UNITED RENTALS INC /DE
Form DEF 14A
March 21, 2016
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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 x

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))**

x Definitive Proxy Statement

¨ Definitive Additional Materials

¨ Soliciting Material Pursuant to § 240.14a-12

United Rentals, 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):

x 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:

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¨ Fee paid previously with preliminary materials.

¨ 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:

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UNITED RENTALS, INC.

100 First Stamford Place, Suite 700

Stamford, Connecticut 06902

March 21, 2016

Dear Fellow Stockholders:

You are cordially invited to attend this year s annual meeting of stockholders, which will be held on Tuesday, May 3, 2016, at the Hyatt Regency Greenwich, 1800 East Putnam Avenue, Old Greenwich, Connecticut. The meeting will start at 9:00 a.m., Eastern time.

Under U.S. Securities and Exchange Commission rules that allow companies to furnish proxy materials to stockholders over the Internet, we have elected to deliver our proxy materials to the majority of our stockholders over the Internet. This delivery process allows us to provide stockholders with the information they need, while at the same time conserving natural resources and lowering the cost of delivery. On March 21, 2016, we mailed to our stockholders a Notice and Access to Internet Availability of Proxy Materials (the Notice) containing instructions on how to access our 2016 proxy statement and annual report for the fiscal year ended December 31, 2015. The Notice also provides instructions on how to vote online or over the telephone and includes instructions on how to receive, free of charge, a paper copy of the proxy materials by mail.

Details of the business expected to come before the annual meeting are provided in the enclosed Notice of Annual Meeting of Stockholders and proxy statement. Your vote is important. Whether or not you intend to be present at the meeting, it is important that your shares be represented. In addition to voting in person, stockholders of record may vote via a toll-free telephone number or over the Internet. Stockholders who received a paper copy of the proxy materials by mail may also vote by completing, signing and mailing the enclosed proxy card promptly in the return envelope provided.

Thank you for your continued support.

Sincerely,

JENNE K. BRITELL
Chairman

MICHAEL J. KNEELAND
Chief Executive Officer

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UNITED RENTALS, INC.

100 First Stamford Place, Suite 700

Stamford, Connecticut 06902

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO OUR STOCKHOLDERS:

The annual meeting of stockholders of United Rentals, Inc. (the Annual Meeting) will be held at the Hyatt Regency Greenwich, 1800 East Putnam Avenue, Old Greenwich, Connecticut, on Tuesday, May 3, 2016, at 9:00 a.m., Eastern time, for the following purposes:

1. To elect the 11 directors nominated and recommended by the Board of Directors, as named in the accompanying proxy statement;

2. To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2016;

3. To approve our executive compensation on an advisory basis;

4. To consider a stockholder proposal to adopt simple majority vote, if properly presented at the meeting; and

5. To transact such other business, if any, properly brought before the meeting.

The meeting may be adjourned or postponed from time to time. At any reconvened or rescheduled meeting, action with respect to the matters specified in this notice may be taken without further notice to stockholders, except as may be required by our by-laws. Stockholders of record at the close of business on March 7, 2016, are entitled to notice of, and to vote on, all matters at the meeting and any reconvened or rescheduled meeting following any adjournment or postponement.

We are pleased to take advantage of U.S. Securities and Exchange Commission rules that allow issuers to furnish proxy materials to their stockholders on the Internet. We believe these rules allow us to provide you with the information you need while lowering the costs of printing and delivering proxy materials and reducing the environmental impact of the Annual Meeting.

March 21, 2016

By Order of the Board of Directors,

JOLI L. GROSS

Corporate Secretary

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON TUESDAY, MAY 3, 2016. Prior to May 3, 2016, the Notice and Proxy Statement for the 2016 Annual Meeting of Stockholders and the Company s 2015 Annual Report to Stockholders are available electronically at https://materials.proxyvote.com/911363. These materials are also available at http://www.unitedrentals.com/index.php/investor/.

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PROXY STATEMENT SUMMARY

This summary highlights information about United Rentals, Inc. and certain information contained elsewhere in this proxy statement (Proxy Statement) for our 2016 annual meeting of stockholders. This summary does not contain all of the information that you should consider in voting your shares. You should read the entire Proxy Statement carefully before voting.

VOTING MATTERS AND BOARD RECOMMENDATIONS

Proposal		Board Vote Recommendation	Page Reference
Proposal 1	Election of Directors	FOR each nominee	**11**
Proposal 2	Ratification of Appointment of Public Accounting Firm	FOR	**67**
Proposal 3	Advisory Approval of Executive Compensation	FOR	**69**
Proposal 4	Stockholder Proposal to Adopt Simple Majority Vote	AGAINST	**71**

CASTING YOUR VOTE

How to Vote	Stockholder of Record (Shares registered in your name with American Stock Transfer & Trust Company) and Employee Benefit Plan Participants	Street Name Holders (Shares held through a Broker, Bank or Other Nominee)
Visit the applicable voting website and follow the on-screen instructions:	www.voteproxy.com	Refer to voting instruction form.
In the United States call:	1-800-PROXIES (776-9437)	Refer to voting instruction form.
In foreign countries call:	1-718-921-8500	
To the extent you have requested paper copies of proxy materials, sign, date and return your completed proxy card by mail.		
For instructions on attending the 2016 annual meeting in person, please see Voting Voting at the Annual Meeting on page 8.		

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BOARD NOMINEES

You are being asked to vote on the following 11 nominees for director. All directors are elected annually by a majority of the votes cast. All nominees meet the New York Stock Exchange (NYSE) governance standards for director independence, except for Mr. Kneeland, who is not independent due to his position as an executive officer. Information about each director s experiences, qualifications, attributes and skills can be found beginning on page 12.

Name	Age	Director Since	Principal Occupation	Independent	Board Committee Membership*
José B. Alvarez	53	2009	Faculty, Harvard Business School, Retired Executive Vice President-Global Business Development, Royal Ahold NV	Yes	NC, SC
Jenne K. Britell, Ph.D.	72	2006	Chairman, United Rentals, Inc., formerly Chairman and Chief Executive Officer, Structured Ventures, Inc.	Yes	
Bobby J. Griffin	67	2009	Retired President-International Operations, Ryder System, Inc.	Yes	AC, SC
Michael J. Kneeland	62	2008	President and Chief Executive Officer, United Rentals, Inc.	No	SC
Singleton B. McAllister	64	2004	Of Counsel, Husch Blackwell	Yes	CC, SC
Brian D. McAuley	75	2004	Chairman, Pacific Data Vision, Inc., Partner, NH II, LLC	Yes	NC
John S. McKinney	61	1998	Retired Vice President, United Rentals, Inc.	Yes	AC, NC
Jason D. Papastavrou, Ph.D.	53	2005	Chief Executive Officer and Chief Investment Officer, ARIS Capital Management	Yes	AC
Filippo Passerini	58	2009	Operating Executive-U.S. Buyouts, Carlyle Group and Former President, Global Business Services and Chief Information Officer, Procter & Gamble	Yes	AC, CC
Donald C. Roof	64	2012	Retired Executive Vice President and Chief Financial Officer, Joy Global, Inc.	Yes	AC, CC
Keith Wimbush	63	2006	Retired Executive Vice President and Head, Legal Search Practice, Seiden Krieger Associates, Inc.	Yes	CC, NC

* AC - Audit Committee CC Compensation Committee NC Nominating and Corporate Governance Committee

SC Strategy Committee

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CORPORATE GOVERNANCE HIGHLIGHTS

We are committed to the highest standards of ethics, business integrity and corporate governance. We are focused on increasing stockholder value and understand our ethical obligations to our stockholders, employees, customers, suppliers, and the communities in which we operate. Our governance practices are designed to establish and preserve management accountability, provide a structure that allows the Board to set objectives and monitor performance, ensure the efficient use and accountability of resources, and enhance stockholder value.

10 of our 11 director nominees are independent	Annual election of directors	Directors elected by majority vote
Chairman is an independent director	Annual Board and committee self-evaluations	No directors serve on excessive number of boards
Board is diverse in experience and perspective	Policies prohibiting hedging and pledging of our shares	100% Board and committee meeting attendance in 2015
Stock ownership guidelines for directors and executive officers	No shareholder rights plan or poison pill	Audit committee financial experts as defined by the SEC
Roles of Chairman and Chief Executive Officer are separated	No directors or executives are involved in material related party transactions	Comprehensive Code of Conduct and Corporate Governance Guidelines
Board engaged independent consulting and search firm to assist with board refreshment plan	No recent amendment to governing documents that introduced a reduction in stockholder rights	Board and each committee have express authority to retain outside advisors
All NYSE-required Board committees consist solely of independent directors		

STOCKHOLDER ENGAGEMENT

We value our stockholders perspective on our business and each year interact with stockholders through numerous stockholder engagement activities. In 2015, these included participation in 16 investor conferences and our 2015 annual meeting of stockholders. We also had engagement calls with several large institutional investors and proxy advisory firms to discuss their perspectives on our corporate governance practices and executive compensation programs. These engagement activities, and the perspectives we learn, are informative and helpful to us in our ongoing effort to increase stockholder value.

Our Investor Relations department is the contact point for stockholder interaction with United Rentals, Inc. (the Company or United Rentals). Stockholders may also access investor information about the Company through our website at http://www.unitedrentals.com/en/our-company/investor-relations. For questions concerning Investor Relations, please call 203-618-7318 or e-mail us from the Contact Us section available on our website at http://www.unitedrentals.com/en/our-company/investor-relations.

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2015 BUSINESS HIGHLIGHTS

Highlights from 2015 include the following:

- Total and rental revenue, net income, diluted earnings per share (EPS), adjusted EPS[1], free cash flow[2], adjusted earnings before interest, taxes, depreciation and amortization (EBITDA[3]) and adjusted EBITDA margin were all Company records.

  - Total revenue was $5.817 billion and rental revenue was $4.949 billion, compared with $5.685 billion and $4.819 billion, respectively, for 2014. Excluding the adverse impact from currency, total revenue would have increased 4.0% year-over-year.

  - Net income was $585 million, or $6.07 per diluted share, compared with $540 million, or $5.15 per diluted share, for 2014.

  - Adjusted EPS was $8.02 per diluted share, compared with $6.91 per diluted share for 2014.

  - Free cash flow was $919 million after total rental and non-rental capital expenditures of $1.636 billion, compared with $557 million after total rental and non-rental capital expenditures of $1.821 billion in 2014.

  - Adjusted EBITDA was $2.832 billion and adjusted EBITDA margin was 48.7%, compared with $2.718 billion and 47.8%, respectively, for 2014.

- The Company s Trench Safety and Power & HVAC businesses rental revenue increased by a combined 21% year-over-year, primarily on a same store basis.

- Flow-through, which represents the year-over-year change in adjusted EBITDA divided by the year-over-year change in total revenue, was 86.4%.

- The Company repurchased $648 million of common stock to complete the $750 million share repurchase program that was announced in December 2014. In addition, the Company repurchased $110 million of common stock under a $1 billion share repurchase program which was authorized in July 2015.

For more information regarding our 2015 performance, please review our Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

[1] Adjusted EPS is a non-GAAP financial measure, as defined in the Company s Form 8-K filed on January 28, 2016.

[2] Free cash flow is a non-GAAP financial measure, as defined on page 38 of the Company s Form 10-K for the year ended December 31, 2015.

[3] Adjusted EBITDA is a non-GAAP financial measure, as defined on page 24 of the Company s Form 10-K for the year ended December 31, 2015.

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EXECUTIVE COMPENSATION OVERVIEW

Our executive compensation program aims to attract and retain high-caliber management talent to lead our business and reward them for outstanding performance.

Principal Elements of Pay: Our program emphasizes variable pay that aligns compensation with performance and stockholder value and has three key elements: base salary, annual incentive compensation and long-term incentive compensation. Each of these elements serves a specific purpose in our compensation strategy.

Pay Element	How It s Paid	Purpose
Base Salary	Cash (Fixed)	Provide a competitive base salary rate relative to similar positions in the market and enable the Company to attract and retain highly skilled executive talent.
Annual Incentive Compensation Plan (AICP)	Cash and Vested Shares of Company Stock (Variable)	Focus executives on achieving annual financial and strategic objectives that promote growth, profitability and returns.
Long-Term Incentive Plan (LTIP)	Equity (Variable)	Provide incentive for executives to reach financial goals and align their long-term economic interests with those of stockholders through meaningful use of equity compensation.

Pay Mix: The mix of pay elements is heavily leveraged toward variable, performance-based compensation. For 2015, the significant majority of named executive officer (NEO) pay was variable: 88% for the Chief Executive Officer (CEO); and an average of 71% for our other NEOs.

Stockholder Support: At the Company s 2015 annual meeting of stockholders, we received substantial support for our executive compensation program, with approximately 98% of the stockholders who voted on the say on pay proposal approving the compensation of our NEOs. We interpreted this exceptionally strong level of support as affirmation of the structure of our program and our approach to making compensation decisions. As a result, we did not make substantive changes to the program design in 2015.

Compensation Governance: Our program is built on the foundation of the following best practices and policies:

	What We Do		What We Don t Do
ü	Heavy emphasis on variable (at-risk) compensation	×	No significant perquisites
ü	Stock ownership guidelines supported by net share retention requirements	×	No supplemental executive retirement plans
ü	Double-trigger equity vesting upon a change in control	×	No history of re-pricing equity awards
ü	Clawback contract provisions and anti-hedging/pledging policy	×	No tax assistance
ü	Engage an independent compensation consultant	×	No tax gross-ups

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2015 Pay Decisions: The Compensation Committee took the following compensation-related actions for fiscal 2015:

Base salaries: The CEO did not receive a base salary increase. The other NEOs received increases ranging from approximately 4% to 5%.

Incentive compensation: Based on Company performance, the funding for both our AICP and LTIP was below target and well below prior year. Annual bonuses were earned at 54.1% of target, and LTIP awards were earned at 55.7% of target.

For specific details about the executive compensation program, please refer to the Compensation Discussion & Analysis (CD&A) starting on page 27 of this Proxy Statement.

COMPANY AWARDS

2015 AWARDS AND RECOGNITIONS

National Diversity Excellence Award (fourth consecutive year) *Association of Builders and Contractors*	**Company Partner of the Year** *Workplace*
Most Valuable Employer of Military and Transitioning Veterans *Civilian Jobs*	**Recognition of Commitment to Exemplary Board Leadership (second consecutive year)** *National Association of Corporate Directors*
#22 Top 100 Military Friendly employer (sixth consecutive year) *G.I. Jobs*	**America s Most Honored Companies** *Institutional Investor*
#34 Employer of Choice for Transitioning Military and Veterans *Military Times Best for Vets*	**Proud Sponsor of the United Compassion Fund,** *an employee-funded program for assisting United Rentals employees in need*
Top 50 Military Friendly spouse employer *G.I. Jobs*	

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UNITED RENTALS, INC.

100 First Stamford Place, Suite 700

Stamford, Connecticut 06902

March 21, 2016

PROXY STATEMENT

ANNUAL MEETING OF STOCKHOLDERS

We are providing this proxy statement in connection with the solicitation by the Board of Directors (the Board) of United Rentals, Inc. (the Company) of proxies to be voted at our 2016 annual meeting of stockholders to be held at the Hyatt Regency Greenwich, 1800 East Putnam Avenue, Old Greenwich, Connecticut, on Tuesday, May 3, 2016, at 9:00 a.m., Eastern time, and at any reconvened or rescheduled meeting following any adjournment or postponement.

This proxy statement contains important information for you to consider when deciding how to vote. Please read this information carefully.

Internet Availability of Proxy Materials

We are making this proxy statement and our 2015 annual report to stockholders available to our stockholders on the Internet. On March 21, 2016, we mailed our stockholders a Notice and Access to Internet Availability of Proxy Materials (the Notice) containing instructions on how to access our proxy materials, including this proxy statement and our 2015 annual report. Stockholders will be able to access all proxy materials over the Internet free of charge, with such materials being searchable, readable and printable. The Notice also provides instructions on how to vote over the Internet, by telephone or by mail. If you received the Notice by mail, you will not receive a printed copy of the proxy materials in the mail unless you specifically request these materials.

Internet distribution of proxy materials is designed to expedite receipt by stockholders, lower the cost of our annual meetings, and reduce the environmental impact of such meetings. However, if you received the Notice by mail and would like to receive a printed copy of our proxy materials, free of charge, please follow the instructions for requesting such materials contained in the Notice.

Record Date

The record date for determining stockholders entitled to notice of, and to vote at, the annual meeting (and at any reconvened or rescheduled meeting following any adjournment or postponement) has been established as the close of business on March 7, 2016.

Voting Securities Outstanding on Record Date

As of the record date, there were 90,023,734 shares of our common stock outstanding and entitled to vote. From April 19 to May 2, 2016, a list of the stockholders entitled to vote at the annual meeting will be available for inspection during ordinary business hours at our principal executive offices located at 100 First Stamford Place, Suite 700, Stamford, Connecticut. The list will also be available at the annual meeting.

Right to Vote

With respect to each matter properly brought before the annual meeting, each holder of our common stock as of the record date will be entitled to one vote for each share held on the record date.

Voting

Voting Before the Annual Meeting

If you are a stockholder of record, meaning that you hold your shares in certificate form or through an account with our transfer agent, American Stock Transfer & Trust Company, you have three options to vote before the annual meeting:

VIA THE INTERNET Visit the website *http://www.voteproxy.com* and follow the on-screen instructions. Please be sure to make reference to the Notice or, to the extent applicable, your proxy card when you access the web page and use the Company Number and Account Number contained therein. The submission of your proxy via the Internet is available 24 hours a day. To be valid, a submission via the Internet must be received by 11:59 p.m., Eastern time, on Monday, May 2, 2016.

BY TELEPHONE Call 1-800-PROXIES (1-800-776-9437) in the United States or 1-718-921-8500 in foreign countries from any touch-tone telephone and follow the instructions. Please be sure to make reference to the Notice or, to the extent applicable, your proxy card when you call and use the Company Number and Account Number contained therein. The submission of your proxy by telephone is available 24 hours a day. To be valid, a submission by telephone must be received by 11:59 p.m., Eastern time, on Monday, May 2, 2016.

BY MAIL To the extent you have requested paper copies of the proxy materials, sign, date and return your completed proxy card by mail. To be valid, a submission by mail must be received by 5:00 p.m., Eastern time, on Monday, May 2, 2016.

If you indicate a choice with respect to any matter to be acted upon when voting via the Internet (or by telephone or on your returned proxy card, if applicable) and you do not validly revoke it, your shares will be voted in accordance with your instructions. If you do not vote via the Internet or by telephone, or sign, date and return a proxy card, you must attend the annual meeting in person in order to vote.

If you hold your shares in street name through an account with a bank or broker, you will receive voting instructions from your bank or broker.

If you are a participant in the United Rentals 401(k) Plan, you should have received a separate proxy voting instruction card from the plan trustee, and you have the right to provide voting instructions to the plan trustee by submitting your voting instruction card for those shares that are held by the plan and allocated to your plan account. For your voting instructions to be processed, they must be received by 11:59 p.m., Eastern time, on Friday, April 29, 2016.

Voting at the Annual Meeting

If you are a stockholder of record, you may vote your shares at the annual meeting if you attend in person. If you intend to vote your shares at the annual meeting, you will need to bring valid picture identification with you. We will confirm that you were a stockholder of record on the record date and will provide you with a blank proxy card, which will serve as a ballot on which to record your vote.

If you hold your shares in street name, you must obtain a legal proxy from your bank or broker in order to vote at the annual meeting. A legal proxy is an authorization from your bank or broker to vote the shares it holds in its name. In addition to a legal proxy, you will need to bring with you valid picture identification and a recent account statement from your bank or broker, confirming your holdings on the record date. Based on these documents, we will confirm that you have proper authority to vote and will provide you with a blank proxy card to serve as a ballot.

If you are a participant in the URI 401(k) Plan, you may not vote plan shares in person at the annual meeting because the plan trustee submits one proxy to vote all shares held by the plan.

Even if you plan to attend the annual meeting, we encourage you to vote your shares before the meeting via the Internet, by telephone or by mail.

Directions to the annual meeting are available by calling the Hyatt Regency Greenwich at 1-203-637-1234 or visiting its website at http://greenwich.hyatt.com/en/hotel/our-hotel/map-and-directions.html.

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Failure to Provide Specific Voting Instructions

If you are a stockholder of record and you properly sign, date and return a proxy card, but do not indicate how you wish to vote with respect to a particular nominee or proposal, then your shares will be voted:

FOR the election of all 11 nominees for director named in Proposal 1 Election of Directors

FOR Proposal 2 Ratification of Appointment of Public Accounting Firm

FOR Proposal 3 Advisory Approval of Executive Compensation and

AGAINST Proposal 4 Stockholder Proposal to Adopt Simple Majority Vote

If you hold your shares in street name through an account with a bank or broker, you will receive voting instructions from your bank or broker. Banks and brokers have the authority under New York Stock Exchange (NYSE) rules to vote shares for which their customers do not provide voting instructions on routine matters. The proposal to ratify the appointment of our independent registered public accounting firm is considered a routine matter under NYSE rules. This means that banks and brokers may vote in their discretion on this matter on behalf of clients who have not furnished voting instructions at least ten days before the date of the annual meeting. However, some brokers will only vote uninstructed shares in the same proportion as all other shares are voted with respect to a proposal. Unlike the proposal to ratify the appointment of our independent registered public accounting firm, proposals 1, 3 and 4 are each non-routine matters for which brokers do not have discretionary voting power and for which specific instructions from beneficial owners are required. As a result, brokers are not allowed to vote on these proposals on behalf of beneficial owners if such owners do not return specific voting instructions.

If you are a participant in the URI 401(k) Plan, you should have received a separate proxy voting instruction card from the plan trustee. If you sign and return the voting instruction card but otherwise leave it blank or if you do not otherwise provide voting instructions to the plan trustee by mail, Internet or telephone, your shares will be voted by the plan trustee:

FOR the election of all 11 nominees for director named in Proposal 1 Election of Directors

FOR Proposal 2 Ratification of Appointment of Public Accounting Firm

FOR Proposal 3 Advisory Approval of Executive Compensation and

AGAINST Proposal 4 Stockholder Proposal to Adopt Simple Majority Vote

Quorum

The presence at the annual meeting, in person or represented by proxy, of a majority of the outstanding shares entitled to vote will constitute a quorum for the transaction of business. If a share is deemed present at the annual meeting for any matter, it will be deemed present for all other matters. Abstentions and broker non-votes are treated as present for quorum purposes.

Right to Revoke Proxies

If you are a stockholder of record (even if you voted via the Internet, by telephone or by mail), you retain the power to revoke your proxy or change your vote. You may revoke your proxy or change your vote at any time prior to its exercise by (i) sending a written notice of such revocation or change to United Rentals, Inc., 100 First Stamford Place, Suite 700, Stamford, Connecticut 06902, Attention: Corporate Secretary, which notice must be received by 5:00 p.m., Eastern time, on Monday, May 2, 2016, (ii) voting in person at the annual meeting, (iii) submitting a new proxy via the Internet or by telephone that is received by 11:59 p.m., Eastern time, on Monday, May 2, 2016, or (iv) executing and mailing a later-dated proxy card to American Stock Transfer & Trust Company, Operation Center, 6201 15th Avenue, Brooklyn, New York 11219, which proxy card must be received by 5:00 p.m., Eastern time, on Monday, May 2, 2016.

Street name stockholders who wish to revoke a proxy already returned on their behalf must direct the institution holding their shares to do so.

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Participants in the URI 401(k) Plan who wish to revoke or change voting instructions provided to the plan trustee must follow the instructions of the trustee in order to do so.

Method and Cost of Solicitation

In addition to solicitation by mail, our directors, officers and employees may solicit proxies by telephone, electronic communication or other means. We have also retained Innisfree M&A Incorporated, a proxy solicitation firm, to assist us in soliciting proxies, for an estimated fee of $17,500, plus reimbursement of reasonable out-of-pocket expenses and disbursements. Our directors, officers and employees receive no additional compensation for solicitation of proxies.

We will bear all costs associated with soliciting proxies for the annual meeting. We will, upon request, and in accordance with applicable regulations, reimburse banks, brokers, other institutions, nominees and fiduciaries for their reasonable expenses in forwarding solicitation materials to beneficial owners.

Matters to Be Acted Upon

As discussed in more detail under Proposal 1 Election of Directors, each director is required to be elected by a majority of votes cast with respect to such director, i.e., the number of votes cast for must exceed the number of votes cast against. Abstentions and shares not represented at the meeting will have no effect on the election of directors. Brokers are not entitled to vote on director elections if not furnished voting instructions by their client. As a result, broker non-votes will not be treated as votes cast and will have no effect on the election of directors.

The matter described in Proposal 2 Ratification of Appointment of Public Accounting Firm is required to be approved by the affirmative vote of the majority of shares present in person or represented by proxy at the annual meeting and entitled to vote on the matter. Abstentions will have the same effect as a vote against this proposal, whereas shares not represented at the meeting will not be counted for purposes of determining whether such matter has been approved. Brokers may vote in their discretion on this proposal on behalf of clients who have not furnished voting instructions. As a result, broker non-votes will not arise in connection with, and thus will have no effect on, this proposal.

With respect to Proposal 3 Advisory Approval of Executive Compensation, the affirmative vote of a majority of shares present in person or represented by proxy at the annual meeting and entitled to vote on the matter is required for approval of the compensation of our named executive officers. Voting for Proposal 3 is being conducted on an advisory basis and, therefore, the voting results will not be binding on the Company, the Board or the Compensation Committee. Abstentions will have the same effect as a vote against this proposal, whereas broker non-votes and shares not otherwise represented at the meeting will have no effect on the outcome of such matter.

With respect to Proposal 4 Stockholder Proposal to Adopt Simple Majority Vote, the affirmative vote of a majority of shares present in person or represented by proxy at the annual meeting and entitled to vote on the matter is required to approve the proposal. Abstentions will have the same effect as a vote against this proposal, whereas broker non-votes and shares not otherwise represented at the meeting will have no effect on the outcome of such matter. The vote is being conducted on an advisory basis and, therefore, the voting results will not be binding on the Company.

The Board unanimously recommends that you vote:

FOR the election of all 11 nominees recommended by the Board;

FOR the ratification of the appointment of our public accounting firm;

FOR the resolution approving the compensation of our named executive officers on an advisory basis; and

AGAINST the resolution approving simple majority vote.

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PROPOSAL 1

ELECTION OF DIRECTORS

General

Our Board is currently comprised of the following 11 members: Jenne K. Britell, José B. Alvarez, Bobby J. Griffin, Michael J. Kneeland, Singleton B. McAllister, Brian D. McAuley, John S. McKinney, Jason D. Papastavrou, Filippo Passerini, Donald C. Roof and Keith Wimbush. All directors are elected annually for one-year terms.

The Board, upon the recommendation of our Nominating and Corporate Governance Committee, has nominated each of the aforementioned directors to stand for re-election, and all such directors will stand for re-election.

Election of 11 Directors

The terms of Drs. Britell and Papastavrou, Ms. McAllister and Messrs. Alvarez, Griffin, Kneeland, McAuley, McKinney, Passerini, Roof and Wimbush will expire at the 2016 annual meeting. Upon the unanimous recommendation of the Nominating and Corporate Governance Committee, the Board has nominated each of Drs. Britell and Papastavrou, Ms. McAllister and Messrs. Alvarez, Griffin, Kneeland, McAuley, McKinney, Passerini, Roof and Wimbush to stand for re-election at the annual meeting.

Each director elected at the 2016 annual meeting will hold office until our 2017 annual meeting of stockholders and, subject to the resignation policy described below, until such director s successor is elected and qualified.

Voting

Our by-laws require a director to be elected by a majority of votes cast with respect to such director in uncontested elections. The number of votes cast for a director must exceed the number of votes cast against that director. Abstentions and shares not represented at the meeting have no effect on the election of directors. Directors will continue to be elected by a plurality of votes cast in contested elections. A contested election takes place at any meeting in respect of which (i) our corporate secretary receives a notice pursuant to our by-laws that a stockholder intends to nominate a director or directors and (ii) such proposed nomination has not been withdrawn by such stockholder on or prior to the tenth day preceding the date on which the Company first mails its notice of meeting for such meeting to its stockholders.

If a nominee who is serving as a director is not elected at the annual meeting, under Delaware law, the director would continue to serve on the Board as a holdover director until his or her successor is elected and qualified. However, under our corporate governance guidelines, any director who fails to be elected by a majority vote must offer to tender his or her resignation to the Board on the date of the certification of the election results. The Nominating and Corporate Governance Committee will then consider the resignation offer and make a recommendation to the Board on whether to accept or reject the resignation, or whether other action should be taken. The Board will accept such resignation unless it determines that the best interests of the Company and its stockholders would not be served in doing so. The Board will act on the Nominating and Corporate Governance Committee s recommendation within 90 days from the date of the certification of the election results, unless such action would cause the Company to fail to comply with any requirement of the NYSE or any rule or regulation under the Securities Exchange Act of 1934, as amended (the Exchange Act), in which event the Company will take action as promptly as is practicable while continuing to meet those requirements. The Board will promptly disclose its decision and the rationale behind it in a Form 8-K report furnished to the Securities and Exchange Commission (SEC). The director who offers to tender his or her resignation will not participate in the Nominating and Corporate Governance Committee s recommendation or in the Board s decision.

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If a nominee who is not already serving as a director is not elected at an annual meeting, under Delaware law, that nominee would not be a holdover director and the process described above would not apply.

All nominees for election at the 2016 annual meeting are currently serving on the Board. Each person nominated has agreed to continue to serve if elected. If any nominee becomes unavailable for any reason to serve as a director at the time of the annual meeting, then the shares represented by each proxy may be voted for such other person as may be determined by the holders of such proxy.

The Board unanimously recommends a vote FOR the election of each of Drs. Britell and Papastavrou, Ms. McAllister and Messrs. Alvarez, Griffin, Kneeland, McAuley, McKinney, Passerini, Roof and Wimbush to hold office until the 2017 annual meeting of stockholders (designated as Proposal 1) and until such director s successor is elected and qualified.

Information Concerning Directors and Executive Officers

The table below identifies, and provides certain information concerning, our current executive officers and directors.

Name	Age	Position
Michael J. Kneeland	62	President, Chief Executive Officer and Director
William B. Plummer	57	Executive Vice President and Chief Financial Officer
Matthew J. Flannery	51	Executive Vice President and Chief Operating Officer
Dale A. Asplund	48	Senior Vice President Business Services and Chief Information Officer
Jeffrey J. Fenton	58	Senior Vice President Business Development
Craig A. Pintoff	46	Senior Vice President General Counsel and Human Resources
Jessica T. Graziano	43	Vice President Controller and Principal Accounting Officer
Jenne K. Britell, Ph.D.	73	Chairman and Director
José B. Alvarez	53	Director
Bobby J. Griffin	67	Director
Singleton B. McAllister	64	Director
Brian D. McAuley	75	Director
John S. McKinney	61	Director
Jason D. Papastavrou, Ph.D.	53	Director
Filippo Passerini	58	Director
Donald C. Roof	64	Director
Keith Wimbush	63	Director

Michael J. Kneeland was appointed president and chief executive officer of United Rentals, and a director of the Company, in 2008. He had previously served as interim chief executive officer since 2007. Mr. Kneeland joined United Rentals in 1998 as district manager upon the Company s acquisition of Equipment Supply Company. In 1999 his responsibilities were expanded to include multiple districts within United Rentals aerial operations. He was subsequently named vice president-aerial operations in 2000, and vice president-southeast region in 2001, before being appointed executive vice president-operations in 2003. His more than 33 years of management experience in the equipment rental industry includes key positions in sales and operations with private, public and investor-owned companies, including Free State Industries, Inc. Mr. Kneeland served as Free State s president from 1995 until the company was sold to Equipment Supply Company in 1996. From 1996 to 1998 he served as general manager for

Rylan Rents d/b/a Free State Industries, a division of Equipment Supply. At the time it was acquired by United Rentals, Equipment Supply was the largest aerial equipment rental company in North America. In 2011, Mr. Kneeland was appointed to serve on the board of directors of YRC Worldwide, Inc., a leading provider of transportation and global logistics services, where he serves as the Chairman of the Compensation Committee. In 2015, he was designated Co-Chair, Transportation Stakeholder Alliance (The Business Council of Fairfield County) and was also appointed to the National Advisory Board for the Johns Hopkins Berman Institute of Bioethics.

William B. Plummer joined the Company as our executive vice president and chief financial officer in December 2008. Before joining the Company, Mr. Plummer served as chief financial officer of Dow Jones & Company, Inc., where he set policy for global finance and corporate strategy, from September 2006 to December 2007. Prior to Dow Jones & Company, Mr. Plummer was vice president and treasurer of Alcoa Inc., where he was responsible for global treasury policy and relationship management with commercial and investment banks, since 2000. He also held similar executive positions at Mead Corporation and GE Capital, the financial services subsidiary of General Electric. Mr. Plummer is also a director of John Wiley & Sons, Inc. Mr. Plummer holds degrees in aeronautics and astronautics from the Massachusetts Institute of Technology, and a master of business administration degree from Stanford University s Graduate School of Business.

Matthew J. Flannery was appointed as our executive vice president and chief operating officer in April 2012. Mr. Flannery has extensive experience in all areas of the Company s operations, having previously served as executive vice president operations and sales, senior vice president operations east and in two regional vice president roles in aerial operations. Mr. Flannery has also served as a district manager, district sales manager and branch manager of the Company. He has over two decades of sales, management and operations experience in the rental industry. Mr. Flannery joined the Company in 1998 as part of the Company s acquisition of Connecticut-based McClinch Equipment.

Dale A. Asplund was promoted to our senior vice president business services and chief information officer in April 2012. Mr. Asplund has been our senior vice president business services since April 2011. Joining the Company in 1998, he has held various senior positions that included responsibility for supply chain, fleet management and shared services. His current position also includes management of the Company s information technology systems. Mr. Asplund previously worked for United Waste Systems, Inc. as a divisional manager.

Jeffrey J. Fenton was named senior vice president business development of United Rentals in 2013. Prior to joining the Company, he was a Principal of Devonshire Advisors LLC for nine years, and held senior executive and board positions with BlueLinx Holdings Inc., Global MotorSports Group, Transamerica Trailer Leasing and Maxim Crane Works Holdings, Inc. During his over 20 years with General Electric, he served in numerous positions culminating in chief executive officer of GE Capital Modular Space and was an officer of GE Capital Corporation. Mr. Fenton is also a director of ModusLink Global Solutions, Inc.

Craig A. Pintoff was named to the position of General Counsel in January 2016, with responsibility for leading the Company s legal and human resources functions. Mr. Pintoff has led the United Rentals human resources team since 2005, first as vice president, and since April 2011, as senior vice president. He joined United Rentals in 2003 as director-legal affairs. Prior to joining the Company, Mr. Pintoff was chief benefits and employment counsel for Crompton Corporation in Connecticut. Previously, he was an attorney for White & Case LLP in Manhattan. Mr. Pintoff holds a Juris Doctor from the Columbia Law School and an LL.M. from the New York University School of Law.

Jessica T. Graziano joined the Company as our vice president controller and principal accounting officer in December 2014. Before joining the Company, Ms. Graziano served as senior vice president chief accounting officer, corporate controller and treasurer of Revlon, Inc. since April 2013. Prior to that, she served as Revlon s senior vice president global operations finance from December 2010 through March 2013 and as Revlon s vice president and controller U.S. customer finance from July 2009 to December 2010. Prior to Revlon, Ms. Graziano held other financial positions with UST Inc. (Altria Group) and KPMG LLP. Ms. Graziano holds a Bachelor s degree from Villanova in Accountancy and an MBA in Finance from Fairfield University and is a certified public accountant.

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Jenne K. Britell, Ph.D. became a director of the Company in December 2006 and Chairman of the Board in June 2008. Dr. Britell was chairman and chief executive officer of Structured Ventures, Inc., advisors to U.S. and multinational companies, from 2001 to 2009. From 1996 to 2000, Dr. Britell was a senior executive of GE Capital. At GE Capital, she most recently served as the executive vice president of Global Consumer Finance and president of Global Commercial and Mortgage Banking. From January 1998 to July 1999, she was president and chief executive officer of GE Capital, Central and Eastern Europe, based in Vienna. Before joining GE Capital, she held significant management positions with Dime Bancorp, Inc., HomePower, Inc., Citicorp and Republic New York Corporation. Earlier, she was the founding chairman and chief executive officer of the Polish-American Mortgage Bank in Warsaw, Poland. Dr. Britell is also a director of Crown Holdings, Inc., Quest Diagnostics, Inc. and previously the U.S.-Russia Investment Fund and the U.S.-Russia Foundation for Entrepreneurship and the Rule of Law. Dr. Britell has also served as a member of the board of directors of West Pharmaceutical Services, Aames Investment Corp. and Lincoln National Corp. Dr. Britell was named the 2011 Director of the Year by the National Association of Corporate Directors. She was also named one of six outstanding directors for 2011 by the Outstanding Directors Exchange, a division of the Financial Times. In early 2012, Dr. Britell was elected a member of the Council on Foreign Relations.

José B. Alvarez became a director of the Company in January 2009. Mr. Alvarez has been on the faculty of the Harvard Business School since February 2009. Until December 2008, he was the executive vice president global business development for Royal Ahold NV, one of the world s largest grocery retailers. Mr. Alvarez joined Royal Ahold in 2001 and subsequently held several key senior management positions, including president and chief executive officer of the company s Stop & Shop and Giant-Landover brands. Previously, he served in executive positions at Shaw s Supermarket, Inc. and American Stores Company. Mr. Alvarez also serves as a director of The TJX Companies, Inc. and previously as a director of Church & Dwight Co., Inc. He holds an MBA degree from the University of Chicago Graduate School of Business and an AB degree from Princeton.

Bobby J. Griffin became a director of the Company in January 2009. From March 2005 to March 2007, he served as president international operations for Ryder System, Inc., a global provider of transportation, logistics and supply chain management solutions. Beginning in 1986, Mr. Griffin served in various other management positions with Ryder, including as executive vice president international operations from 2003 to March 2005 and executive vice president global supply chain operations from 2001 to 2003. Prior to Ryder, Mr. Griffin was an executive at ATE Management and Service Company, Inc., which was acquired by Ryder in 1986. He also serves as a director of Hanesbrands Inc. and WESCO International, Inc. Previously, Mr. Griffin served as a director of Horizon Lines, Inc. from May 2010 until April 2012.

Singleton B. McAllister became a director of the Company in April 2004. Ms. McAllister is Of Counsel at the law firm Husch Blackwell. Before joining Husch Blackwell in May 2014, Ms. McAllister had been a partner in the law firms of Williams Mullen from 2012 to 2014, Blank Rome LLP from 2010 to 2012 and LeClairRyan from 2007 to 2010. Prior to entering private practice, Ms. McAllister served for five years as the general counsel for the United States Agency for International Development and has served in senior positions in the U.S. House of Representatives. Ms. McAllister is also a director of Alliant Energy Corporation, Interstate Power and Light Company and Wisconsin Power and Light Company. Additionally, she previously chaired the National Women s Business Center. Ms. McAllister is a member of the Council on Foreign Relations and a fellow to the National Academy of Public Administration. She has also served on the Advisory Board of the African Development Foundation and has been appointed Secretary to the Virginia State Board of Elections.

Brian D. McAuley became a director of the Company in April 2004. Mr. McAuley has served as chairman of Pacific DataVision, Inc. (PDV) since August 2004. PDV is a telecommunications company that provides two-way radio services and software applications. He has also been a partner at NH II, LLC, a consulting firm that specializes in telecommunications businesses, since 2003. Mr. McAuley is a co-founder of Nextel Communications, Inc. and held senior executive positions at Nextel from the company s inception in 1987 until 1996, including seven years as president and chief

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executive officer. Upon leaving Nextel, he joined Imagine Tile, Inc., a custom tile manufacturer, where he served as chairman and chief executive officer from 1996 to 1999 and continues to serve as chairman. He also served as president and chief executive officer of NeoWorld Communications, Inc., a wireless telecommunications company, from 1999 until the sale of that company to Nextel in 2003. Mr. McAuley is a certified public accountant and, prior to co-founding Nextel, his positions included chief financial officer of Millicom Incorporated, corporate controller at Norton Simon Inc. and manager at Deloitte & Touche LLP.

John S. McKinney became a director of the Company in September 1998 following the merger of the Company with U.S. Rentals, Inc. He also served as a vice president of the Company until the end of 2000. Mr. McKinney served as chief financial officer of U.S. Rentals from 1990 until the merger and as controller of U.S. Rentals from 1988 until 1990, and as a staff auditor and audit manager at the accounting firm of Arthur Andersen & Co. Mr. McKinney was assistant dean of the Ira A. Fulton College of Engineering and Technology at Brigham Young University from November 2006 to January 2008.

Jason D. Papastavrou, Ph.D. became a director of the Company in June 2005. Dr. Papastavrou has served as chief executive officer and chief investment officer of ARIS Capital Management, an investment management firm, since founding the company in January 2004. He previously held senior positions at Banc of America Capital Management and at Deutsche Asset Management. Dr. Papastavrou, who holds a Ph.D. in electrical engineering and computer science from the Massachusetts Institute of Technology, taught at Purdue University s School of Industrial Engineering and is the author of numerous academic publications. He is also a director of XPO Logistics, Inc., one of the largest and fastest growing providers of transportation logistics services in North America.

Filippo Passerini became a director of United Rentals in January 2009. Mr. Passerini is an Operating Executive in U.S. Buyouts at Carlyle Group. Prior to joining Carlyle Group, he served as Procter & Gamble Company s Group President, Global Business Services (GBS) and Chief Information Officer (CIO), positions he has held since February 2008 and July 2004, respectively. Mr. Passerini joined Procter & Gamble, a leading multinational manufacturer of consumer goods, in 1981 and held executive positions in the United Kingdom, Greece, Italy, Turkey, Latin America and the United States. On behalf of the Procter & Gamble organization, he oversaw over 170 distinct services in 70 countries and led the integration of Procter & Gamble s IT and services groups to form GBS, one of the largest and most progressive shared services organizations in the world. Mr. Passerini is also a Director of Greatbatch, Inc. Since 2015, Mr. Passerini has also served as a director of Poste Italiane SpA, an Italian company that provides postal and infrastructure services. He is a member of the CIO Hall of Fame and has received numerous awards, including: the inaugural Fisher-Hopper Prize for Lifetime Achievement in CIO Leadership; Shared Service Thought Leader of the Year; and *InformationWeek* s Chief of the Year. He is a native of Rome, Italy and holds a degree in Operations Research from the University of Rome.

Donald C. Roof became a director of the Company on April 30, 2012, in connection with the acquisition of RSC Holdings Inc. (RSC). Mr. Roof served as a Director of RSC and RSC Equipment Rental from August 2007 to April 2012. Mr. Roof most recently served as Executive Vice President and Chief Financial Officer of Joy Global Inc. (Joy), a worldwide manufacturer of mining equipment, from 2001 to 2007. Prior to joining Joy, Mr. Roof served as President and Chief Executive Officer of American Tire Distributors/Heafner Tire Group, Inc. from 1999 to 2001 and as Chief Financial Officer from 1997 to 1999. Mr. Roof has previously served on the board of directors and audit committee of two additional NYSE companies, Accuride Corporation from March 2005 through January 2010, and Fansteel, Inc. from September 2000 through March 2003. Mr. Roof had significant experience during his career in capital raising, mergers and acquisitions, and operating in highly-leveraged situations.

Keith Wimbush became a director of the Company in April 2006. Mr. Wimbush most recently served as executive vice president and head, legal search practice, of Seiden Krieger Associates, Inc., an executive search firm, from

February 2013 to July 2014. Before joining Seiden Krieger, Mr. Wimbush served as executive vice president and North American head of legal of DHR

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International, another executive search firm, since April 2011. From 2010 to 2011, he was a managing director of Executive Search Services International, LLC. From 2003 until 2005, Mr. Wimbush was with Korn/Ferry International, where he served as a senior client partner and was also co-practice leader of the firm s legal specialist group. From 1997 until 2003, Mr. Wimbush served as senior vice president and general counsel of Diageo North America, Inc. and predecessor companies. Mr. Wimbush holds a Juris Doctor from Harvard Law School.

See Corporate Governance Matters Board Consideration of Director Qualifications for additional information regarding the specific experience, qualifications, attributes and skills of the directors named herein that led the Board to conclude that each such director should serve as a director of the Company.

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BOARD MATTERS

General

Our Board is currently comprised of the following 11 members: Jenne K. Britell, José B. Alvarez, Bobby J. Griffin, Michael J. Kneeland, Singleton B. McAllister, Brian D. McAuley, John S. McKinney, Jason D. Papastavrou, Filippo Passerini, Donald C. Roof and Keith Wimbush. All directors are elected annually for one-year terms.

The Board, upon the recommendation of the Nominating and Corporate Governance Committee, has nominated Drs. Britell and Papastavrou, Ms. McAllister and Messrs. Alvarez, Griffin, Kneeland, McAuley, McKinney, Passerini, Roof and Wimbush to stand for re-election at the annual meeting.

Meetings of the Board and its Committees

During 2015, the Board met six times. During 2015, each then-current member of the Board attended 100% of the aggregate of (i) the total number of Board meetings held during the period for which he or she was a director and (ii) the total number of meetings of each committee of the Board on which the director served during the period for which he or she was on the committee.

Committees of the Board

The following table summarizes the current composition of the four current standing committees of the Board: the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee, and the Strategy Committee. Our Chairman, Dr. Britell, is not a member of any of the Board s standing committees. However, she usually attends meetings of the Board s committees, as all directors are invited.

	Audit Committee	**Compensation Committee**	**Nominating and Corporate Governance Committee**	**Strategy Committee**
José B. Alvarez			X	X
Bobby J. Griffin	X			Chairman
Michael J. Kneeland				X
Singleton B. McAllister		X		X
Brian D. McAuley			Chairman	
John S. McKinney	X		X	
Jason D. Papastavrou	Chairman			
Filippo Passerini	X	X		
Donald C. Roof	X	X		
Keith Wimbush		Chairman	X	

Compensation Committee Interlocks and Insider Participation

None of the current members of the Compensation Committee has ever been an officer or employee of the Company or its subsidiaries or had any relationship with the Company requiring disclosure as a related party transaction under applicable rules of the SEC. During fiscal year 2015, none of our executive officers served as a member of the compensation committee of another entity, one of whose executive officers served on our Compensation Committee;

none of our executive officers served as a director of another entity, one of whose executive officers served on our Compensation Committee; and none of our executive officers served as a member of the compensation committee of another entity, one of whose executive officers served as a member of our Board.

Audit Committee

We have a separately-designated Audit Committee established in accordance with the Exchange Act. The Audit Committee operates pursuant to a charter that complies with the corporate governance

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standards of the NYSE. You can access this document, and other committee charters, on our website at *http://www.unitedrentals.com* (under Corporate Governance in the Investor Relations section) or in print upon written request to our corporate secretary at United Rentals, Inc., 100 First Stamford Place, Suite 700, Stamford, Connecticut 06902.

The general purposes of the Audit Committee are to:

- assist the Board in monitoring (i) the integrity of the Company s financial statements, (ii) the independent auditor s qualifications and independence, (iii) the performance of the Company s internal audit function and independent registered public accounting firm, and (iv) the Company s compliance with legal and regulatory requirements;

- assist the Board in overseeing the Company s enterprise-wide risk management practices including (i) the process by which management identifies and assesses the Company s exposure to risk, including but not limited to financial risk, and (ii) the risk management infrastructure established by management to manage such risks, in order to effectively support the Company s strategic and operational objectives while maintaining the Company s sound financial condition; and

- prepare the report required by the rules and regulations of the SEC to be included in the Company s annual proxy statement and any other reports that the rules and regulations of the SEC may require of a company s audit committee.

The Audit Committee also has the sole authority to appoint or replace the independent auditor (subject, if applicable, to stockholder ratification) and to approve compensation arrangements for the independent auditor.

The current members of the Audit Committee are Dr. Papastavrou and Messrs. Griffin, McKinney, Passerini (since December 1, 2015) and Roof. Each member of the Audit Committee meets the general independence requirements of the NYSE and the additional independence requirements for audit committees specified by Rule 10A-3 under the Exchange Act. The Board has determined that each of Messrs. Griffin, McKinney and Roof and Dr. Papastavrou qualifies as an audit committee financial expert as defined by the SEC and has accounting or related financial management expertise within the meaning of the corporate governance standards of the NYSE, and that each member of the Audit Committee is financially literate within the meaning of the corporate governance standards of the NYSE.

Upon the recommendation of the Nominating and Corporate Governance Committee and approval of the Board, effective as of December 1, 2015, the Risk Management Committee was combined with the Audit Committee.

Prior to the committees being combined, the members of the Risk Management Committee were Dr. Papastavrou and Messrs. Griffin, McKinney and Passerini. In 2015, the Risk Management Committee met two times.

In 2015, the Audit Committee met seven times.

Compensation Committee

The Compensation Committee operates pursuant to a charter that complies with the corporate governance standards of the NYSE.

The general purpose of the Compensation Committee is to aid the Board in discharging its responsibilities relating to: (i) the oversight of executive officer and director compensation, (ii) oversight of the relationship between risk management policies and practices, corporate strategy and senior executive compensation and (iii) the development of compensation policies that support the Company s business goals and objectives. The Compensation Committee is also responsible for producing an annual report on executive compensation and assisting management in the preparation of a Compensation Discussion and Analysis. For additional information concerning the Compensation Committee, see Executive Compensation Compensation Discussion and Analysis.

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The current members of the Compensation Committee are Messrs. Wimbush, Passerini (since December 1, 2015) and Roof and Ms. McAllister. Mr. McAuley was a member of the Compensation Committee until December 1, 2015. Each member of the Compensation Committee meets the independence requirements of the NYSE. In addition, each member qualifies as an outside director within the meaning of Internal Revenue Code Section 162(m) and as a non-employee director within the meaning of Rule 16b-3 under the Exchange Act.

The Compensation Committee may select and retain outside compensation consultants to advise with respect to director, chief executive officer or executive officer compensation; it may also terminate engagements with outside compensation consultants. The Compensation Committee also has the authority to obtain advice and assistance from internal or external legal, accounting and other advisors. Although the Company pays for any compensation consultant, the Compensation Committee, in its sole discretion, approves the fees and other terms related to the consultant s engagement. The Compensation Committee s use of compensation consultants is described below under Executive Compensation Compensation Discussion and Analysis.

The Compensation Committee may delegate all or any portion of its duties and responsibilities to a subcommittee consisting of one or more members of the Compensation Committee.

In 2015, the Compensation Committee met four times.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee operates pursuant to a charter that complies with the corporate governance standards of the NYSE.

The general responsibilities of the Nominating and Corporate Governance Committee include: (i) developing criteria for evaluating prospective candidates to the Board (or its committees) and identifying and recommending such candidates to the Board; (ii) taking a leadership role in shaping the corporate governance of the Company and developing the Company s corporate governance guidelines; and (iii) coordinating and overseeing the evaluation processes for the Board and management which are required by the Company s corporate governance guidelines. For additional information concerning this committee, see Corporate Governance Matters Director Nomination Process.

The current members of the Nominating and Corporate Governance Committee are Messrs. McAuley, Alvarez, McKinney (since December 1, 2015) and Wimbush. Ms. McAllister and Mr. Passerini were members of the Nominating and Corporate Governance Committee until December 1, 2015. Each member of the Nominating and Corporate Governance Committee meets the independence requirements of the NYSE.

In 2015, the Nominating and Corporate Governance Committee met two times.

Strategy Committee

Pursuant to its charter, the Strategy Committee assists the Board in overseeing and facilitating the development and implementation of the Company s corporate strategy, including long- and short-term strategic plans and related operational decision-making.

The current members of the Strategy Committee are Messrs. Griffin, Alvarez and Kneeland and Ms. McAllister (since December 1, 2015). Messrs. Passerini and Roof were members of the Strategy Committee until December 1, 2015.

In 2015, the Strategy Committee met three times.

Risk Oversight

The Board has overall responsibility for risk oversight, including, as a part of regular Board and committee meetings, general oversight of the way the Company s executives manage risk. A fundamental part of risk oversight is not only understanding the material risks the Company faces and

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the steps management is taking to manage those risks, but also understanding what level of risk is appropriate for the Company. Our Board s involvement in reviewing our business strategy is integral to the Board s assessment of management s tolerance for risk and also its determination of what constitutes an appropriate level of risk for the Company.

The Compensation Committee has responsibility for reviewing incentive compensation arrangements to confirm that incentive pay does not encourage unnecessary risk taking and oversees the relationship between risk management policies and practices, corporate strategy and senior executive compensation.

The Audit Committee shares responsibility for risk management with senior management and the Company s Enterprise Risk Management Council (the ERM Council), which is comprised of senior representatives from field operations and from each of the primary corporate functions. Risks are initially identified by each department and then communicated to senior management and the ERM Council for the development of appropriate risk management programs and policies which are subsequently implemented at the department or other appropriate level within the Company. The Audit Committee oversees the process by which management identifies and assesses the Company s exposure to risk, including but not limited to financial risk, and helps ensure that the risk management infrastructure established by management is capable of managing those risks. In addition, the Audit Committee periodically reviews and assesses critical risk management policies and infrastructure implemented by management and recommends improvements where appropriate. The Audit Committee coordinates communications regarding risk among the various Board committees and keeps risk on both the full Board s and management s agenda on a regular basis.

In addition to the work done by the Compensation Committee, Audit Committee, ERM Council and senior management, the Company s Internal Audit department conducts an annual risk assessment. Such assessment consists of reviewing the risks identified by the Audit Committee and the ERM Council as well as risks identified during the prior year s risk assessment and the audit work performed during the year. In addition, the Internal Audit department collaborates with the ERM Council to identify discrete risks and common risk themes to be considered in developing the internal audit plan.

The Audit Committee (and previously the Risk Management Committee), ERM Council and senior management also devote significant resources to cybersecurity and risk management processes to adapt to the changing cybersecurity landscape and respond to emerging threats in a timely and effective manner. This includes taking steps to reduce the potential for fraud and service disruptions. The Company has been focused on, among other matters, expanding investments in information technology security, expanding end-user training, using layered defenses, identifying and protecting critical assets, continuously testing defenses and engaging experts.

Director Attendance at Previous Annual Meeting

We encourage our directors to attend the annual meeting of stockholders, and we typically schedule Board and committee meetings to coincide with the annual meeting. All of our current directors attended the 2015 annual meeting of stockholders.

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CORPORATE GOVERNANCE MATTERS

Corporate Governance Guidelines

We have adopted corporate governance guidelines to promote the effective functioning of the Board. The guidelines address, among other things, criteria for selecting directors and director duties and responsibilities. We have also adopted categorical independence standards (in addition to the requirements of the NYSE) by which we assess the independence of our directors. You can access these documents on our website at *http://www.unitedrentals.com* (under Corporate Governance in the Investor Relations section) or in print upon written request to our corporate secretary at United Rentals, Inc., 100 First Stamford Place, Suite 700, Stamford, Connecticut 06902.

Code of Business Conduct

We have adopted a Code of Business Conduct for our employees, officers and directors. You can access this document on our website at *http://www.unitedrentals.com* under Corporate Governance in the Investor Relations section. This document is also available in print to any stockholder upon written request to our corporate secretary at United Rentals, Inc., 100 First Stamford Place, Suite 700, Stamford, Connecticut 06902. The Code constitutes a code of ethics as defined by the rules of the SEC. We intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K relating to amendments to the Code of Business Conduct or waivers from any provision of the Code of Business Conduct applicable to our principal executive officer, principal financial officer and controller by posting such information on our website at the location set forth above within four business days following the date of such amendment or waiver.

Board Leadership Structure

Our Board has separated the roles of Chairman of the Board and Chief Executive Officer. The current Chairman, Dr. Jenne Britell, is an independent director. We believe that an independent Chairman is better able to provide oversight and guidance to management, especially in relation to the Board s essential role in risk management oversight, and to ensure the efficient use and accountability of resources. Furthermore, this separation provides for focused engagement between these two roles in their respective areas of responsibility, while still providing for collaborative participation. The separation of the Chairman and Chief Executive Officer roles, together with our other comprehensive corporate governance practices, are designed to establish and preserve management accountability, provide a structure that allows the Board to set objectives and monitor performance, and enhance stockholder value.

Director Independence

In assessing director independence, we follow the criteria of the NYSE. In addition, and without limiting the NYSE independence requirements, we apply our own categorical independence standards. Under these standards, we do not consider a director to be independent if he or she is, or in the past three years has been:

- employed by the Company or any of its affiliates;

- an employee or owner of a firm that is one of the Company s or any of its affiliates paid advisors or consultants (unless the Company s relationship, or the director s relationship, with such firm does not continue after the director joins the Board, or the Company s annual payments to such firm did not exceed

1% of such firm s revenues in any year);

employed by a significant customer or supplier;

party to a personal service contract with the Company or the chairman, chief executive officer or other executive officer of the Company or any of its affiliates;

an employee or director of a foundation, university or other non-profit organization that receives significant grants or endowments from the Company or any of its affiliates or a direct beneficiary of any donations to such an organization;

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a relative of any executive officer of the Company or any of its affiliates; or

part of an interlocking directorate in which the chief executive officer or other executive of the Company serves on the Board of a third-party entity (for-profit or not-for-profit) employing the director.

A substantial majority of our directors must be independent under our corporate governance guidelines, which are more stringent than NYSE rules in this regard. Ten of our eleven current directors have been determined by the Nominating and Corporate Governance Committee and the Board to be independent under those criteria: Jenne K. Britell; José B. Alvarez; Bobby J. Griffin; Singleton B. McAllister; Brian D. McAuley; John S. McKinney; Jason D. Papastavrou; Filippo Passerini; Donald C. Roof and Keith Wimbush. In addition, the Board has determined that each of these directors also meets the categorical independence standards described above. Pierre E. Leroy and James H. Ozanne, who resigned from the Board in 2015, were also determined by the Nominating and Corporate Governance Committee and the Board to be independent under those criteria. Michael J. Kneeland, our chief executive officer, is not considered independent because he is an employee of the Company.

In accordance with SEC regulations, with respect to the directors that we have identified as being independent under NYSE rules, we discuss below any relationships considered by the Board in making its independence determinations. Given the size of the Company and the nature of its business, it has purchase, finance and other transactions and relationships in the normal course of business with companies with which certain Company directors or their relatives are associated, but which are not material to the Company, the directors or the companies with which the directors are associated. Each such transaction and relationship was determined by the Board to be an immaterial relationship that would not disqualify the particular director from being classified as an independent director.

In particular, the Nominating and Corporation Governance Committee and the Board took into account the fact that Filippo Passerini is currently an Operating Executive at The Carlyle Group, an investment manager with, as of December 31, 2015, $183 billion in assets under control across 126 funds and 160 funds of funds. Because of the size of The Carlyle Group and the nature of its business, The Carlyle Group has ownership in certain entities with which the Company made purchases or sales. In all instances, the amount of payments made and received by each entity represented less than $1 million. The Board and the Committee believe that all of these transactions and relationships during fiscal year 2015 were on arm s-length terms that were reasonable and competitive and the directors did not personally benefit from such transactions. Because of the Company s extensive operations, the number of Company store locations and employees, and the thousands of products rented and sold by each store location, transactions and relationships of this nature are expected to take place in the ordinary course of business in the future.

In addition, until June 2015, Mr. Passerini served as an officer on special assignment to the President and CEO of The Procter & Gamble Company and also served as president of Procter & Gamble s global business services organization and chief information officer. Procter & Gamble rented equipment from the Company for which the Company received monetary compensation in 2015. Mr. Passerini was not involved in the decision by Procter & Gamble to use the Company s services. The Board determined that the foregoing relationship was an immaterial relationship given that Mr. Passerini had no involvement in the procurement decision and the amounts paid by Procter & Gamble to the Company represent less than $1 million and substantially less than 1% of Procter & Gamble s annual revenues and substantially less than 1% of the Company s annual revenues.

Board Consideration of Director Qualifications

In addition to the independence matters described above, the Board considered the specific experience, qualifications, attributes and skills of the directors named herein and concluded that based on the aforementioned factors, and including each director s integrity and collegiality, such directors should serve as directors of the Company. Although each director offers a multitude of unique and valuable skills and attributes, including a demonstrated business acumen and an ability to exercise sound judgment, the Board identified the following specific experience, qualifications, attributes and skills that led the Board to conclude that such persons should serve as directors.

Mr. Alvarez has held several key management positions with Royal Ahold NV, one of the world s largest grocery retailers, providing him with business leadership experience in, and valuable knowledge of, the global retail industry. These experiences, together with his other public company directorships and academic credentials in business and as a member of the Harvard Business School faculty, allow him to contribute to the Company and the Board a combination of strategic thinking and industry knowledge with respect to marketing and retailing.

Dr. Britell has served in senior management positions with both public and private companies, including GE Capital, where she was executive vice president of Global Consumer Finance and president of Global Commercial and Mortgage Banking. She also has significant experience with public company directorships, which provides her with leadership and consensus-building skills to guide the Board, as well as exposure to a broad array of best practices.

Mr. Griffin has notable business experience in the areas of transportation, logistics and supply chain management, including extensive international experience, due to his past senior leadership positions with Ryder System, Inc. In addition to these attributes, Mr. Griffin s public company directorship experience provides a valuable perspective for the Board and the Company.

Mr. Kneeland has served in a variety of positions in the equipment rental industry for over 30 years, including a number of senior management positions with the Company, as well as Free State Industries, Inc. and Equipment Supply Company. He has extensive experience and knowledge of the competitive environment in which the Company operates. Further, he has demonstrated strategic and operational acumen that the Board believes has been of significant value to the Company.

Ms. McAllister has served as the general counsel of the United States Agency for International Development and currently is Of Counsel at the law firm Husch Blackwell. With her vast legal experience, she serves as an important resource to the Board with regard to legal and regulatory matters. Like other Board members, Ms. McAllister s service on other public company boards serves as an important benefit by providing the Company a broad perspective at the Board level.

Mr. McAuley brings business leadership skills to the Board from his career in the telecommunications and manufacturing industries, including through his tenure as chairman of Pacific DataVision, Inc. and senior executive positions at Nextel Communications, Inc. and Imagine Tile, Inc. In addition, as a co-founder of Nextel Communications, Inc., Mr. McAuley has also exhibited valuable entrepreneurial abilities. Furthermore, he has extensive financial and accounting experience as a result of his past positions as chief financial officer and controller at public and private companies and as a manager at the accounting firm Deloitte & Touche LLP.

Mr. McKinney has significant accounting and finance experience unique to the Company and its industry as a result of his past positions as vice president finance of the Company, chief financial officer and controller of U.S. Rentals Inc., and as a staff auditor and audit manager at the accounting firm Arthur Andersen & Co.

Dr. Papastavrou currently serves as the chief executive officer and chief investment officer of ARIS Capital Management, and has held senior positions at other investment management firms, such as Banc of America Capital Management and Deutsche Asset Management. Collectively, these experiences allow him to contribute to the Board and the Company a valuable perspective on finance and risk-related matters.

Mr. Passerini has gained significant global business and leadership experience in the consumer goods industry as well as valuable knowledge of technology and the global retail industry through his various senior level positions with Procter & Gamble, including Chief Information Officer, for more than 33 years. Mr. Passerini has particular strength with international operations, which he acquired through his previous executive positions in the United Kingdom, Greece, Italy, Latin America and Turkey.

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Mr. Roof has significant experience in finance and accounting, general management, business development and strategic planning, board experience/governance, and other functions, including merchandising and distribution as evidenced by his over 35 years of experience serving in executive positions ranging from President/CEO to Executive Vice President/CFO with an international manufacturer of mining equipment and a distributor and retailer of tires and related products, as well as his years of experience serving on the board of directors and audit committees of other public companies.

Mr. Wimbush has gained significant legal experience through his formal legal training at Harvard Law School, as well as his subsequent positions in the legal department of Diageo North America, Inc. and as an adjunct professor of law at Thomas Cooley Law School. He complements his legal experience with experience gained through his former positions with Korn/Ferry International, DHR International and most recently as executive vice president and head, legal search practice, with Seiden Krieger Associates.

Executive Sessions of the Board

Our corporate governance guidelines provide that our non-management directors should meet, at least twice a year, in executive sessions without the presence of management. The purpose of executive sessions is to facilitate free and open discussion among the participants. The Chairman of the Board (or, in the absence of the Chairman, the Chairman of the Audit Committee or such other independent director as may be selected by the Board) should preside over executive sessions and, as required, provide feedback to the chief executive officer, and to such other officers as is appropriate, based upon the matters discussed at such meetings.

Director Nomination Process

General

The Board has established the Nominating and Corporate Governance Committee, as described above. The responsibilities of this Committee include, among other things: (i) developing criteria for evaluating prospective candidates to the Board or its committees; (ii) identifying individuals qualified to become members of the Board or its committees; and (iii) recommending to the Board those individuals that should be nominees for election or re-election to the Board or otherwise appointed to the Board or its committees (with authority for final approval remaining with the Board).

Process for Identifying and Evaluating Candidates

The Committee may identify potential Board candidates from a variety of sources, including recommendations from current directors or management, recommendations of security holders or any other source the Committee deems appropriate. The Committee may also engage a search firm to assist in identifying director candidates. The Committee has been given sole authority to select, retain and terminate any such search firm and to approve its fees and other retention terms.

In considering candidates for the Board, the Committee evaluates the entirety of each candidate s credentials. In accordance with our corporate governance guidelines, the Committee considers, among other things: (i) business or other relevant experience; (ii) expertise, skills and knowledge; (iii) contacts in the communities in which the Company does business and in the Company s industry or other industries relevant to the Company s business; (iv) personal qualities and characteristics, accomplishments, integrity and reputation in the business community; (v) the extent to which the candidate will enhance the objective of having directors with diverse viewpoints, backgrounds, experience, expertise, skills and other demographics; (vi) willingness and ability to commit sufficient time to Board and committee duties and responsibilities; and (vii) qualification to serve on Board committees, such as the Audit Committee or the Compensation Committee. The Committee recommends candidates based on its consideration of each individual s specific skills and experience and its annual assessment of the composition and needs of the Board as a whole, including with respect to diversity. Consideration of diversity as one of many attributes relevant to a nomination to the

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Board is implemented through the Committee s standard evaluation process. In particular, the Committee obtains and reviews questionnaires, interviews candidates as appropriate and engages in thorough discussions at Committee meetings in an effort to identify the best candidates and to populate an effective Board. The effectiveness of the Board s diverse mix of viewpoints, backgrounds, experience, expertise, skills and other demographics is considered as part of the Committee s assessment.

The 11 nominees for election as directors at the 2016 annual meeting are: Jenne K. Britell, who has been a director since December 2006; José B. Alvarez, who has been a director since January 2009; Bobby J. Griffin, who has been a director since January 2009; Michael J. Kneeland, who has been a director since August 2008; Singleton B. McAllister, who has been a director since April 2004; Brian D. McAuley, who has been a director since April 2004; John S. McKinney, who has been a director since September 1998; Jason D. Papastavrou, who has been a director since June 2005; Filippo Passerini, who has been a director since January 2009; Donald C. Roof, who has been a director since April 2012; and Keith Wimbush, who has been a director since April 2006. Each of these directors is standing for re-election at the annual meeting. In making its recommendation to the Board, the Committee reviewed and evaluated, in addition to each nominee s background and experience and other criteria set forth in the Company s corporate governance guidelines, each director s performance during his or her recent tenure with the Board and whether each was likely to continue to contribute positively to the Board.

Procedure for Submission of Recommendations by Security Holders

Our security holders may recommend potential director candidates by following the procedure described below. The Committee will evaluate recommendations from security holders in the same manner that it evaluates recommendations from other sources.

If you wish to recommend a potential director candidate for consideration by the Committee, please send your recommendation to United Rentals, Inc., 100 First Stamford Place, Suite 700, Stamford, Connecticut 06902, Attention: Corporate Secretary. Any notice relating to candidates for election at the 2017 annual meeting must be received by our corporate secretary after January 3, 2017 but on or before February 2, 2017 (unless the 2017 annual meeting is not scheduled to be held within the period between April 3, 2017 and June 2, 2017, in which case our by-laws prescribe an alternate deadline). You should use first class, certified mail in order to ensure the receipt of your recommendation.

Any recommendation must include (i) your name and address and a list of the securities of the Company that you own; (ii) the name, age, business address and residence address of the proposed candidate; (iii) the principal occupation or employment of the proposed candidate over the preceding ten years and the person s educational background; (iv) a statement as to why you believe such person should be considered a potential candidate; (v) a description of any affiliation between you and the person you are recommending; and (vi) the consent of the proposed candidate to your submitting him or her as a potential candidate. You should note that the foregoing process relates only to bringing potential candidates to the attention of the Committee. Following this process will not give you the right to directly propose a nominee at any meeting of stockholders. See Other Matters Stockholder Proposals for the 2017 Annual Meeting.

Board Refreshment and Director Tenure

Board composition and refreshment is a priority for the Company. We strive to maintain a Board composed of directors who bring diverse viewpoints, perspectives and areas of expertise, exhibit a variety of key skills and relevant professional experiences, and effectively represent the long-term interests of our stockholders. We believe that longer-serving directors, in particular, bring critical skills to the boardroom due to their experience, institutional knowledge and understanding of the challenges facing the Company; however, we are also cognizant of the need to maintain a balanced mix of tenures.

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We recognize that our average director tenure increased due to the unexpected departures of two of our newer directors in 2015. Director succession presents an opportunity for the Company to expand and replace key skills and experience, build on our record of board diversity and bring fresh perspectives to the boardroom. Accordingly, in addition to commencing a robust self-evaluation of its members, our Board has engaged an independent consulting and search firm to assist in developing a long-term succession plan to identify, recruit and appoint new directors whose qualifications bring further strength to our Board.

Direct Communications with Directors

We have adopted procedures to enable our security holders and other interested parties to communicate with the Board or with any individual director or directors. If you wish to send a communication, you should do so in writing. Security holders and other interested parties may send communications to the Board or the particular director or directors, as the case may be, in the manner described in the Company s written policy available on its website at *http://www.unitedrentals.com* under Corporate Governance in the Investor Relations section.

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EXECUTIVE COMPENSATION

Compensation Discussion and Analysis (CD&A)

Our executive compensation program aims to attract, retain, and reward high caliber management talent who will lead and grow our business. This CD&A outlines our 2015 executive compensation philosophy and objectives, describes the elements of our executive compensation program, and explains how the Compensation Committee (the Committee) of the Board arrived at its compensation decisions for our 2015 named executive officers (NEOs) listed below:

NEO	Principal Position and Title
Michael Kneeland	President and Chief Executive Officer
William Plummer	Executive Vice President and Chief Financial Officer
Matthew Flannery	Executive Vice President and Chief Operating Officer
Dale Asplund	Senior Vice President, Business Services and Chief Information Officer
Jonathan Gottsegen[(1)]	Senior Vice President, General Counsel and Corporate Secretary

(1) Mr. Gottsegen resigned from the Company on January 21, 2016.

Executive Summary

2015 Business Highlights

Despite significant headwinds, principally from the upstream oil and gas sector, a weak Canadian economy, an unfavorable foreign exchange rate, and industry over-fleeting, the Company reported record results for 2015. Our total revenue of $5.82 billion, adjusted EBITDA[(1)] of $2.83 billion, and adjusted EBITDA margin of 48.7% were the highest in our history. In addition, we generated record free cash flow[(2)] of $919 million. Economic profit improvement (EPI[(3)]) declined by $13 million year-over-year, reflecting a mixed operating environment, although we succeeded in holding return on invested capital (ROIC[(4)]) constant year-over-year at 8.8%. The Company also had its safest year yet, achieving its lowest recordable incident rate.

(1) Adjusted EBITDA is a non-GAAP financial measure, as defined on page 24 of the Company s Form 10-K for the year ended December 31, 2015.

(2) Free cash flow is a non-GAAP financial measure, as defined on page 38 of the Company s Form 10-K for the year ended December 31, 2015.

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(3) *EPI is a non-GAAP financial measure that measures the year-over-year change in the spread between ROIC and the Company s Weighted Cost of Capital, which is the weighted average after-tax cost of the Company s debt and equity capital sources. For this purpose, we assumed a constant Weighted Cost of Capital of 10%.*

(4) *ROIC is a non-GAAP financial measure that is calculated by dividing after-tax operating income for the trailing 12 months by average stockholders equity (deficit), debt and deferred taxes, net of average cash. To mitigate the volatility related to fluctuations in the Company s tax rate from period to period, the federal statutory rate of 35% is used to calculate after-tax operating income.*

Much of this success can be attributed to the skilled implementation of our business strategy by our senior management and Board of Directors (the Board) to deliver long-term value to stockholders. The discipline and deep experience of our leadership team enabled us to effectively manage the business for improved profitability through uncertain macroeconomic and industry environments. The chart below shows the total cumulative three-year return of the Company s stock compared with the S&P 500 and the Company s 2015 Executive Compensation Peer Group (as defined on page 34) since December 31, 2012.

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2015 Incentive Compensation At-A-Glance

Despite our strong performance in 2015, we underachieved against our internal business plan. As a result, the funding for both our Annual Incentive Compensation Plan (AICP) and our Long-Term Incentive Plan (LTIP) was below target and well below the prior year. This is largely attributable to the combination of the external factors described above and the plans performance goals, which are intended to be challenging each year. Annual bonuses were earned at 54.1% of target, and LTIP awards were earned at 55.7% of target. For details, please refer to The 2015 Executive Compensation Program in Detail section starting on page 35.

About the Performance Metrics in Our Incentive Plans

As a capital intensive business, the performance metrics utilized in our AICP and LTIP are intended to align management s interests with those of our stockholders by rewarding profitable growth and returns above our cost of capital, which are best measured by EPI. Accordingly, we use EPI in both the AICP and LTIP. The AICP focuses on adjusted EBITDA and EPI while the LTIP focuses on total revenue and EPI. Additionally, to reinforce the importance of returns on capital, we also employ an incentive multiplier linked to achieving stretch ROIC goals.

2015 Pay Mix

Our executive compensation program emphasizes variable pay that aligns compensation with performance and stockholder value. For the NEOs, the mix of compensation elements is heavily weighted toward variable, performance-based compensation. The CEO s compensation, in particular, has a greater emphasis on variable compensation than that of the other NEOs because his actions have a greater influence on the performance of the Company.

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As shown below, the significant majority of NEO pay continues to be variable (88% for the CEO and an average of 71% for our other NEOs) based upon actual fiscal year 2015 compensation.

2015 Say on Pay Results

At the Company s 2015 annual meeting of stockholders, we received substantial support for our executive compensation program, with approximately 98% of the stockholders who voted on the say on pay proposal approving the compensation of our NEOs. We interpreted this exceptionally strong level of support as an affirmation of our current program and our approach to making compensation decisions.

Summary of Our Executive Compensation Practices

What We Do	What We Don t Do
Heavy emphasis on variable (at-risk) compensation	No significant perquisites
Stock ownership guidelines supported by net share retention requirements	No supplemental executive retirement plans
Double-trigger equity vesting upon a change in control	No history of re-pricing equity awards
Clawback contract provisions and anti-hedging/pledging policy	No tax assistance
Engage an independent compensation consultant	No tax gross-ups

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What Guides Our Program

Our Compensation Philosophy

The foundation of our compensation philosophy is to ensure that our executive compensation program is designed to align with the Company s business strategy and drive long-term stockholder value. This philosophy is supported by three pillars: stockholder alignment, market competitiveness and internal balance. These pillars are reinforced by the following objectives:

Stockholder Alignment	Market Competitiveness	Internal Balance
Align the interests of executives to those of our stockholders through equity compensation that correlates with long-term stockholder value Make efficient use of equity-based compensation Encourage significant management ownership and retention of our common stock	Attract, retain and motivate a leadership team capable of maximizing the Company s performance Set target total direct compensation at competitive levels Be competitive with the programs of companies with which the Company competes for talent	Link substantial portions of compensation to Company, business unit and individual performance Reward the appropriate balance of short- and long-term financial and strategic business results Maintain alignment of incentive compensation metrics across senior executives and the general employee population

The Principal Elements of Pay: Total Direct Compensation (TDC)

Our compensation philosophy is supported by the following principal elements of pay:

TDC Pay Element	How It s Paid	Purpose
Base Salary	Cash (Fixed)	Provide a competitive base salary rate relative to similar positions in the market and enable the Company to attract and retain highly skilled executive talent.
Annual Incentive Compensation Plan (AICP)	Cash and Vested Shares of Company Stock (Variable)	Focus executives on achieving annual financial and strategic objectives that promote growth, profitability and returns.
Long-Term Incentive Plan (LTIP)	Equity (Variable)	Provide incentive for executives to reach financial goals and align their long-term economic interests with those of stockholders through meaningful use of equity

compensation.

As discussed below, we also provide our NEOs with a 401(k) retirement plan, limited perquisites and other personal benefits, as well as severance and change in control protection.

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2015 Target Total Direct Compensation

The following table shows the 2015 target TDC opportunity for each of the NEOs. The Committee determined the annual base salaries (effective as of April 1, 2015) and target incentive opportunities in the first quarter of 2015.

NEO	Target TDC[(1)]			Total
	Base Salary[(2)]	Target AICP	Target LTIP	
Michael Kneeland	$950,000	$1,425,000	$6,250,000	$8,625,000
William Plummer	$582,400	$524,160	$1,500,000	$2,606,560
Matthew Flannery	$582,400	$524,160	$1,500,000	$2,606,560
Dale Asplund	$508,372	$406,698	$1,000,000	$1,915,070
Jonathan Gottsegen	$436,800	$349,440	$500,000	$1,286,240

(1) *The amounts in this table differ from the amounts determined under SEC rules as reported for 2015 in the Summary Compensation Table set forth on page 46. The above table is not a substitute for the Summary Compensation Table set forth on page 46.*

(2) *Annual base salaries were effective as of April 1, 2015, other than for Mr. Kneeland, whose base salary has not increased since October 22, 2012.*

Our Decision-Making Process

The Role of the Compensation Committee

The Committee oversees the executive compensation program for our NEOs and is made up of independent, non-employee members of the Board. The Committee works very closely with management and its independent consultant to evaluate the effectiveness of the Company s executive compensation program throughout the year. The Committee s specific responsibilities are set forth in its charter, which may be found on the Company s website at *http://www.unitedrentals.com* under Corporate Governance in the Investor Relations section.

The Committee makes all final compensation and equity award decisions regarding our NEOs. The Committee seeks to ensure that the total compensation paid to our NEOs is fair, reasonable and competitive, provides an appropriate balance of base pay and short- and long-term incentives and does not cause unnecessary risk-taking.

The Role of Management

Management has two key responsibilities with respect to the executive compensation program:

Develop proposals regarding program design and administration for the Committee s review and approval. The CEO, CFO and senior vice president of human resources consider the business strategy, key operating goals, economic environment and organizational culture in formulating proposals. Proposals are then brought to the Committee for thorough discussion. The Committee ultimately has the authority to approve or disapprove management s proposals.

Make recommendations for compensation actions each year. The CEO, CFO and senior vice president of human resources consider market data, individual responsibilities, contributions, performance and capabilities of each of the NEOs and what compensation arrangements they believe will drive desired results and behaviors (the CEO and CFO do not participate in such discussions on their own pay). These considerations are used to determine if any change in compensation or award is warranted and the amount and type of any proposed change or award. After consulting with the senior vice president of human resources, the CEO makes compensation recommendations, other than with respect to his own compensation, to the Committee. The Committee reviews management s recommendations, considers input from its independent compensation consultant, and then either approves or suggests changes to the proposal or seeks further analysis or background on the proposal.

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The Role of the Independent Compensation Consultant

The Committee has engaged Pearl Meyer & Partners, LLC (Pearl Meyer) as its independent compensation consultant. Pearl Meyer reports directly to the Committee and does not provide any other services to the Company. In May 2015, the Committee performed an independence assessment of Pearl Meyer pursuant to SEC and NYSE rules and standards. In performing its evaluation, the Committee took into consideration a letter from Pearl Meyer certifying its independence. At the culmination of the evaluation, the Committee determined that Pearl Meyer is an independent advisor.

As compensation consultant, Pearl Meyer generally reviews, analyzes and provides advice about the Company s executive compensation programs for senior executives. Pearl Meyer considers the objectives of those programs, compares the programs to designated Executive Compensation Peer Group companies (discussed below under The Role of Benchmarking and the Executive Compensation Peer Group) and best practices, and provides information and advice on competitive compensation practices and trends, along with specific views on the Company s compensation programs. In 2015, Pearl Meyer also provided advice to the Committee on director compensation and related market practices. Pearl Meyer reports directly to the Committee and regularly attends Committee meetings. Pearl Meyer also responds on a regular basis to questions from members of the Committee and provides them with analysis and insights with respect to the design and implementation of current or proposed compensation programs.

In 2015, Meridian Compensation Partners was engaged to provide additional support and analysis to management with respect to executive compensation.

The Role of Benchmarking and the Executive Compensation Peer Group

We compete with companies across multiple industries for top executive-level talent. To this end, the Committee regularly evaluates industry-specific and general market compensation practices and trends to ensure that our program and NEO pay opportunities remain appropriately competitive.

The Committee compares each component of the total compensation package to the compensation components of comparable executive positions of a peer group of publicly traded companies (the Executive Compensation Peer Group). If information for a sufficient number of comparable positions in the Executive Compensation Peer Group for the applicable year is not publicly available, the Committee will also consider comparisons with general industry executive compensation benchmarking data from Towers Watson s U.S. CDB General Industry Executive Database.

The companies that make up the Executive Compensation Peer Group and the General Industry Executive Database may vary from year to year. While the Committee does not use a specific formula to determine the allocation between performance-based and fixed compensation, it does review total compensation and competitive benchmarking when determining such allocation.

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In setting 2015 target compensation levels for the NEOs, the Company used the Executive Compensation Peer Group detailed below. The 2015 target annual TDC opportunities, consisting of base salary, target AICP, and annual long-term incentive awards, were determined to be, on average, competitive with the market median.

Executive Compensation Peer Group	
Applied Industrial Technologies, Inc.	MSC Industrial Direct Co., Inc.
Avis Budget Group, Inc.	Republic Services, Inc.
Cintas Corporation	Ryder System, Inc.
Fastenal Company	Trinity Industries, Inc.
Harsco Corporation	Waste Management, Inc.
Hertz Global Holdings, Inc.	WESCO International, Inc.
J.B. Hunt Transport, Inc.	W.W. Grainger, Inc.

	Peer Data ($M)(1)		
Percentile	Annual Revenue	Market Cap	Enterprise Value
75^{th}	$8,191	$12,169	$16,958
50^{th}	$5,117	$6,370	$8,752
25^{th}	$3,586	$4,474	$6,263
URI(2)	$5,550	$9,176	$16,174
% Rank	*53%*	*63%*	*72%*

(1) As presented to the Committee in May 2014. Market-based metrics are as of March 2014 and financial-based metrics are as of the end of each company s then most recent quarter.

(2) United Rentals annual revenue is estimated 2014 revenue as of March 2014 and does not reflect actual results. United Rentals market-based metrics are as of March 2014.

As part of its annual process, in May 2015, Pearl Meyer also reviewed the Executive Compensation Peer Group for appropriateness based on a variety of factors, including: similarities in revenue levels and size of market capitalization and enterprise value, similarities to the industries in which we operate, the overlapping labor market for top management talent and our status as a publicly traded, U.S.-based company. As a result of this review, the Committee determined that the following changes to the Executive Compensation Peer Group were appropriate to align it with United Rentals current profile and anticipated growth, and were appropriate for the determination of the appropriate target compensation levels for 2016:

Changes	Companies
Removals	Applied Industrial Technologies, Inc. Harsco Corporation Fastenal Company
Additions	HD Supply Holdings, Inc. Pitney Bowes Inc.

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The 2015 Executive Compensation Program in Detail

Base Salary

Base salary represents annual fixed compensation and is a standard element of compensation necessary to attract and retain talent. Base salary levels are reviewed annually. When making adjustments, the Committee considers the Company s overall performance; the executive s individual performance; the executive s experience, career potential and tenure with the Company; the applicable terms, if any, of the executive s employment agreement; and competitive market practices. Decisions are generally made during the first quarter of the fiscal year and effective in April. For 2015, the Committee determined the appropriate annual base salary rate for each NEO as follows:

NEO	2014	2015	% Increase
Michael Kneeland	$950,000	$950,000	0%
William Plummer	$560,000	$582,400	4%
Matthew Flannery	$560,000	$582,400	4%
Dale Asplund	$490,000	$508,372	3.75%
Jonathan Gottsegen	$416,000	$436,800	5%

During the first quarter of 2016, based on the annual review, the Committee determined to increase base salaries for Messrs. Plummer, Flannery and Asplund by $17,472, $17,472 and $15,251, respectively, effective April 1, 2016. Mr. Kneeland s base salary was not increased, and has not increased since October 22, 2012.

2015 Annual Incentive Compensation Plan (AICP)

AICP At-A-Glance

2015 AICP Targets

Target bonus opportunities are expressed as a percentage of base salary, and are established based on the NEO s level of responsibility and his ability to impact overall results. The Committee also considers market data in setting target award amounts. Target award opportunities for 2015 were as follows:

NEO	Target AICP (as a % of Base Salary)
Michael Kneeland	150%
William Plummer	90%
Matthew Flannery	90%
Dale Asplund	80%
Jonathan Gottsegen	80%

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Funding Levels and Results

The chart below shows the 2015 goals set for adjusted EBITDA and EPI, as well as actual results. Adjusted EBITDA and EPI were weighted equally. In light of the Company s strong performance in a challenging business environment and to maintain a competitive level of compensation, the Committee took into account 2015 EPI results achieved below the 50% threshold when determining actual performance.

		2015 Performance Metrics ($M)	
Payout Level	**% of Target**	**Adjusted EBITDA (50% weighting)[1]**	**EPI (50% weighting)[1]**
Maximum	150%	$3,153	$100
Target	100%	$3,033	$65
Threshold	50%	$2,793	$5
Below Threshold	37.5%	N/A	$(10)
		$2,852	**$0**
Actual[1][2]		*62.3% of Target*	*45.8% of Target*
Earned Amount		***54.1% of Target***	

(1) The Committee determined to adjust the adjusted EBITDA and EPI results to normalize for the foreign exchange rate impact (resulting in improved results for 2015). This normalization will be built into our performance metrics going forward.

(2) The actual percent of target achieved for performance between the established levels is calculated based on straight line interpolation.

For 2015, the AICP also included a multiplier based on ROIC (excluding goodwill from the denominator), which provided for a maximum upside opportunity of 225% of target. Achievement of ROIC above 12.75% would result in applying a multiplier ranging from 1 to 1.5 to the amount otherwise earned, calculated based on straight line interpolation with the multiplier rounded down rather than applied at an amount beyond the first decimal point (e.g., if ROIC performance would extrapolate to a 1.27 multiplier, the multiplier would be rounded down to 1.2). No multiplier was achieved for 2015.

Individual Performance Adjustment

Once the initial level of incentive funding is determined based on the achievement of adjusted EBITDA, EPI and ROIC as described above, the Committee may determine to adjust each NEO s funding level by 90% to 110% based on the achievement of individual performance goals. The Committee retains discretion to further adjust the award downward or upward based on their overall assessment of performance.

To assess individual performance, the Committee selected qualitative goals tied to key strategic initiatives, as well as each NEO s respective areas of responsibility. For Messrs. Kneeland, Plummer and Flannery, the Committee selected individual discretionary goals tied to: branch productivity; safety performance; recruitment of diverse employees; and customer service at our branch operations, none of which are dispositive or individually weighted.

For Mr. Asplund, key individual goals were tied to: increased efficiency in fleet management; credit and collections improvements; efficient use of shared services; and information and technology matters, none of which are dispositive or individually weighted. For Mr. Gottsegen, key goals were tied to: assisting field operations; coordination of board activities; corporate governance matters; reduction in legal expenses; progress in litigation management; compliance; securities and other regulatory filings; assisting with finance and business development matters; and maintaining books and records, none of which are dispositive or individually weighted.

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2015 AICP Pay Outcomes

Based on the above adjusted EBITDA, EPI and ROIC results, the funding of the annual incentive amounts was set at 54.1% of each NEO s applicable bonus target, subject to adjustment up or down between 90% and 110% of the funded amount based on the achievement of the specific performance metrics assigned to the NEO.

To further align the economic interests of our NEOs with those of our stockholders, earned annual incentive amounts up to 100% of an NEO s initial funding level were generally delivered 50% in cash and 50% in vested shares of the Company s common stock for 2015. The following table lists the actual awards and bonuses paid to the NEOs in 2015. Mr. Gottsegen did not receive a 2015 annual incentive payment due to his resignation from the Company in January 2016.

NEO	Actual Payout (As a % of Funded Amount)	Actual Payout ($)	
		Cash[(2)]	Vested Shares[(2)]
Michael Kneeland	100%	$385,463	$385,463
William Plummer[(1)]	100%	$155,964	$127,607
Matthew Flannery	100%	$141,786	$141,786
Dale Asplund[(1)]	110%	$145,215	$96,810
Jonathan Gottsegen	N/A	$0	$0

(1) For Messrs. Plummer and Asplund, who elected to defer a portion of their annual incentive payment under the Executive Nonqualified Excess Plan (discussed on page 42), the 50% cash and 50% stock split is applied to the non-deferred portion of their earned amount (and the deferred portion is shown in the cash column in the table above).

(2) Amounts rounded to the nearest dollar.

As discussed below under Stock Ownership Guidelines, the NEOs are required to hold between one and six times their respective base salaries in the Company s common stock, depending on their position. Until this guideline is met, the NEOs must retain 50% of the Company s common stock received upon the exercise, vesting or payment of equity-based awards granted by the Company, including the shares paid in respect of their 2015 annual incentives.

Long-Term Incentives (Equity Compensation)

Equity compensation directly aligns the interests of the NEOs with those of stockholders. In 2015, the Company granted equity compensation under our Second Amended and Restated 2010 Long-Term Incentive Plan (2010 LTIP) as follows:

Performance-based RSUs are earned and vest only when a specified performance level is achieved. Time-based RSUs vest ratably over a three-year period based solely on continued service. Time-based RSUs help to secure and retain executives and instill an ownership mentality. Historically, the Company s RSUs have not earned any dividend equivalents.

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2015 Target Award Grants

In determining the size of each equity award granted, the Committee considers a variety of factors, including benchmarking data on competitive long-term incentive values, the percentage of long-term incentive value to be allocated to performance-based RSUs and time-based RSUs, and the NEO s position within the Company. The actual number of RSUs (both performance-based and time-based) granted is calculated by dividing the dollar value of the target award by the closing price of the Company s stock on the equity award grant date. The table below shows the target awards awarded for fiscal 2015 for each of the NEOs:

NEO	Target Number of RSUs	
	2015 Performance-Based RSUs (1)	2015 Time-Based RSUs (2)
Michael Kneeland	57,438	14,360
William Plummer	12,062	5,170
Matthew Flannery	12,062	5,170
Dale Asplund	8,041	3,447
Jonathan Gottsegen	4,825	2,068

(1) Performance-based RSUs vest in one-third increments on each anniversary of the grant date, subject to the satisfaction of the performance criteria described below.

(2) Time-based RSUs vest in one-third increments on each anniversary of the grant date, subject to continued employment, with full vesting on the third anniversary of grant.

A Closer Look at Performance-Based RSUs

Performance-based RSUs measure year-over-year performance over the course of a three-year period, rather than a single measurement at the end of three years, to better account for the dynamic nature of our business. Accordingly, one-third of our NEOs performance-based RSUs are eligible to vest each year, in an amount ranging from 0% to 300% of target, based on achievement of annual performance metrics and subject to the NEO s continued employment through year-end. We measure performance annually because we operate in a highly-cyclical and volatile business environment in which forecasting multi-year performance is extremely difficult and possibly counterproductive. We maintain a long-term perspective by requiring multi-year vesting and denominating our awards in stock, which, coupled with our robust stock ownership guidelines, effectively aligns management s long-term interests with those of our stockholders.

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For 2015, the Committee selected total revenue and EPI as the performance metrics. The chart below shows the performance goals set for total revenue and EPI, as well as actual results. Total revenue and EPI were weighted equally. Consistent with our program structure, these metrics applied to the first tranche of performance-based RSUs awarded in 2015, the second tranche of performance-based RSUs awarded in 2014 and the third tranche of performance-based RSUs awarded in 2013. Consistent with the annual incentive decisions made under the AICP, the Committee took into account 2015 EPI results achieved below the 50% threshold when determining actual performance.

		2015 Performance Metrics ($M)	
Payout Level	**% of Target**	**Total Revenue (50% weighting)[(1)]**	**EPI (50% weighting)[(1)]**
Maximum	200%	$6,358	$100
Target	100%	$6,158	$65
Threshold	50%	$5,758	$5
Below Threshold	37.5%	N/A	$(10)
		$5,883	**$0**
Actual[(1)(2)]		*65.6% of Target*	*45.8% of Target*
Earned Amount		***55.7% of Target***	

(1) The Committee determined to adjust the total revenue and EPI results to normalize for the foreign exchange rate impact (resulting in improved results for 2015). This normalization was achieved by comparing actual exchange rates to planned exchange rates and will be built into our performance metrics going forward.

(2) The percent of target achieved for performance between the established levels is calculated based on straight line interpolation.

Performance-based RSUs are also subject to a multiplier based on ROIC (excluding goodwill from the denominator), which provides for a maximum upside opportunity of 300% of target. Achievement of ROIC above 12.75% would result in applying a multiplier ranging from 1 to 1.5 to the amount otherwise earned, calculated based on straight line interpolation with the multiplier rounded down, rather than applying at an amount beyond the first decimal point (e.g., if ROIC performance would extrapolate to a 1.27 multiplier, the multiplier would be rounded down to 1.2). No multiplier was achieved for 2015.

2015 LTIP Outcomes

Based on the above performance results, the Committee determined that 55.7% of the target performance-based RSUs were earned for the performance cycle. These PRSUs were settled in shares of the Company s common stock in the first quarter of 2016. Because the terms of the NEOs PRSU awards did not permit the EPI adjustment and foreign exchange rate normalization discussed above, those awards were forfeited and the 2015 long-term incentive payouts for the NEOs took the form of new grants of an equivalent number of shares of the Company s common stock made in the first quarter of 2016, so as to put the NEOs in the same position as all of the other LTIP participants.
Mr. Gottsegen s earned LTIP award was settled in cash rather than shares due to his resignation from the Company in January 2016.

Other Practices, Policies and Guidelines

Stock Ownership Guidelines

Stock ownership guidelines are a key vehicle for aligning the interests of management and the Company s stockholders. A meaningful direct ownership stake by our NEOs demonstrates to our investors a strong commitment to the Company s success. The Committee maintains stock ownership guidelines for our NEOs and other officers with a title of vice president and above:

Title	Multiple of Base Salary
CEO	6.0x
CFO and COO	3.0x
Vice Presidents	1.0x

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Shares that count towards meeting these ownership guidelines include: shares directly owned by the executive; shares beneficially owned by the executive, such as shares held in street name through a broker or shares held in trust; amounts credited to the executive s deferred compensation or to 401(k) accounts that are invested or deemed invested in the Company s common stock; unvested restricted stock or RSUs that vest based on continued service; and the value of the spread (the difference between the exercise price and the full market value of the Company s common stock) of fully vested stock options.

Until the guidelines are met, NEOs and other officers are required to retain 50% of the net shares of the Company s common stock received upon the exercise, vesting or payment of equity-based awards granted by the Company. Each of the NEOs had satisfied the stock ownership guidelines when their holdings were measured as of March 2016 (other than Mr. Gottsegen, who resigned from the Company in January 2016 and therefore was not included in the evaluation).

Anti-Hedging Policy; Anti-Pledging Policy

The Company prohibits transactions designed to limit or eliminate economic risks to our NEOs from owning the Company s common stock, such as transactions involving options, puts, calls or other derivative securities tied to the Company s common stock. On an annual basis, we also ask our directors and executive officers to identify any shares of Company common stock pledged in a margin brokerage account or otherwise used as collateral to support a borrowing. In response, no such directors or executive officers reported any shares pledged for such purpose in 2015. Further, in 2016, we amended our insider trading policy to prohibit the pledging of Company stock, including use as collateral for a margin loan, by directors, officers, employees and consultants of the Company and its subsidiaries.

Clawback

We include clawback provisions in our NEOs employment agreements and equity award agreements that generally require reimbursement of amounts paid under performance provisions (in the case of cash incentives and performance-based RSUs) if amounts were paid or shares vested based on financial results that subsequently become subject to certain mandatory restatements that would have led to lower payments or forfeiture of all or a portion of shares subject to an award. For all RSU and stock option awards since 2009, including both time-based and performance-based RSUs, the award forms include an injurious conduct provision that requires forfeiture of the award or, to the extent the award has vested or been exercised within six months prior to the occurrence of the relevant conduct, mandates reimbursement of shares or amounts realized. The injurious conduct concept is generally focused on actions that would constitute cause under an employment agreement: actions that are in material competition with the Company or breach the executive s duty of loyalty to the Company.

Termination and Change in Control Benefits

The provision of reasonable severance benefits is common among similar companies and is essential to recruiting and retaining key executives. Accordingly, the employment agreements with the NEOs generally provide for varying levels of severance in the event that the Company terminates the executive s employment without cause or the executive resigns with good reason (each as defined in the employment agreement with the executive, as set forth in more detail under Benefits upon Termination of Employment). Upon a qualifying termination, Mr. Kneeland would receive 450% of his base salary paid over a two-year period; Mr. Plummer would receive 190% of his base salary paid over a one-year period; Mr. Flannery would receive 380% of his base salary paid over a two-year period; Mr. Asplund would receive 100% of his base salary paid over a one-year period and Mr. Gottsegen would receive 180% of his base salary paid over a one-year period. The Company also typically provides each NEO with COBRA continuation coverage for a 12 to 18 month period.

Severance payments to the NEOs are conditioned on the execution of a release of claims in favor of the Company. In addition, each of the NEOs is subject to non-competition and non-solicitation

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restrictions for a period of time following their termination, as described in more detail under Benefits upon Termination of Employment. All RSUs and stock options granted to each of the NEOs since 2011 provide for forfeiture on the NEO s termination of employment for any reason, except in the case of a change in control as described below. Upon a termination as a result of death or permanent disability, a pro rata portion of the awards vest, based on the number of days between the beginning of the applicable performance period and the date of termination. For awards made beginning in 2015, upon a termination as a result of retirement, time-based RSUs will vest and be delivered on the normal settlement schedule, and performance-based RSUs will vest based on actual performance for the full performance period and be delivered on the normal settlement schedule. For the NEOs other than Mr. Kneeland, retirement requires (1) attainment of age 60, (2) age plus years of continuous service equal to at least 70 and (3) at least one year s prior written notice of retirement. For Mr. Kneeland, retirement treatment is only available for grants outstanding for at least six months prior to retirement and requires attainment of age 65.

The prospect of a change in control of the Company can cause significant distraction and uncertainty for executive officers and, accordingly, the Committee believes that appropriate change in control provisions are important tools for aligning executive interests in change in control scenarios with those of stockholders. In addition, changes to the Company following a change in control may affect the ability to achieve previously set performance measures. Consequently, outstanding RSUs and stock option awards held by the NEOs provide for double trigger treatment upon a change in control. A change in control for this purpose is defined in the employment agreement with the executive or in the applicable award agreement, as set forth in more detail under Benefits upon a Change in Control. If the change in control results in shares of common stock of the Company (or any direct or indirect parent entity) being publicly traded, then all such RSUs and stock options will vest in full, and all performance conditions for performance-based RSUs will be deemed satisfied at the target level, only if there is also a termination by the Company without cause or by the individual for good reason within 12 months following the change in control. However, in the limited circumstances that the change in control results in none of the common stock of the Company (or any direct or indirect parent entity) being publicly traded following a change in control, then all such RSUs and stock options will vest in full, and all performance conditions for performance-based RSUs will be deemed satisfied at their target level, upon the change in control.

The Internal Revenue Code imposes an excise tax on the value of certain payments that are contingent upon a change in control, referred to as parachute payments, which exceed a safe harbor amount. The Company does not provide any executive with a gross-up for any excise tax that may be triggered. Mr. Kneeland s employment agreement provides that if he receives payments that would result in the imposition of the excise tax, such payments will be reduced to the safe harbor amount so that no excise tax is triggered if the net after-tax benefit to him is greater than the net after-tax benefit that he would receive if no reduction occurred.

The severance and change in control provisions of our NEOs employment agreements and other arrangements are described in detail in the sections Benefits upon Termination of Employment and Benefits upon a Change in Control, respectively.

Employment Agreements

We have entered into employment agreements with each of the NEOs; for Mr. Kneeland, effective August 22, 2008, for Mr. Plummer, effective December 1, 2008, for Mr. Flannery, effective March 12, 2010, for Mr. Asplund, effective April 28, 2008, and for Mr. Gottsegen, effective February 2, 2009.

The employment agreements generally provide that the NEOs are entitled to participate in, to the extent otherwise eligible under the terms thereof, the benefit plans and programs, and receive the benefits and perquisites generally provided by us to our executives, including family medical insurance (subject to applicable employee contributions).

Upon termination of employment or a change in control of the Company, the employment agreements provide for the benefits described above under

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Termination and Change in Control Benefits, and below under Benefits upon Termination of Employment and Benefits upon a Change in Control.

The employment agreements also generally provide that, during the period of employment, the NEO shall not engage in any activity that would conflict with the executive s duties and cannot engage in any other employment. In addition, the employment agreements generally provide for two-year (one-year for Messrs. Plummer and Gottsegen) non-compete and non-solicit restrictions.

Indemnification Agreements

We have entered into indemnification agreements with the NEOs. Each of these agreements provides, among other things, for us to indemnify and advance expenses to each such officer against specified claims and liabilities that may arise in connection with such officer s services to the Company.

Other Benefits and Perquisites

Nonqualified Deferred Compensation Plans

The Company s nonqualified deferred compensation plan, the Executive Nonqualified Excess Plan (ENEP), is an unfunded plan. The participants in the plan are unsecured general creditors of the Company. The ENEP permits a select group of management and other highly compensated employees, including the NEOs, and independent contractors of the Company to defer all or part of their base salary and annual incentive compensation. Deferred amounts are credited with earnings (or losses) based on the investment experience of measurement indices selected by the participant from among the choices offered by the plan. The ENEP also provides for additional credits that are discretionary on the part of the Company. The Company did not make any contributions to the ENEP in 2015.

Retirement Benefits

The Company maintains a 401(k) plan for all employees, and provides discretionary employer-matching contributions (subject to certain limitations, including an annual limit of $3,000 for 2015 for our NEOs) based on an employee s contributions.

Perquisites and Other Personal Benefits

We maintain various employee benefit programs, including health and medical benefits, for all of our employees, including our NEOs. In addition, all executives who are senior vice presidents or above, including the NEOs, are eligible to participate in an Executive Wellness Program.

The Company does not have a formal perquisite policy, although the Committee periodically reviews perquisites for our NEOs. Rather, there are certain specific perquisites and benefits with which the Company has agreed to compensate particular executives based on their specific situations. Among these are relocation costs, including temporary housing and living expenses, and use of Company vehicles. In order to make travel time more conducive to work-related activities, we may periodically provide our executives with business-class travel on commercial airlines when they are traveling for work-related matters.

Tax and Accounting Considerations

When it reviews compensation matters, the Committee considers the anticipated tax and accounting treatment of various payments and benefits to the Company and, when relevant, to the executive.

Section 162(m) of the Internal Revenue Code of 1986, as amended, generally limits to $1 million the annual tax deduction for compensation paid to each of the chief executive officer and the three other highest-paid executive officers employed at the end of the year (other than the chief financial officer). However, compensation that does not exceed $1 million during any fiscal year or that qualifies as performance-based compensation (as defined under applicable tax regulations) is deductible. The Committee considers these requirements when designing compensation programs for our NEOs.

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Both the AICP and the 2010 LTIP are designed to allow for the issuance of awards that satisfy the performance-based compensation exception under Section 162(m). These plans operate separately and each permits payment in both cash and stock-based awards, so as to maximize the Company s flexibility to award deductible compensation while maintaining a pay structure consistent with our compensation philosophy. In the first quarter of 2015, the Committee established performance criteria and set .3% of adjusted EBITDA (defined as set forth on page 24 of the Company s Form 10-K for the year ended December 31, 2015) as the Section 162(m)-compliant maximum for the aggregate amount of incentives awarded to the NEOs under the AICP for the 2015 performance period. This limit does not serve as a basis for the Committee s compensation decisions for our NEOs, but rather provides for the maximum amount of tax-deductible incentive compensation that the Committee can award to the NEOs under the AICP (which, for 2015, included the new share grants described on page 39), with the Committee retaining the discretion to pay less than the maximum. Once the maximum amount was established, actual award levels were determined based on achievement under the Company s 2015 incentive program.

Although the Company has plans that permit the award of deductible compensation under Section 162(m), the Committee does not necessarily limit executive compensation to the amount deductible under that provision. Rather, it considers the available alternatives and acts to preserve the deductibility of compensation in its discretion to the extent reasonably practicable and consistent with its other compensation objectives. In certain situations, the Committee may in its discretion approve compensation that will not meet these requirements when it determines that such payments are in the best interests of the Company and our stockholders, such as to ensure competitive levels of total compensation for the NEOs or for other reasons.

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Compensation and Risk Management

The Committee performs an annual risk assessment of our executive compensation programs. In 2015, the Committee considered both risk mitigators elements of the executive compensation architecture that assist in mitigating excessive risk and risk aggravators elements of the compensation architecture that potentially encourage risk-taking. On balance, the Committee found that the sum total of the risk mitigators greatly outweighed the risk aggravators. The risk mitigators include: the opportunity for stockholders to cast advisory votes on executive compensation, stock ownership guidelines for executives, an independent compensation committee and compensation consultant, clawback provisions in employment and equity award agreements, a clearly defined pay philosophy, peer group and market positioning to support the Company s business objectives, provisions enabling the use of negative discretion in certain payouts and an effective balance of cash and equity compensation. In performing its assessment, the Committee took into account the annual risk review of the Company s compensation programs by the Enterprise Risk Management Council comprised of senior representatives from field operations and from each of the primary corporate functions.

The Enterprise Risk Management Council reviews the Company s compensation policies and practices annually to ensure that they appropriately balance short- and long-term goals and risks and rewards. Specifically, this review includes the annual cash incentive program that covers all senior management and a broad employee population, and equity compensation. These plans are designed to focus senior management and employees on increasing stockholder value and enhancing financial results. Based on this comprehensive review in 2015, we concluded that our compensation program does not encourage excessive risk-taking. We are confident that our program is aligned with the interests of our stockholders and rewards for performance.

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Compensation Committee Report

The Compensation Committee has reviewed the Compensation Discussion & Analysis required by Item 402(b) of Regulation S-K and discussed that analysis with management and with the Compensation Committee s independent compensation consultant. Based on this review and discussion, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion & Analysis be included in the Company s annual report on Form 10-K and in this proxy statement.

THE COMPENSATION COMMITTEE

L. Keith Wimbush, Chairman

Singleton B. McAllister

Filippo Passerini

Donald C. Roof

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Summary Compensation Table

The table below summarizes the total compensation paid or earned by each of the NEOs for the fiscal years ended December 31, 2015, 2014 and 2013.

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)[1][2][3][4]	Option Awards ($)[1]	Non-Equity Incentive Plan Compensation ($)	All Other Compensation ($)[6]	Total ($)
Michael Kneeland	2015	950,000[7]		6,353,954[4]		770,925[5]	3,000	8,077,879
President and	2014	950,000		5,555,756		1,894,063	3,000	8,402,819
Chief Executive Officer	2013	950,000		3,742,819	1,187,500	1,136,556	3,000	7,019,875
William Plummer	2015	576,800[8]		1,372,779[4]		283,571[5]	3,000	2,236,150
Executive Vice	2014	551,221		1,219,938		803,880	3,000	2,578,039
President and Chief Financial Officer	2013	523,044		988,745	312,500	454,680	3,000	2,281,969
Matthew Flannery	2015	576,800[9]		1,372,779[4]		283,571[5]	3,000	2,236,150
Executive Vice	2014	548,668		1,219,938		803,880	3,000	2,575,486
President and Chief Operating Officer	2013	513,519		956,477	312,500	446,626	3,000	2,232,122
Dale Asplund	2015	503,779[10]		956,418[4]		242,025[5]	3,000	1,705,222
Senior Vice President,	2014	479,343		963,885		667,205	3,000	2,113,433
Business Services and Chief Information Officer	2013	436,801		612,070		400,000	3,000	1,451,871
Jonathan Gottsegen	2015	431,600[11]		603,953[4]		148,293[5]	3,000	1,186,846
Senior Vice President,	2014	411,631		616,713	&			