a scheduled hearing on June 26, 2012 the judge in this matter ruled in favor of the Company's motion for a preliminary injunction. The order granting such preliminary injunction was issued from this court on August 14, 2012.

### **Item 2.**

## **UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS**

None.

### **Item 3.**

## **DEFAULTS UPON SENIOR SECURITIES**

None.

### **Item 4.**

## **MINE SAFETY DISCLOSURES**

Not applicable.

**Item 5.**

**OTHER INFORMATION**

None.

17

**Item 6.**

**EXHIBITS**

The following exhibit index shows those exhibits filed with this report and those incorporated herein by reference:

<b>Exhibits</b>	<b>Description of Document</b>	<b>Filed Herewith</b>	<b>Form</b>	<b>Incorporated Herein by Reference Exhibit</b>	<b>Filing Date</b>
3.1	Articles of Incorporation		S-1	3.1	02-26-09
3.2	Bylaws		S-1	3.2	02-26-09
4.1	Non-Qualified Stock Option and Stock Appreciation Rights Plan adopted on June 10, 2008		S-1	10.3	02-26-09
4.2	Form of Registration Rights Agreement 2010		10-K	4.3	04-15-11
4.3	Form of Warrant 2010		10-K	4.4	04-15-11
4.4	Form of Warrant 2011 (Convertible Bridge Loan)		8-K	10.1	05-25-11
4.5			8-K	10.2	05-25-11

Edgar Filing: HERTZ GLOBAL HOLDINGS INC - Form DEF 14A

Form of Convertible Promissory Note 2011				
10.1	Assignment of Interest Agreement between Bakken Resources, Inc. (formerly Multisys Language Solutions, Inc.) and Peter Schmid dated June 11, 2008	S-1	10.2	02-26-09
10.2	Asset Purchase Agreement with Holms Energy, LLC entered into on November 26, 2010	8-K	10.1	10-21-10
10.3	Asset Purchase Agreement between Holms Energy, LLC and Evenette and Rocky Greenfield entered into on November 12, 2010	8-K	10.2	10-21-10
10.4	Promissory note with Holms Energy, LLC for \$485,000 entered into on November 12, 2010	8-K	10.2	11-18-10
10.5	Office Lease beginning December 1, 2010	10-K	10.6	04-15-11
10.7	Form of Common Stock and Warrant Purchase Agreement 2010	10-K	10.7	04-15-11
10.8	Employment Agreement by and between Bakken Resources, Inc. and Val M. Holms, dated February 1, 2011	8-K	10.1	02-07-11
10.9	Employment Agreement by and between Bakken Resources, Inc. and Karen Midtlyng, dated February 1, 2011	8-K	10.2	02-07-11
10.10	Employment Agreement between and between Bakken Resources, Inc. and David Deffinbaugh, dated effective as of January 1, 2012	10-K	10.10	04-16-12
10.11	Form of Securities Purchase Agreement, entered into by Bakken Resources, Inc. on February 4, 2011	8-K	10.1	02-09-11
10.12	Form of Securities Purchase Agreement, entered into by Bakken Resources, Inc. on March 18, 2011	8-K	10.1	03-24-11



Edgar Filing: HERTZ GLOBAL HOLDINGS INC - Form DEF 14A

10.13	Oil and Gas Lease by and between Rocky Greenfield and Evenette Greenfield, Trustees of the Revocable Living Trust of Rocky Greenfield and Evenette Greenfield and Empire Oil Company dated July 29, 2008	10-K	10.12	04-15-11
10.14	Oil and Gas Lease No.1 by and between Rocky Greenfield and Evenette Greenfield, Trustees of the Revocable Living Trust of Rocky Greenfield and Evenette Greenfield and Empire Oil Company dated July 14, 2008	10-K	10.13	04-15-11
10.15	Amendment to Oil and Gas Lease by and between The Rocky Greenfield and Evenette Greenfield Revocable Living Trust, Rocky Greenfield and Evenette Greenfield, Trustees and Oasis Petroleum North America, LLC dated September 18, 2009	10-K	10.14	04-15-11

---

10.16	Extension, Amendment and Ratification of Oil and Gas Lease by and between Evenette Greenfield and Rocky Greenfield and The Armstrong Corporation dated September 9, 2003	10-K	10.15	04-15-11
10.17	Extension, Amendment and Ratification of Oil and Gas Lease by and between Evenette Greenfield and The Armstrong Corporation dated November 24, 2004	10-K	10.16	04-15-11
10.18	Oil and Gas Lease No.2 by and between Rocky Greenfield and Evenette Greenfield, Trustees of the Revocable	10-K	10.17	04-15-11

	Living Trust of Rocky Greenfield and Evenette Greenfield and Empire Oil Company dated July 14, 2008			
10.19	Oil and Gas Lease by and between Val Holms and Mari Holms, individually and as Trustees of the Val Holms and Mari Holms Revocable Living Trust and Empire Oil Company dated July 29, 2008	10-K	10.18	04-15-11
10.20	Oil and Gas Lease by and between Val Holms and Mari Holms, individually and as Trustees of the Val Holms and Mari Holms Revocable Living Trust and Empire Oil Company dated July 14, 2008	10-K	10.19	04-15-11
10.21	Oil and Gas Lease by and between Val Holms and Mari Holms, individually and as Trustees of the Val Holms and Mari Holms Revocable Living Trust and The Armstrong Corporation dated March 1, 2005	10-K	10.20	04-15-11
10.22	Oil and Gas Lease by and between Val Holms and Mari Holms Revocable Living Trust, Val Holms and Maris Holms Trustees and The Armstrong Corporation dated September 9, 2003	10-K	10.21	04-15-11
10.23	Oil and Gas Lease by and between Val Holms and Mari Holms, Trustees of the Val Holms and Mari Holms Revocable Living Trust and the Armstrong Corporation dated November 24, 2004	10-K	10.22	04-15-11
10.24	Oil and Gas Lease by and between Val Holms and Mari Holms, individually and as Trustees of the Val Holms and Mari Holms Revocable Living Trust and Empire Oil Company dated July 14, 2008	10-K	10.23	04-15-11
10.25	Form of Convertible Bridge Loan Agreement 2011	8-K	10.1	05-25-11
10.26	Mineral Property Sale and Purchase Agreement Between John L. Reely, Lincoln Green, Inc. and Bakken Resources, Inc. dated effective as of September 21, 2011	8-K	10.1	09-27-11
31.1	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer			X
31.2	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer			X

32.1	Section 1350 Certification of Chief Executive Officer	X
32.2	Section 1350 Certification of Chief Financial Officer	X

19

---

### SIGNATURES

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.

#### **BAKKEN RESOURCES, INC.**

/s/ Val M. Holms

Date: August 20, 2012

Val M. Holms

President, CEO, and Director

(Principal executive officer)

/s/ David Deffinbaugh

David Deffinbaugh

CFO, Treasurer, and Director

(Principal financial and accounting officer)

20