FRANCHISE DISCLOSURE DOCUMENT

Payless Car Rental System, Inc.
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www.PaylessCar.com

A Payless Franchise is a business of renting automobiles, without drivers, to the general public, for periods of 180 days or less under the Payless Trademarks.

The total investment necessary to begin operation of a Payless Car Rental franchised business is from $625,500 to $1,588,400. This includes an initial franchise fee of up to $50,000 ($45,000 plus an additional $5,000) for a territory with a population of 55,000.

This disclosure document summarizes certain provisions of your franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive the disclosure document at least 14 calendar days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale or grant. **Note, however, that no government agency has verified the information contained in this document.**

You may wish to receive your disclosure document in another format that is more convenient for you. To discuss the availability of disclosures in different formats, contact Ms. Shari Asarch in the Franchise Operations Department at 379 Interpace Parkway, Parsippany, New Jersey 07054, by telephone at (973) 496-8885 or via email at Shari.Asarch@avisbudget.com.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your contracts carefully. Show your contract and this disclosure document to an advisor, like a lawyer or accountant.

Buying a franchise is a complex investment. The information in this disclosure document can help you make up your mind. More information on franchising, such as "A Consumer's Guide to Buying a Franchise," which can help you understand how to use this disclosure document is available from the Federal Trade Commission. You can contact the FTC at 1-877-FTC-HELP or by writing to the FTC at 600 Pennsylvania Avenue, N.W., Washington, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

There may also be laws on franchising in your state. Ask your state agencies about them.

Issuance Date: April 29, 2026

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibit E.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit G includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Payless Car Rental business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Payless franchisee?	Item 20 or Exhibit E lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in New Jersey. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in New Jersey than in your own state.

2. **Financial Condition**. The Franchisor's financial condition as reflected in its financial statements (see Item 21) calls into question the Franchisor's financial ability to provide services and support to you.

3. **Sales Performance Required**. You must maintain minimum sales performance levels. Your inability to maintain these levels may results in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

NOTICE REQUIRED BY STATE OF MICHIGAN

THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

(a) A prohibition on the right of a franchisee to join an association of franchisees.

(b) A requirement that a franchisee assent to a release, assignment, novation, waiver, or estoppel that deprives a franchisee of rights and protections provided in this act. This shall not preclude a franchisee, after entering into a franchise agreement, from settling any and all claims.

(c) A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

(d) A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the franchisee by repurchase or other means for the fair market value at the time of expiration of the franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials that have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) the term of the franchise is less than five years and (ii) the franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the franchisee does not receive at least six months advance notice of franchisor's intent not to renew the franchise.

(e) A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

(f) A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

THIS MICHIGAN NOTICE APPLIES ONLY TO FRANCHISEES WHO ARE RESIDENTS OF MICHIGAN OR LOCATE THEIR FRANCHISES IN MICHIGAN.

(g) A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(i) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(ii) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(iii) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(iv) The failure of the franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

(h) A provision that requires the franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

(i) A provision that permits the franchisor to directly or indirectly convey, assign, or otherwise transfer its obligations to fulfill contractual obligations to the franchisee unless provision has been made for providing the required contractual services.

The fact that there is a notice of this offering on file with the attorney general does not constitute approval, recommendation, or endorsement by the attorney general.

Any questions regarding this notice should be directed to the Department of Attorney General, State of Michigan, Consumer Protection Division, G. Mennen Williams Building, 1st Floor, Lansing, Michigan 48913, telephone (517) 373-7117.

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ITEM 1

THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this disclosure document, "we," "us," or "Payless" means Payless Car Rental System, Inc., the franchisor. "You" means the individual, corporation, limited liability company, partnership or other entity who buys the franchise. If the franchisee will operate through a corporation, limited liability company, partnership or other entity, "you" also includes the franchisee's owners or partners.

The Franchisor: Payless Car Rental System, Inc.

We are a Florida corporation incorporated on September 26, 2001 with a principal place of business at 379 Interpace Parkway, Parsippany, New Jersey 07054. The names and addresses of our agents for service of process can be found in Exhibit A to this disclosure document.

Payless does business under the names "Payless Car Rental," "Payless Truck Rental," "Payless Car Rental System," "Payless," and other trademarks, service marks, trade names, logos, and commercial symbols that are owned by us or our affiliates and used (or developed and used in the future) in connection with Payless vehicle rental businesses ("Marks"). Payless has offered franchises under the names "Payless" and "Payless Car Rental" since September 26, 2001. From February 1978 through September 26, 2001, our parent company Payless Car Rental, Inc., formerly known as Avalon Global Group, Inc., offered franchises under the Payless name and service marks. Except as described above, we have not conducted business in any other line of business or offered franchises in any other lines.

Our Parent Companies: Avis Budget Group, Inc. and Payless Car Rental, Inc.

Payless is a wholly owned subsidiary of Payless Car Rental, Inc. ("PCR"), formerly known as Avalon Global Group, Inc., which in turn, is an indirect subsidiary of Avis Budget Group, Inc. ("ABG"), formerly known as Cendant Corporation ("Cendant"). ABG's principal business address is 379 Interpace Parkway, Parsippany, New Jersey 07054. ABG acquired PCR, Payless and Payless' affiliates in July 2013.

PCR is a Nevada corporation, originally incorporated in Delaware in July 1971, and reincorporated in Nevada on February 24, 1978. PCR offered vehicle rental franchises under the marks "Payless," "Payless Car Rental," "Payless Car Rental System," "Payless Truck Rental," and "Holiday-Payless Rent A Car" from 1971 until September 2001. PCR transferred all Payless Car Rental franchise agreements and related business assets to Payless on September 26, 2001.

During the period of 1991-92, PCR also offered franchises for lodging businesses under the name "Payless International Hotels, Inns & Resorts." PCR resumed this business through a new subsidiary, Payless Lodging, Inc., from 2002 through 2006 in a format that did not include franchising.

PCR does not currently offer franchises in any business. PCR's principal business address is 379 Interpace Parkway, Parsippany, New Jersey 07054.

Our Affiliates

Payless is an affiliate of Orlin, Inc. ("Orlin"), a Florida corporation incorporated on April 26, 2000; Atlin, Inc. ("Atlin"), a Florida corporation incorporated on April 14, 2003 and revived on June 6, 2011; and L&S Vehicle Leasing, Inc., a Florida corporation incorporated on April 18, 2002. L&S Vehicle Leasing, Inc. leases cars to the corporate outlets operated by the affiliates and joint ventures of Payless. The principal business address for Orlin, Atlin, and L&S Vehicle Leasing, Inc. is the same as ours.

Payless operates Payless company-owned car rental businesses throughout the United States directly, and through the following affiliates: Flomco, Inc. ("Flomco"), a wholly owned subsidiary of Orlin that is a Florida corporation incorporated on March 22, 2002; LAS Rentals, LLC, a wholly owned subsidiary of Orlin that is a Florida limited liability company organized on July 29, 2004; PCR Venture of Denver LLC, a Delaware limited liability company; PCR Venture of Phoenix LLC, a Delaware limited liability company; NoCal Rentals, Inc. ("NoCal Rentals"), a California corporation incorporated on September 21, 2010; ABQ Rentals, Inc., a New Mexico corporation incorporated on February 21, 2011; and Seatac Rentals, Inc. ("Seatac Rentals"), a Washington corporation incorporated on May 26, 2011. The principal business address for each of these affiliates is the same as ours.

PCR Venture of Denver owns and operates a Payless company-owned car rental business in Denver, Colorado. PCR Venture of Phoenix owns and operates a Payless company-owned car rental business in Phoenix, Arizona. Both PCR Venture of Denver and PCR Venture of Phoenix have been subsidiaries of Orlin and Atlin since June 2011. Before June 2011, both companies were operated as joint ventures between Orlin and a company owned by a third party.

We do not plan to enter into new joint venture relationships for the operation of car rental businesses in the future.

Affiliates Through Payless Acquisition by ABG

Payless' other affiliates include Avis Budget Car Rental, LLC ("ABCR"), Avis Rent A Car System, LLC ("Avis"), Budget Rent A Car System, Inc. ("Budget"), and Wizard Services, Inc. ("WSI"). ABCR, by itself and through its subsidiaries, including WSI, provides rental system and reservation services to Payless franchisees under the **Rental System Agreement (Exhibit I)** (see Items 6, 8, and 11). The business address for both WSI and ABCR is 379 Interpace Parkway, Parsippany, New Jersey 07054. You must also utilize the Wizard System, a computerized rental and reservations system ("**Wizard")** for all your locations under agreements you must execute with ABCR (see Items 6, 8, 11, and 16.)

Avis and Budget are both wholly owned subsidiaries of ABCR, which, in turn, is a subsidiary of ABG. ABCR, formerly known as Cendant Car Rental Group, Inc. incorporated in Delaware on April 29, 1996, and then converted to a limited liability company on January 9, 2006. ABCR's principal business address is 379 Interpace Parkway, Parsippany, New Jersey 07054. ABCR is wholly owned by Cendant Finance Holding Company, LLC ("CFHC"), a Delaware limited liability company. CFHC owns franchising subsidiaries (the "Affiliates") and is a wholly owned subsidiary of ABG, (formerly known as Cendant), a Delaware corporation created on December 17, 1997, through the merger of CUC International, Inc. ("CUC") and HFS, Inc. ("HFS"). In the merger, HFS merged with and into CUC with CUC surviving and changing its name to Cendant. CUC incorporated in Delaware on August 1, 1974, and HFS incorporated in Delaware on May 15, 1990. Cendant changed its name to Avis Budget Group, Inc. on September 1, 2006.

Avis by itself and through its subsidiaries, offers and grants franchises in the car rental industry. Avis offers and supports franchises for, and its subsidiaries operate, businesses that rent vehicles without drivers to the general public under the "Avis Rent A Car" name. Avis has operated vehicle rental business under the "Avis Rent A Car" name since 1946. Avis licenses the Avis® name, marks and vehicle rental system. Avis' right to use and license the name and marks associated with its system derives from its license agreement with affiliate Wizard, Co., Inc., the owner of all Avis marks. ABCR provides certain reservation and rental agreement processing services to Avis locations. Avis' principal business address is the same as our address. Avis has offered licenses or franchises since 1946 and had approximately 2,012 domestic vehicle rental outlets (of which 1,823 were company-owned and 189 were franchised) as of December 31, 2025.

Budget offers, sells, and supports franchises for, and together with its subsidiaries operate, businesses that rent vehicles without drivers to the general public under the "Budget Rent A Car" name. Budget has operated vehicle rental businesses under the name "Budget Rent A Car" name since November 22, 2002. Prior to that, Budget's predecessors operated and franchised vehicle rental businesses since 1958. ABCR provides reservation and data processing services to Budget locations. Budget offers car rental services at company-owned and franchised locations. Budget franchisees are also permitted to sell used vehicles under Budget's proprietary marks. Budget's principal business address is the same as our address. Budget has been franchising car rental services since 1960 through various predecessors and had approximately 1,350 domestic vehicle rental outlets (of which 1,177 were company-owned and 173 were franchised) as of December 31, 2025.

In 2011, ABG acquired Avis Europe PLC (now known as "**Avis Budget EMEA, Limited**" or "**Avis Europe**"). Avis Europe and subsidiaries operated a similar car rental business and has been franchising car rental services. Avis EMEA had approximately 1,850 vehicle rental outlets (of which 685 were company-owned and 1,165 were franchised) as of December 31, 2025. Budget EMEA had approximately 1,305 vehicle rental outlets (of which 600 were company-owned and 705 were franchised) as of December 31, 2025.

Except as described above, neither Payless nor any of Payless' affiliates has ever operated another vehicle rental business or offered franchises in any other line of business.

The Payless Franchise

Payless franchises the right to own and operate a business under Payless' Proprietary Marks (as defined below) (a "**Payless Franchise**") to rent automobiles, without drivers, to the general public, for periods of 180 days or less, under various trademarks, trade names, and service marks that Payless owns and licenses to you to use, including "Payless" (collectively, "**Proprietary Marks**"), and that uses uniform operating methods distinctively associated with Payless' Proprietary Marks, which Bud Payless get may periodically supplement and modify (the "**System**"). (In this disclosure document, the word "including" means "for example.") A network of mutually interdependent vehicle rental businesses operating under the "Payless" name, including those that Payless, its subsidiaries and affiliates, and its franchisees operate (collectively, the "**Network**"), promotes the System.

While using Payless' Proprietary Marks, Payless Franchises also perform various services associated with the car rental industry and identified in the Payless License Agreement, including the sale of loss damage waivers. Subject to Payless' approval, Payless Franchises may, and if Payless requires, must, in addition to renting vehicles, sell or rent to vehicle rental customers certain products and services directly related to the vehicle rental business, such as optional insurance services, loss damage waivers, refueling services, child seats, navigational devices, portable XM radios, and tire chains. Your Payless Franchise must offer all the products and services that Payless requires for your Payless Franchise, and may not offer any products and services that Payless has not authorized. Except where permitted by Payless pursuant to the Payless Used Car Sales Addendum to the Payless License Agreement (**Exhibit E** to the Payless License Agreement), you are not authorized to sell used vehicles using Payless' Proprietary Marks.

You must participate in the "**Corporate Rate Program**," with regard to **National Accounts** (See Art. VI of **Exhibit H**), as such accounts are designated by Payless from time to time. The **Corporate Rate Program** is a program offering corporate customers special rates and benefits in return for the volume of rental car business that they provide to the Network. You must also utilize the Wizard System, a computerized rental and reservations system (**"Wizard")** for all your locations under agreements you must execute with ABCR (see Items 6, 8, 11, and 16.)

Payless Franchises compete with all other businesses that rent vehicles to business and leisure customers including our affiliates. In the United States, the car rental industry includes regional, national, and international chains, and local, independent stores, which operate predominantly in non-airport locations. The market that a Payless Franchise services is developed in some areas and developing in others. The market depends on the population of a given market area and the number of similar businesses operating in a particular area. Market demand in some areas may be seasonal.

Our business activities are devoted exclusively to those described in this disclosure document.

Regulations Specific to the Vehicle Rental Industry

The vehicle rental and leasing businesses are regulated by federal and state laws as well as municipal and local regulation. Tax laws, bond and business licensing requirements, and vehicle registration fees may affect your business. Other laws and regulations that may affect your business include:

a. Minimum financial responsibility laws. All states establish minimum financial responsibility requirements for you as the owner of the vehicles to be rented, which include the types and proofs of financial responsibility that you must maintain for the benefit of third parties injured or damages caused by the use of your owned vehicles.

b. Damage waiver laws. Many states regulate the sale of collision damage waivers. The typical statute requires vehicle rental companies to disclose the optional nature of the waiver on the front of the rental agreement form. Some statutes also regulate the content of the waiver and its exclusions. We distribute to our licensees the required disclosure materials.

c. Limitation on amounts recoverable from renters. A few states limit the amount and/or type of damages that you may recover from renters who damage your vehicles.

d. Sale of insurance. Nearly all states regulate the sale of optional insurance products sold by vehicle rental companies. Most of these laws require you to obtain an inexpensive limited insurance license that permits you to sell insurance products that are part of the rental transaction. A few states exempt you from licensing requirements.

e. State age discrimination laws. At least 2 states (Michigan and New York) prohibit rental companies from refusing to rent to persons 18 years or older.

f. General regulation of vehicle rental operations. Your state may require you to obtain a permit to operate as a vehicle rental company and otherwise regulate vehicle rental operations.

g. National Association of Attorneys General ("NAAG") Guidelines. The NAAG Guidelines cover certain aspects of the vehicle rental industry, such as price advertising, disclosure of damage waiver and loss damage waiver provisions, and rate structures (what is includable in the rates).

h. Privacy laws. To the extent that you offer insurance, the privacy provisions of the Gramm-Leach-Bliley Act may be applicable.

i. Americans with Disabilities Act. This statute, and federal regulations issued under the statute, requires car rental companies to make "reasonable" accommodations to permit persons with disabilities to drive rental vehicles. Reasonable accommodations include making hand controls available for disabled customers, permitting service animals to ride in a vehicle, and waiving additional driver's fees for the driver accompanying a disabled renter. The statute can be found at 42 USC, Sections 12111 and following.

j. International Emergency Economic Powers Act. 50 USC, Sections 1701, and following and Executive Order No. 13224, effective September 24, 2001, prohibit U.S. businesses, including vehicle rental businesses, from transacting business with any individual or entity identified on a list maintained by the Office of Foreign Assets Control of the Treasury Department.

k. In July 1997, our affiliates, Avis and Budget, entered into settlement agreements with the U.S. Justice Department covering the application of the American with Disabilities Act to each system regarding obligations to persons with disabilities that prevent them from driving, such as blindness or epilepsy. Under the settlement agreement, the each affiliate agreed to strongly urge its franchisees to comply with its terms. A copy of the announcement setting forth the terms of the settlement agreement is attached as **Exhibit B** (see also Item 3).

You are responsible for identifying which laws will apply to your Licensed Business and for complying with them. You should consult with your attorney concerning these and other local laws and ordinances that may affect your Licensed Business.

ITEM 2

BUSINESS EXPERIENCE

Chief Executive Officer – Avis Budget Group, Inc. and Avis Rent A Car System, LLC: Brian Choi

Brian Choi been ABG and Avis' Chief Executive Officer since July 2025. Prior to that, he was ABG's Chief Transformation Officer from January 2024 to July 2025, and ABG's Executive Vice President and Chief Financial Officer from August 2020 to December 2023.

Chief Financial Officer – Avis Budget Group, Inc. and Avis Rent A Car System, LLC: Daniel Cunha

Daniel Cunha has been ABG and Avis' Chief Financial Officer since July 2025. Prior to that, he served as Chief Financial Officer at Orion Services Group in New York, New York from February 2024 to June 2025. He was the Chief Financial Officer at Ocean Spray in Middleborough, Maryland from 2019 to 2023.

Director, Licensee Operations & Business Development: Michael Ellis

Michael Ellis has been ABG and Payless' Director, Licensee Operations & Business Development since October 2023. Prior to that from October 2022 to October 2023, he served as ABG's Director, Licensee & Global Support and from January 2019 until October 2022, he was ABG's Senior Manager, European Licensees. Mr. Ellis joined the Company in January 2013 and has served in various positions of operations leadership and sales.

Sr. Mgr. Operations & Business Development Licensees: Gareth Grimes

Gareth Grimes has been ABG and Payless' Sr. Mgr. Operations & Business Development Licensees Director, since May 2023. Prior to that from January 2021 to May 2023, he served as ABG's Sr. Mgr. Customer Advocacy and from January 2019 to January 2021 he served as ABG's Sr. Mgr. Business Transformation & Strategy.

ITEM 3

LITIGATION

Pending Actions

The following are pending actions that are subject to disclosure by Payless and/or are actions in which Payless is a defendant.

Avis Budget Group Domestic

Dawn Valli vs. Avis Budget Group, Inc. (United States District Court, District of New Jersey, Case No. 2:2014-cv-06072-CCC-JBC) On September 30, 2014, Plaintiff Dawn Valli filed an alleged class action suit for violation of the New Jersey Consumer Fraud Act, breach of good faith, and unjust enrichment arising from payment of speeding violation incurred in Washington DC and administrative fees. Discovery and document collection is in progress. ABG continues to defend this case and discovery is ongoing. The parties participated in a mediation in June 2021, which resulted in an impasse. The Motion to seek appeal on class certification issues was denied on November 17, 2023. In December 2024, ABG filed an appeal to the 3rd Circuit Court on the district court's denial of its motion to compel arbitration. As of December 16, 2025, the Third Circuit Court of Appeals granted ABG's appeal and vacated the District Court's denial of ABG's motion to compel arbitration and has remanded the case back to the District Court.

Travelers United, Inc. v. Avis Rent A Car System, LLC et al (District of Columbia Superior Court, Case No. 2024-CAB-005792) and Travelers United, Inc. v. Budget Rent A Car System, Inc. et al (District of Columbia Superior Court, Case No. 2024-CAB-005736). On September 11, 2024, plaintiff Travelers United Inc. filed a complaint alleging that Avis and Budget (in two separate matters) that each has been systematically cheating consumers by refusing to rent vehicles for advertised prices. These cases were consolidated into a single case, and we filed a motion to dismiss and a motion to compel arbitration, and in February 2025, the DC Superior Court granted our motion to dismiss in full, finding that Travelers lacked standing because both it and the represented class were bound to arbitrate based on the Avis terms and conditions. On March 11, 2025, the Plaintiff filed a notice with the DC Court of Appeals. The DC Court of Appeals heard oral argument in the case on February 17, 2026.

Jones, v. Pahwa, et al. (United States District Court for the District of New Jersey, Case No. 2:25-cv-07934) and Dua v. Joseph A. Ferraro, et al. and Avis Budget Group, Inc. (United States District Court for the District of New Jersey, Case No. 2:25-cv-15382) On June 6, 2025 and September 9, 2025 respectively, plaintiff Andrew Jones and plaintiff Arjun Dua each filed a shareholder derivative complaint against certain of ABG's current or former officers and directors seeking remedy against alleged breaches of fiduciary duties and unjust enrichment from February 16, 2024 through present. On October 22, 2025, Plaintiff sought to voluntarily dismiss the case. On November 24, 2025, the District Court for the District of New Jersey ordered that notice of the voluntary dismissals be provided to shareholders. On March 6, 2026, the parties attested to publication of the shareholder notice and are awaiting court approval.

Kashti v. Avis Rent A Car System, LLC (District Court Central-Lod, Israel, Case No. CC 26838-10-25) In October 2025, plaintiff filed a petition for class action certification alleging that Avis engages in "drip pricing" on its website by displaying artificially low initial prices that are later increased through hidden or vaguely disclosed mandatory charges. It is claimed that this practice violates the Israeli Consumer Protection Law. A pretrial hearing has been scheduled for September 22, 2026.

Currently Effective Injunctive or Restrictive Orders or Decrees

There are no currently effective injunctive or restrictive orders or decrees for Avis, ABCR, Payless Car Rental, Payless Car Sales, or ABG. However, the following consent orders relate to our affiliate Budget and its network of locations.

In the Matter of Budget Rent A Car System, Inc. (Federal Trade Commission Docket No. C-4212). The Federal Trade Commission ("FTC") undertook an investigation of Budget's practices alleging that Budget engaged in unfair and deceptive practices related to fuel charges imposed upon renters who drive less than 75 miles. As part of a Consent Agreement, Budget agreed to modify disclosure language regarding fuel-related charges. The Consent Agreement requires Budget to disclose expressly or by implication any fuel-related charges, fees, or costs relating to the rental of any vehicle in marketing and promotional materials. Further, Budget is required to disclose clearly and conspicuously at the time of the rental transaction any fuel-related charges, fees, or costs, including any fuel-related charges, fees, or costs that a renter who drives the vehicle less than any specified amount may incur and the manner in which a renter can avoid such fuel-related charges. On January 2, 2008, the FTC signed the Decision and Consent Order. Budget is obligated to comply with the Consent Order until January 2, 2028. The Consent Order is included in **Exhibit C** of this disclosure document.

Payless Actions Concluded Within the Past 10 Years

Investigation of Payless Car Rental System, Inc. (Florida Attorney General Investigation L 12-3-1070) On August 3, 2012, the Florida Attorney General initiated an investigation of alleged violations of the Florida Deceptive and Unfair Trade Practices Act by Payless Car Rental and its affiliate-owned car rental outlets in Florida. The matter settled. The resolution involved paying $150,000 in investigative costs to the office of the Attorney General and the creation of a $100,000 fund which will be used for potential reimbursements to customers who file a claim form obtained from the Florida Attorney generals office/website.

Pi-Net International, Inc. v. Payless Car Rental System, Inc. (U.S. District Court for the Central District of California, Case No. CV12-4394). In August 2012, Pi-Net International, Inc. ("Pi-Net") served a lawsuit upon Payless Car Rental System, Inc. ("Payless"). The lawsuit alleged that Payless had infringed two patents -- US Patent Nos. 5,987,500 and 8,108,492 -- relating to online transactions. The lawsuit does not specify the damages amount sought. Payless filed an Answer in which it denied infringement and asserted various affirmative defenses. In addition, Payless filed a Counterclaim in which it sought a declaration that the patents-in-suit were invalid. Litigation was stayed pending an inter partes review and the case was administratively closed on August 15, 2019.

Avis Budget Group Actions Concluded Within the Past 10 Years

Jose Mendez v. Avis Budget Group and Highway Toll Administration (United States District Court for the District of New Jersey, Case No. 2:11-CV-06537). On November 7, 2011, Jose Mendez filed a putative nationwide class action lawsuit for breach of contract, unjust enrichment, and breach of the implied covenant of good faith for alleged failure to disclose E-Toll activations, fees, and charging non-discounted tolls. The plaintiff alleges that customers were not made aware of these transponders in advance and that they were subsequently charged for their use and/or non-use. The plaintiff claims breach of contract, violations of New Jersey's Consumer Fraud Act, unjust enrichment, breach of implied covenant of good faith and fairly dealing and seeks monetary damages, and declaratory and injunctive relief. Completion of discovery is ongoing with respect to identification of class members. On November 16, 2017 the Court issued a decision certifying the class; on January 18, 2018, the Third Circuit denied defendants' petition for leave to appeal. The Settlement conference scheduled for December 4, 2018 was postponed and the parties have agreed to deadlines for filing various motions, including motions to decertify the class, to exclude damages expert, and summary judgment, with possible trial dates in late 2019. This matter was re-assigned

in 2019 to a different Judge because the earlier Judge had retired from the bench. All motions are still pending. The parties signed a settlement agreement on June 29, 2022. Avis Budget Group paid $6,700,000 in legal fees and $2,700,000 in settlement costs.

Venerus v. Avis Budget Car Rental, LLC et al. (United States District Court for the Middle District of Florida, Case No. 13-CV-921). On June 12, 2013, plaintiff Heather Venerus, a renter of a Budget vehicle, filed a purported class action lawsuit against ABCR and Budget. Budget's international tour company partners include supplemental liability insurance ("SLI") or additional liability insurance ("ALI") coverage in tour package rates. Plaintiff alleges that defendants failed to procure SLI or ALI insurance policies for and/or sold unauthorized SLI or ALI products to purchasers of these tour packages. Plaintiff asserts claims for breach of contract, unjust enrichment, and violations of various Florida statutes, including the Florida Deceptive and Unfair Trade Practices Act, and seeks money damages, and injunctive and declaratory relief. The court decertified the class and an individual judgment was entered for $176 for Plaintiff and the Plaintiff has appealed. Oral argument on the cross appeals was scheduled for December 6, 2017. On January 25, 2018, the 11th Circuit Court of Appeals granted in part and denied in part the appeals, and remanded to the District Court on the issue of proper standards used to define standing when decertifying a class. Plaintiff's claims that Budget unlawfully transacted insurance sales were denied. The Class Action Settlement Agreement was approved and the case was dismissed with prejudice on March 30, 2023. Class Counsel was awarded $8,525,000 in fees and $400,000 in costs. ABCR and Budget agreed to make a total of up to $33,956,613.00 available for settlement of all claims in this matter.

Canadian Competition Authority. In March 2015, the Canadian Competition Bureau filed an application with the Competition Tribunal alleging that ABG and two of its Canadian subsidiaries engaged in deceptive marketing practices with regard to certain charges that consumers are invoiced related to renting a vehicle and associated products in Canada. The application sought penalties against ABG and its subsidiaries totaling approximately $25 million as well as reimbursements to current and former customers of amounts collected and retained by ABG related to the alleged deceptive marketing practices. The case was settled with ABG paying $3.25 million on June 2, 2016.

Daniel Klein and Stephanie Klein, on behalf of themselves and others similarly situated v. Budget Rent A Car System, Inc. and Avis Budget Car Rental, LLC (United States District Court for the District of New Jersey, Case No. 2:12-CV-07300-JLL-MAH). On November 27, 2012, Plaintiffs Daniel Klein and Stephanie Klein, participants in Budget's travel rewards program ("Travel Rewards Program"), filed a putative class action against ABCR and Budget, alleging a failure to adequately disclose to participants in the Travel Rewards Program that defendants impose a surcharge for frequent flyer miles earned through online rental transactions. Plaintiffs have asserted claims for violations of the New Jersey Consumer Fraud Act, breach of contract, breach of implied covenant of good faith and fair dealing, and seek monetary damages, and injunctive and declaratory relief. The District Court granted final approval to a class action settlement in this matter on June 21, 2016. Pursuant to the district court's final approval order, payment of $3,050,000 in attorneys' fees and $10,000 in incentive awards was paid by ABG on December 5, 2016. All settlement benefits were distributed to the class by February 20, 2017.

Faiz Ahmed, d/b/a Premium Autos, LLC and Ahsan Syed, d/b/a ARS, Inc. v. Avis Rent A Car System, Inc., a Delaware Corporation, Budget Rent A Car System, Inc., a Delaware Corporation, Avis Budget Group, Inc., a Delaware Corporation and DOES 1-100, Inclusive (Superior Court for the State of California for the District of Rancho Cucamonga, County of San Bernardino, Case No. CIVRS 1308871). On December 31, 2013, plaintiffs, agency operators of Avis and Budget, filed a complaint against Avis, Budget, and ABG, seeking relief under California's wage and hour laws to remedy the alleged misclassification of agency operators as independent contractors rather than classifying each of the Plaintiffs as employees. The parties reached a settlement at Mediation in November, 2018. The parties entered into settlement agreements in December 2018 where a total settlement of $1,758,000 (Ahmed:

$500,000, Syed: $500,000, Huseinbhai: $250,000, and Sansone: $250,000) was paid to the trust account of LA Superlawyers, Inc. on behalf of each of the plaintiffs.

J&J Marshall, Inc., a California corporation v. Robert Koneti, individually, BVR Solutions, Inc., a California Corporation and Avis Budget Group, Inc., a Delaware corporation and DOES 1-40, inclusive (Superior Court of the State of California for Ventura County, Case No. 56-2013004455653 CU-NP-VTA). On or about May 1, 2012, Plaintiff purchased the operating rights to the Budget Oxnard location from Defendants. On December 6 2013, plaintiff filed suit against Robert Koneti and BVR Solutions, and ABG, alleging that defendants made numerous intentionally false and damaging statements regarding the continued operation of the Budget Oxnard location. Plaintiff claims that defendants told customers that the Oxnard location was closing, terminating its one-way rentals and going forward, its car rental business would be serviced by the Avis Oxnard location. The case settled for $400,000 and was dismissed on December 22, 2015.

Kirit Bakshi v. ABCR Avis Budget Group, et als. – (United States District Court for the Eastern District of Michigan, Case No. 2:20-cv-10419-DML-MJH) On February 18, 2020, Plaintiff filed a complaint alleging violations of the Michigan Consumer Protection Act, California Unfair Business Practices (Bus. & Prof. Code Section 17200) and the New Jersey Consumer Fraud Act. Plaintiff alleges ABG/Costco fraudulently, uniformly, routinely and systematically imposed unauthorized and/or specifically declined charges on the credit and/or debit cards of their rental customers across the Country. The plaintiff's original complaint was dismissed for failure to plead an amount in controversy ($75k) sufficient for federal court jurisdiction. Later, the plaintiff failed to file an amended complaint in a timely manner which could have led to a formal dismissal of the complaint by the court. On August 27, 2020, the pro se plaintiff filed an order to show cause ("OTSC") claiming he was not aware of the court's prior order dismissing his claim. The parties settled this case on December 2, 2022 for $20,000 and the case was closed on December 14, 2022.

Luigi Ambrose, et al. v. Avis Rent A Car System, Inc., Budget Rent A Car System, Inc., Avis Budget Group, Inc. (United States District Court for the Central District of California, Case No. 2:11-CV-09992-CAS-AGR). On October 14, 2011, after class certification was denied in the Duke v. Avis Rent A Car System, Inc. action described above, Luis Ambrose, and 17 other current and former agency operators of Avis or Budget, filed a complaint against Avis, Budget, and ABG. The case was filed in state court and subsequently removed to federal court. The complaint alleges, among other things, that Avis/Budget agency operators have been misclassified as independent contractors under California Law. Plaintiffs assert claims for violations of California's Labor Code, fraudulent concealment, and violations of California's Business and Professions Code, and sought employment related compensation and benefits as well as injunctive and declaratory relief. The claims of all plaintiffs except for one have been resolved. Avis, Budget, and ABG continue to defend the case. The parties filed a joint notice of settlement on February 3, 2015 and the court entered an order of dismissal on March 10, 2015.

Thomas McCabe v. Avis Budget Group, Inc., et al. (Hartford Superior Court Docket No.: HHD-CV-20-6127745-S) Plaintiff filed an administrative complaint alleging fraud, bad faith, unfair trade practices and breach arising from erroneous Wizard number applied to transaction. The Connecticut Department of Consumer Affairs dismissed the case as an administrative complaint as resolved by the parties. The case was settled on March 11, 2021 in a settlement in the amount of $8,750 was paid to the plaintiff.

In the Matter of Budget Rent-A-Car Systems Inc. (Federal Trade Commission Docket No. C3674). On June 21, 1996, the FTC made final the Consent Order with BRAC, an affiliate of the Predecessor ("Systems"), which settled charges that Systems engaged in deceptive practices when failing to disclose potential charges to customers of "loss of turnback" values exceeding the cost of repairs, when those customers returned their cars with significant damage. The FTC alleged that, in those situations, Systems

sought to collect "loss of turnback" values, which value was the amount Systems lost because damaged vehicles could not be resold to the manufacturer at a price higher than retail.

The Consent Order required Systems to pay the FTC $75,000 for consumer redress. In addition, if Systems intended to charge consumers for the "loss of turnback" values again, the order required Systems to clearly disclose in rental contracts and in travel agents' and other computerized reservation systems consumers' liability for damage or loss in excess of the actual cost of repairs to damaged vehicles or the fair market value of the vehicle, and to post this information at each of its rental locations where it collects such amounts. The Consent Order also required Systems to distribute a copy of the Order to all managers who have responsibilities relating to the collision or theft damages from renters, and to notify the FTC of any proposed change in Systems' corporate structure. Budget is obligated to comply with the Consent Order. The Consent Order terminated on June 17, 2016, and is included in **Exhibit C** of this disclosure document.

Abigail Bacon, Arcadia Lee, Jeannine Devries, Lisa Geary, Richard Alexander, Yvonne Wheeler and George Davidson and on behalf of themselves and the putative class v. Avis Budget Group, Inc. and Payless Car Rental, Inc. (United States District Court for the District of New Jersey, Case No. 2:16-cv-05939-KM-JBC). Plaintiffs filed this lawsuit on September 26, 2016 alleging that Payless has a pattern and practice of fraudulent counter sales including: 1) "add-on" sales—practice of adding coverages that were declined by customers; and 2) Fuel charges-customers were charged for fuel reserving services even though they returned the vehicle full. The parties settled this case for $19,000,000, and the case was closed on December 9, 2025.

Except as described above, no litigation information is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

ITEM 5

INITIAL FEES

When you sign the Payless License Agreement, you must pay Payless fees (the "Initial License Purchase Fee") based on the population of the territory covered by that agreement. The Initial License Purchase Fees are not uniform. Payless calculates the Initial License Purchase Fee as follows:

1. $45,000 for a territory with a population of 50,000 people (or under), plus

2. an additional $5,000 for each 5,000 population increment over 50,000 people.

Population is determined by using figures reported by the United States Census Bureau and updated regularly by a consulting company.

Payless reserves the right to waive or charge Initial License Purchase Fees greater or less than that specified above based on a variety of factors, including certain characteristics of your territory (for example, the existence of an airport, resort, large hotel, university, or other prime commercial rental location; whether you are converting an existing business; and the level of competition in your territory). Initial License Purchase Fees are uniform and not refundable under any circumstances.

You must pay a one-time Wizard Connection Start Fee of $320.00 per workstation, including Thin Client Terminals, before licensee begins to operate on Wizard.

ITEM 6

OTHER FEES

Name of Fee	Amount	Due Date	Remarks
Fees Under Rental System Agreement			
Current Rental System Service Charge	$0.22 per Transaction	45 days from the date of the monthly Licensee Settlement Statement also referred to as Composite Statement	The charge is for processing your rental transactions through Wizard.
Wizard Connection Start Fee	$320.00 per workstation	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	One time set up fee, per terminal, including Thin Client Terminals, before licensee begins to operate on Wizard.
Wizard Administrative Reporting Service Fees	$150.00 per month plus $0.22 times the total value of the Club Billing transactions (with a minimum monthly Club Billing charge of $55.00).	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	This fee covers the reports required for the Licensee's use of Wizard as set forth in Schedule E of the Rental System Agreement, which is the Administrative Services Addendum.
Technical Support Service Fee (Billed together with Wizard Internet Access Charge for a $42.00 charge)	$24.00 per connected workstation per month	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	This charge is for providing you with Help Desk support for Wizard.

Name of Fee	Amount	Due Date	Remarks
Wizard Internet Access Charge (Billed together with Technical Support Service Fee for a $42.00 charge)	$18.00 per connected workstation per month	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	Applies only if you choose to access Wizard through the Internet
Thin Client Device and Set Up Fees[(1)]	Approximately $2,122 per device per location. In addition, $500 per site survey and $500 per 3 hours installation, per site.	As incurred for third-party vendor and equipment charges. Charges paid to Payless will be owed 45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	Site Survey fees are required to be paid by you to an ABCR approved third party vendor. One time hardware, equipment, and installation fees are paid to Payless. Equipment includes Thin Client, Signature Capture, required stands, device staging, shipping and installation
Frame Relay/MPLS Network Infrastructure[(1)]	$5,000–$12,000 depending upon the number of terminals and hardware selected.	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	The fees will vary depending upon the size of your location, if you choose a redundant provider, terminal volume, and a variety of other factors. A Site Survey is required and will determine the system needs of the location.
Frame Relay/MPLS Charges[(2)]	$480 to $970 per month.	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	The monthly fees will vary depending upon the size of your location, if you choose a redundant provider, terminal volume, and a variety of other factors. A Site Survey is required and will determine the system needs of the location.

Name of Fee	Amount	Due Date	Remarks
Aruba/DSL Network Infrastructure[(1)]	$1,000–$1,200 depending upon the local internet service provider fees.	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	The fees will vary depending upon the size of your location, if you choose a redundant provider, terminal volume, and a variety of other factors. Some locations may not be conducive to an Aruba/DSL connection. A Site Survey is required and will determine the system needs of the location.
Aruba/DSL Charges[(2)]	$135+ per month	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	The fees will vary depending upon the local Internet provider. Some locations may not be conducive to an Aruba/DSL connection. A Site Survey is required and will determine the system needs of the location.
Current Reservation System Fees[(3)]:			
a. Reservation Fee[(4)] Through a Payless contact center, a GDS, the internet (including Payless.com), or a Direct Link	$2.25 - $5.50 per reservation	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	The fee is attributed to reservation operating expenses, including but not limited to the corporate overhead expenses, promotional expenses for payless.com, and customer complaint service expenses.

Name of Fee	Amount	Due Date	Remarks
b. Automated Reservation Fee	$2.25 - $5.071 per reservation	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	This fee covers the transmission fee for reservations generated by airline or other automated reservation systems, and processed through the reservation system, for your Payless Franchise. The amount of the fee depends on which automated reservation system generated the reservation and is subject to change annually.
c. International Phone Reservation Fee	$11.50 per international reservation made by phone	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	This fee covers expenses for reservations made by international phone sources.
Monthly License Fee(5)	7.5% of "Gross Revenue"of Licensed Business	Payable monthly by the 15th day of the following month	"Gross Revenue" includes any and all sums payable in your operation of the Licensed Business.
Travel Agency Commissions(6)	5% commission is the standard paid to any travel sources referring business to Payless.	Within 30 days of rental for all non-preferred accounts. Preferred accounts are processed in house and payments will be by ACH on the 12th day of the month.	None
Late Payment Charges	1.5% per month	Upon receipt of invoice	Begins accrual on first day after payments are due and not paid.

Name of Fee	Amount	Due Date	Remarks
Audit/Inspection Costs[7]	Cost of inspection, including daily compensation, traveling expenses, room, and board	As incurred	Payable only if inspection discloses that you failed to comply with any provision of your License Agreement or our standards in a manner that would permit us to terminate your License Agreement
Customer Complaint Fee[8]	Charge back of up to the amounts of the total rental charges incurred by the customer for the rental transaction.	Upon receipt of invoice/Licensee Settlement Statement also referred to as Composite Statement	We have the authority to settle disputes with customers. Complaints handled by Payless on your behalf will be billed to you.
Performance Deposit [9]	$2,500 –$10,000	Upon execution of License Agreement and upon demand if replenishment is required	
Dishonored Check Charge	$50	By the 20th day of the month of invoice	
Transfer Fee	5% of sales price (minimum $2,500)	Upon transfer	
Renewal Fee	$2,500	Upon renewal	
Termination Fee[10]	Six times the average monthly License Fee multiplied by a fraction, the numerator of which is the number of days between the date of (a) in "Remarks" column and end of 180-day notice period, and the denominator of which is 180	Upon termination	You may be required to pay Payless a Termination Fee if you terminate the License Agreement.
Rate Management Programs	$500 – $3,500 per month	Upon receipt of invoice	Optional

Name of Fee	Amount	Due Date	Remarks
Fees Under Payless License Agreement			
License Fees	7.5% of the Gross Revenue[(2)] of your Payless Franchise for the preceding month	10th of each month	
Monthly Marketing Fee	Currently $0	Not currently being collected	If we begin collecting this fee, this fee would cover the costs of producing, contesting, and paying the composite statement (which is also referred to as LSS – Licensee Settlement Statement).
Costs for Directory Listings	Payless' costs and expenses for obtaining and maintaining listings	As incurred	Payless may (at its option) obtain "yellow pages" and "white pages" listings identifying your Payless Franchise and charge you for the costs and expenses Payless incurs.
Transfer Fees	The transfer fee will be $2,500 ($5,000 if private stock offering) plus up to $7,500 in out of pocket expenses during the review and approval process.	$2,500 deposit ($5,000 if private stock offering) when you request approval, remainder upon invoice from Payless for additional out-of-pocket expenses.	No transfer fee is due, and Payless will refund any paid deposit, if transfer (other than stock offering) is not completed because Payless fails to approve it. You are responsible for the payment of all your out-of-pocket expenses.
Inspection	Cost of inspection, including daily compensation, traveling expenses, room, and board	As incurred	Payable only if inspection discloses that you failed to comply with any provision of your Payless License Agreement or the Manual in a manner that would permit Payless to terminate your Payless License Agreement

Name of Fee	Amount	Due Date	Remarks
Interest	2% over the prime interest rate (listed in the *Wall Street Journal* or other publication Payless selects) as of the 1st day of each month or highest rate the law allows, whichever is less	When any monies, which in any manner relate to your Payless Franchise, are not received by Payless or its affiliates when due	Interest begins to accrue the day after any monies are due.
Cost of Correcting Deficiencies	Payless' costs and expenses	As incurred	If you fail to correct operational deficiencies after notice, Payless may (but need not) correct the deficiencies, and you must reimburse Payless' costs and expenses.
Indemnification	Varies depending on circumstances	As incurred	You must indemnify Payless for claims, liability, losses, and expenses it incurs from your operations or dealings with third parties.
Termination Fee	Six times the average monthly License Fee multiplied by a fraction, the numerator of which is the number of days between the date of (a) or (b) in "Remarks" column and end of 180-day notice period, and the denominator of which is 180	As incurred	If you terminate by giving 180 days' notice to Payless and, in any calendar month during that 180-day period: (a) you cease operating the Payless Franchise, or (b) your Payless Franchise's Gross Revenue is less than the average monthly Gross Revenue during preceding year (or during the term of the Payless License Agreement, if less), then you must pay Payless this amount.

Name of Fee	Amount	Due Date	Remarks
Fees Upon Temporary Operation of Business	Payless' costs and expenses, including management fee	As incurred	Applies only if you are in default under Payless License Agreement and Payless (at its option) assumes management of your Payless Franchise.
Costs and Attorneys' Fees	Will vary with the circumstances	As incurred	Due upon your failure to comply with the Payless License Agreement.
Wizard Connection Start Fee	$320.00 per workstation	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	One time set up fee, per terminal, including Thin Client Terminals, before licensee begins to operate on Wizard.
Wizard Administrative Reporting Service Fees	$150.00 per month plus $0.22 times the total value of the Club Billing transactions (with a minimum monthly Club Billing charge of $55.00).	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	This fee covers the reports required for the Licensee's use of Wizard as set forth in Schedule E of the Rental System Agreement, which is the Administrative Services Addendum.
Technical Support Service Fee (Billed together with Wizard Internet Access Charge for a $42.00 charge)	$24.00 per connected workstation per month	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	This charge is for providing you with Help Desk support for Wizard
Wizard Internet Access Charge (Billed together with Technical Support Service Fee for a $42.00 charge)	$18.00 per connected workstation per month	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	Applies only if you choose to access Wizard through the Internet

Name of Fee	Amount	Due Date	Remarks
Thin Client Set Up Fees[(1)]	Approximately $500 per location (see footnote 9)	As incurred for third-party vendor charges. Charges paid to Payless will be owed 45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	Site Survey fees are required to be paid by you to an ABCR approved third party vendor. One time hardware, equipment, and installation fees are paid to Payless.
MPLS Network Infrastructure**(1)**	$5,000–$12,000 depending upon the number of terminals and hardware selected.	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	The fees will vary depending upon the size of your location, if you choose a redundant provider, terminal volume, and a variety of other factors. A Site Survey is required and will determine the system needs of the location.
MPLS Charges**(2)**	$480 to $970 per month.	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	The monthly fees will vary depending upon the size of your location, if you choose a redundant provider, terminal volume, and a variety of other factors. A Site Survey is required and will determine the system needs of the location.
Aruba/DSL Network Infrastructure[(1)]	$1,000–$1,200 depending upon the local internet service provider fees.	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	The fees will vary depending upon the size of your location, if you choose a redundant provider, terminal volume, and a variety of other factors. Some locations may not be conducive to an Aruba/DSL connection. A Site Survey is required and will determine the system needs of the location.

Name of Fee	Amount	Due Date	Remarks
Aruba/DSL Charges[(2)]	$135+ per month	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	The fees will vary depending upon the local Internet provider. Some locations may not be conducive to an Aruba/DSL connection. A Site Survey is required and will determine the system needs of the location.

*Unless otherwise noted, all fees are uniformly imposed by and payable to Payless and are non-refundable. The term "Gross Revenue" means any and all sums payable in your operation of the Licensed Business, including time, mileage, damage or loss waiver, insurance products, fees, surcharges and any other charges for any ancillary goods or services provided directly or indirectly in connection with the Licensed Business with limited exclusions including: (1) any national, state or local sales or other similar taxes separately stated, collected from customers and paid by you to any applicable governmental authority; (2) any amounts received as insurance proceeds or otherwise for damage to vehicles or other property, or for loss, conversion or abandonment of those vehicles; (3) revenue derived from the sale of fuel furnished at the time of rental and (4) customer facility fees, collected from customers and paid by you to the applicable airport authority.

NOTES

(1) You will incur these charges under the Rental System Agreement and related Addendums and Schedules. The charges will vary depending upon the size of your franchise, the amount of equipment you use, and whether you choose to connect to Thin Client via MPLS or an Aruba/DSL Based Network Solution. A Site Survey is required prior to installation. The Survey must be conducted by an ABCR-approved third-party supplier. The Site Survey fee depends upon the complexity of the installation and the accessibility of the location and equipment. The Site Survey will determine the necessary system requirements for your location. The Thin Client Terminals are purchased through ABCR from an approved third-party supplier. ABCR collects the fee and forwards it to the vendor, without profit. The hardware and equipment may be purchased through an approved third-party supplier and you may choose a local internet service provider, or two separate providers to ensure a more secure, redundant connection. The fees are further described in Schedule B to the Rental System Agreement and Schedule 4 to the Administrative Services Addendum.

(2) You will incur these charges under the Rental System Agreement. The charges will vary depending on the size of your franchise, the amount of equipment you use, and whether you choose to connect to Wizard by Internet Access or Legacy SNA (Frame Relay). The charges are subject to increase on an annual basis.

(3) The Reservation System Fees are imposed under the Rental System Agreement, which you must sign along with the Payless License Agreement. These fees are due for all reservations which are made for your Payless Franchise by customers, airlines, tour agencies, travel agents, Internet or e-commerce users, or otherwise through the reservation system during the preceding month.

These fees are incurred on all reservations, including reservations that ABCR attempts to send to you but you fail to accept for any reason. You must pay these fees without any setoff or deduction of any kind. Budget collects all fees that the Rental System Agreement (and its exhibits) imposes. Payless and ABCR may periodically adjust these fees upon 30 days' prior written notice to you unless otherwise specified below.

(4) The Reservation Fee covers: (i) the operating expenses of the Reservation System, including expenses for the acquisition, maintenance, and enhancement of facilities, equipment, and personnel for the Reservation System; (ii) general overhead expenses in administering and processing reservations, which include the oversight of the operation, accounts payable processing, tax return preparation, internal audits, and partner and association expenses; (iii) administrative expenses in processing customer complaints (does not include amounts that Licensee must pay ABCR for resolving customer complaints); (iv) expenses related to the promotion of budget.com and other reservation channels and partnerships; and (v) reservations made by general consumers, tour licensees, or corporate customers who connect directly with the Reservation System. Payless may periodically adjust the Reservation Fee or any other Reservation System Fees, upon 30 days' prior written notice.

(5) Payable by electronic funds transfer or other means as specified by Payless. If you fail to make this payment to Payless when due, Payless may remove or suspend your right to receive reservations.

(6) You are required to participate in the Payless System Commission Payment Program, which is administered by a third-party provider. In addition to providing funds sufficient to pay applicable commissions at a cost of 5% – 30% of time and mileage, you will have to pay a transaction fee of $1.30 per commission payment/report for each agency during the reporting period (the transaction fee in the United States is $3.30 for international transactions involving currency conversion). If you fail to process or remit commissions as specified, Payless may pay them on your behalf, bill you for any such amounts plus a handling charge of $50 per source, and may remove or suspend your location's right to receive reservations.

(7) If an inspection of your business finds that you have violated the License Agreement or our standards in a way that gives Payless the right to terminate the agreement, you will remit all costs associated with the audit including travel expenses and wages.

(8) Under our customer service program, we have the right to resolve disputes between you and your customers at our discretion, and we have the right to charge you up to the total amount of the dispute plus any applicable handling fee if we must resolve complaints from your customers. We have the right to handle complaints directed by renters to us and refund monies to the renter as deemed appropriate. The handling fee, if charged, covers our costs in administering the customer service program and resolving disputes with your customers.

(9) The Performance Deposit must be paid when you sign the License Agreement. These deposits are intended to secure payment of amounts owed under the agreement such as travel agent commissions, reservations fees, and complaint disbursements. The amount of the Performance Deposit is $2,500 for Local Licenses and up to $10,000 (based on market size) for Airport Licenses, depending upon your creditworthiness. The Performance Deposit is subject to change to account for increases attributable to inflation or the cost of providing reservations, marketing or

other services to you. The Performance Deposit is refundable at the time of transfer or termination of the franchise provided you are in compliance with all the terms of the License Agreement.

(10) You may terminate the License Agreement by providing one hundred eighty (180) days written notice to Payless. However, you will be charged a termination fee if, in any calendar month during that one hundred eighty (180) day period: (a) you cease to operate the Licensed Business; or (b) the Licensed Business' Gross Revenue is less than the average monthly Gross Revenue of the Licensed Business during the preceding one (1) year period (or during the term of this Agreement if less than one year). Instead of paying any monthly fees for the remainder of the one hundred eighty (180) day period, you will pay the Termination Fee which equals: (i) six (6) times the amount of the average monthly fees, which were payable by you for the immediately preceding one (1) year period (or during the term of the License Agreement if termination occurs before its one year anniversary); multiplied by (ii) a fraction, the numerator of which is the number of days between the occurrence of the event in (a) or (b) above and the end of the one hundred eighty (180) day period, and the denominator of which is one hundred eighty (180).

ITEM 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT				
Expenditure	**Estimated Amount or Estimated Low-High Range (30 Car Fleet)**	**When Payable**	**Method of Payment**	**To Whom Paid**
Initial License Purchase Fee[(1)]	$50,000	Upon signing your License Agreement	As agreed	Payless
Construction, remodeling, decorating, and leasehold improvements[(2)(3)]	$15,000–$50,000	As incurred	As agreed	Outside suppliers
Furniture, fixtures, other fixed assets, and equipment[(3)(5)(6)]	$15,000–$28,000	As incurred	As agreed	Payless and outside suppliers
Signage[(5)]	$10,000–$25,000	As incurred	As agreed	Outside suppliers
3 months' rent and security deposits[(8)]	$9,000–$18,000 for three month period	As specified in lease	Installments	Landlord
Vehicle Insurance Premiums[(7)]	$15,000–$37,500	As specified in insurance contract	Installments	Third Parties
Grand opening advertising and promotional costs	$2,000–$5,000	Before grand opening	As agreed	Third parties

YOUR ESTIMATED INITIAL INVESTMENT				
Expenditure	**Estimated Amount or Estimated Low-High Range (30 Car Fleet)**	**When Payable**	**Method of Payment**	**To Whom Paid**
Office supplies	$500–$2,000	As incurred	As incurred	Outside suppliers
Miscellaneous opening costs[(9)]	$1,000–$3,000	As incurred	As incurred	Third parties
Automobiles[(4)(11)]	$450,000–$1,290,000 plus interest	As arranged	As arranged	See note 4
Travel and living expenses during training (3 months to understand)[(10)]	$3,000–$7,500	As incurred	As incurred	Payless and Third parties
Additional funds—three months[(13)]	$55,000–$72,400	As incurred	As incurred	Payless and third parties
TOTAL ESTIMATED INITIAL INVESTMENT[(12)]	**$625,500–$1,588,400**			

NOTES

1. The Initial License Purchase Fee is $50,000 based on a population of 55,000, but can vary as described in Items 1 and 5. All fees paid to Payless as a part of your initial investment are not refundable. The refundability of fees paid to outside suppliers and third parties depends on your arrangements with them.

2. You must provide an approved facility at your own cost. Cost will vary by area. Airport Licenses must be located within 5 miles of the airport. Facilities may be stand-alone buildings or incorporated into other uses such as hotels or vehicle parking facilities.

3. Cost factors will vary depending on the degree of renovation/refurbishment required.

4. Figures presented assume that vehicles will be purchased outright. Figures based on a fleet size ranging from 30 vehicles to 300 vehicles at an average cost of $15,000 per vehicle (for an economy car) to $43,000 per vehicle (for a luxury car), would be $450,000 to $1,290,000 for a 30-vehicle fleet composed solely of economy or luxury cars.

5. Costs will vary depending on location selected. Our image program must be adhered to at all times throughout the term of the License Agreement. Certain logo image items must be purchased through Payless approved vendors to ensure uniformity (interior signage, uniforms, shuttle bus decals, etc). Other image items, if purchased from a source other than Payless, must first be approved by Payless before installing (rental counter, flooring, exterior signage, shuttle bus, etc.).

6. Local Licenses must obtain a minimum of a one-user system, including hardware, software, and programs (including computer hardware and software for your general use and for your use of Wizard and includes an estimate of your initial costs in connection with your access and use of Wizard). Airport locations require a minimum of a two-user system, including hardware, software, and programs. Additional capacity may be necessary, depending on the needs of the franchisee and the market.

7. Your vehicle insurance premiums will vary based on your initial fleet size, your vehicle mix, the state in which you insure your vehicles, and whether or not your insurance is issued as part of an assigned risk pool. Your premiums will also vary if you chose to retain the risk of loss for damage to and theft of your vehicles, if you qualify as a duly authorized self-insurer, and if you chose to self-insure for third-party liability, with Payless' consent. Payless used an estimated cost of $2000 to $5000 per vehicle per annum to calculate these figures for the cost of obtaining insurance coverage for vehicle damage, theft, and third-party liability from vehicle accidents based on payment of your annual or semi-annual premiums in monthly installments for your first three months of operation.

8. Your rent will depend on the size, condition, and location of the premises where your Payless Franchise is located, and the rental market demand in the area of your Payless Franchise. Your security deposit may vary, depending on your monthly rent payments and local custom. Security deposits usually are refundable if you comply with the lease during its term.

9. This item covers miscellaneous opening costs and expenses such as utility installation and deposits, business licenses and certificates, and professional fees.

10. Payless and its affiliates provide training necessary to operate your Payless Franchise. Payless provides web-based training and seminars, manuals, on-the-job instruction, and other programs and materials appropriate for you, your General Manager, and other employees Payless approves. Payless offers web based training through Workday Learning allowing you and your approved employees to complete training on any device that allows web access. You and your approved employees must complete the program to Payless's satisfaction (to that extent that they must actively participate in and timely complete all web-based sessions).

11. If you operate an Airport License that requires shuttle service, you must have such courtesy vehicles (vans and buses) to transport passengers to and from the vehicle rental location and the airport as are reasonably required to service your customers. Courtesy vehicles must be converted, imaged, and decaled to meet our specifications.

12. Neither we nor any of our affiliates finance any part of the initial investment.

13. This is only an estimate of the range of initial operating expenses you may incur (other than items identified separately in the table). These amounts are the minimum recommended levels to cover your operating expenses for 3 months. The disclosure laws require us to include this estimate of all costs and expenses to operate your franchise during the "initial phase" of your business, which is defined as 3 months or a longer period if "reasonable for the industry." We are not aware of any established longer "reasonable period," so our disclosures cover a 3 month period. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Standards.

To maintain a uniformly high standard of performance among all Payless Car Rental businesses, you must develop and operate your Payless Franchise in strict compliance with the Payless License Agreement and all standards, specifications, and operating procedures that Payless designates, including but not limited to the Payless Car Rental Administration Manual (the "Manual"), as Payless may periodically modify them (the "Standards"). If Payless requires, your Payless Franchise must use the vehicle models that Payless periodically specifies in the Standards or otherwise in writing. Payless does not currently specify makes or models for the vehicles that Payless Franchises rent, but you must maintain all vehicles in a clean and presentable condition and maintain the quality standards that Payless periodically specifies for vehicles. Standards also govern the letter and number symbols you must use for communicating rental rates, vehicle types, credit cards, and other similar information related to rental transactions. Payless formulates and modifies its Standards based on its and other Network members' experience in developing and operating Payless Car Rental businesses. Payless will notify you in the Manual and in other written or electronic communications of the Standards (and modifications to the Standards).

Other required and optional agreements provide specifications for purchases or leases during the establishment or operation of your Payless Franchise. The Intercity Rules and Regulations contain specifications (including rental rates) for aspects like fleet size and insurance. The Corporate Rate Program regulates some aspects of your rental rates, incentives, and other terms of transactions with Corporate Rate Program customers. Payless and its affiliates may periodically modify these standards and specifications.

Other than a non-controlling interest in our ultimate parent, none of our officers own an interest in any supplier.

Designated and Approved Suppliers.

Your Payless Franchise must participate in Wizard, according to the Rental System Agreement. ABCR administers the Wizard System and is the only supplier of reservation and rental system services to Payless Franchises. ABCR also provides reservation and rental processing services using Wizard for Payless and the Payless business network. All of the fees and other revenues that ABCR currently receives from Payless Franchises for providing Wizard services are described in Item 6. During 2025, Wizard Services, Inc. received approximately $206,282.70 from providing reservation services to the Network (based on Wizard Service, Inc.'s internal unaudited financial records), which represents 2.05% of its total revenue of $10,066,989. Except as described in this Item, neither Payless nor its affiliates derive any revenue as a result of required purchases or leases of franchisees.

Payless requires you to execute the Rental System Agreement with ABCR, which agreement provides for all reservation and back office functionalities to your Payless Franchise. Under the Rental System Agreement you must buy certain hardware, software, and communications utilized in connecting to Wizard only from Approved Suppliers (see Item 11). In connection with a Thin Client infrastructure providing you with PCI compliant access to the Wizard System, the Thin Client Terminals must be purchased from an Approved Supplier through ABCR. The fee collected from you is forwarded to the supplier. (Schedule B to the Rental System Agreement and Schedule 4 of the Administrative Services Addendum). Additionally, the Site Surveys must be purchased only from Approved Suppliers. We may derive revenue from selling Standard Rental Agreement forms and jackets and additional driver forms to you. Payless derives revenue from the sale of rental jackets to franchisees. For the fiscal year ending 2025,

Payless' revenues from the sale of Standard Rental Agreement forms and jackets and additional driver forms was approximately $1,953.50 of Payless' total revenue, not including the Generic Rental Agreements.

Subject to Payless' approval, you may, and if Payless requires, you must, in addition to renting vehicles, sell or rent to your vehicle rental customers products and services directly related to your vehicle rental business. Payless may require you to sell or rent to your customers designated product brands and to obtain the products or services that you will sell to your customers only from designated or approved sources. Payless does not currently require you to sell any products or services other than Loss Damage Waiver, but may do so in the future. Unless you have a Payless Car Sales Addendum, you are not authorized to sell vehicles using Payless' Proprietary Marks.

In addition, you must purchase items that bear a Proprietary Mark or which are part of the System identity that meet our specifications as to style, color, design, etc. Examples of these items are stationery, signage, backwall counter modules, and uniforms. Precise product specifications exist for each of these items and are made available to franchisees. However, existing franchisees purchase most of these required items from the suppliers with which we have negotiated purchase contracts due to the better pricing and available supply. Modifications to existing specifications and standards are communicated to franchisees through bulletins and revisions to the Manual.

Collectively, the purchases and leases you will make from designated or approved suppliers or according to the Standards represent approximately 15% of your total purchases and leases in establishing, and approximately 10% of your total purchases and leases in operating your Payless Franchise. Except as described in this Item, Payless currently provides no material benefits (like renewal rights or granting additional franchises) to licensees for using designated, approved, or recommended sources.

Currently, except as described above, there are no other goods, services, supplies, fixtures, equipment, inventory, computer hardware or software, or real estate relating to the establishment or operation of your Payless Franchise that you must purchase or lease from Payless, a Payless affiliate, or suppliers that Payless designates or approves. Except as described above in this Item, neither Payless nor its affiliates are approved suppliers for any items or services for your Payless Franchise. However, during the license term Payless may require you to purchase additional items only from suppliers it designates or approves (which might include or be limited to Payless or its affiliates). Upon Payless' request, or if you want to use any item that Payless has not yet evaluated or buy from a supplier that Payless has not yet approved (for those items that require supplier approval), you first must submit sufficient information, specifications, and samples for Payless to determine whether the item complies with the Standards or the supplier meets Payless' criteria. Payless currently charges no fee for product or supplier evaluation, but may do so in the future. Within a reasonable time (typically 30 days) after receiving this information, Payless will approve or reject the product or supplier. If Payless requires supplier approval, it may condition this approval on the proposed supplier's financial record, business reputation, delivery performance, credit rating, and other criteria; however, currently Payless does not have any set criteria for approving suppliers. If Payless determines at any time that a product or supplier no longer satisfies the Standards, it may revoke its approval by notifying you and/or the supplier in writing. You may not purchase any items or buy from a supplier Payless has disapproved.

Purchase Arrangements with Recommended Suppliers.

Payless has no purchasing or distribution cooperatives. However, Payless and its affiliates negotiate purchase arrangements (including price terms) with various sources for many of the services and supplies needed to establish and operate a Payless Franchise. Except as stated above, neither we nor any of our affiliates are currently approved suppliers.

Insurance.

Type of Insurance	Minimum Amount
Fleet Insurance	$100,000 / $300,000 bodily injury and$50,000 per occurrence for property damage, or such other amounts as are required by local law.
Lessor's / Owner's Excess Liability Insurance	$1,000,000 combined single limit per occurrence
General Liability Insurance	$1,000,000 combined single limits

ITEM 9

FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the License Agreement and other agreements. It will help you find more detailed information about your obligations in these agreements and in other items of this disclosure document.

OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
a. Site selection and acquisition/lease	8.1 to 8.3 of the Payless License Agreement	Items 7 and 11
b. Pre-opening purchases/leases	8.1, 8.2, 9.11, 9.12, 10.2, 10.4 and 10.5 of the Payless License Agreement IV, V and VI of the Rental System Agreement	Item 8
c. Site development and other pre-opening requirements	Art. VIII of the Payless License Agreement Art. IV and V of the Rental System Agreement I of the Intercity Rules and Regulations	Items 6, 7, and 11
d Initial and ongoing training	Art. IV of the Payless License Agreement Art. VI of the Rental System Agreement	Item 11
e. Opening	8.4, 10.2 and the Summary Pages of the Payless License Agreement	Item 11

OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
f. Fees	Art. V and VII, and Summary Pages of the Payless License Agreement Art. III, Schedules B, C and D of the Rental System Agreement VI and Addendum A of the Intercity Rules and Regulations I.F(4) and I G of Exhibit G to the Payless License Agreement (Transfer Requirements)	Items 5, 6, and 11
g. Compliance with standards and policies/Manual	Preambles, Art. III and 9.11, 9.21, 9.22, and 9.23 of the Payless License Agreement II-VIII , Schedules A-D of the Rental System Agreement The Intercity Rules and Regulations Exhibit G to the Payless License Agreement (Transfer Requirements)	Items 8 and 11
h. Trademarks and Proprietary Information	Art. II of the Payless License Agreement	Items 1, 13, and 14
i. Restrictions on products and services offered	1.8, 1.4, Art. VI, 8.6, 9.6, 9.11, 9.12, 9.14, and 9.18 of the Payless License Agreement IX of the Rental System Agreement	Items 8 and 16
j. Warranty and customer service requirements	Art. VI, 9.10, 9.12, 9.13, 9.18, and 9.21 of the Payless License Agreement II of the Rental System Agreement I, III, VIII, IX, XI, XII, XV, XX, XXI, and XXII of the Intercity Rules and Regulations	Items 8 and 16
k. Territorial development and sales quotas	Art. VIII and the Summary Pages of the Payless License Agreement	Items 11 and 12

	OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
l.	Ongoing product and service purchases	Art. VI, 8.6, Art. IX, 10.1, 10.3, 10.4, and the Summary Pages of the Payless License Agreement I, II, VI, and Schedules 1 and 3 of Schedule C, Schedule D and Schedule E of the Rental System Agreement	Items 8 and 11
m.	Maintenance, appearance and remodeling requirements	8.5 of the Payless License Agreement III, XII, XV, XVIII, and Addendum A of the Intercity Rules and Regulations	Item 11
n.	Insurance	9.4 of the Payless License Agreement II, XVII, and XVIII of the Intercity Rules and Regulations	Items 7 and 8
o.	Advertising	Art. V and Art. X of the Payless License Agreement	Items 6, 8, and 11
p.	Indemnification	Art. XIII of the Payless License Agreement (2 of Personal Guarantee)	Item 6
q.	Owner's participation/ management/staffing	9.1, 9.2, and 11.10 of the Payless License Agreement III, IX, and XXIII of the Intercity Rules and Regulations	Item 15
r.	Records and reports	9.7, 9.8, and 9.10 of the Payless License Agreement VII-VIII of the Rental System Agreement VII, XII, XVIII, and XXIII of the Intercity Rules and Regulations Exhibit F of the Payless License Agreement	Item 6
s.	Inspections and audits	9.17 of the Payless License Agreement	Item 6
t.	Transfer	Art. XII and Exhibit F of the Payless License Agreement XII of the Rental System Agreement	Items 6 and 17
u.	Renewal	11.1 of the Payless License Agreement	Item 17

OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
v. Post-Termination Obligations	11.6 to 11.9 of the Payless License Agreement X and XI of the Rental System Agreement	Item 17
w. Non-competition covenants	1.6 and 11.9 and the Nondisclosure and Noncompetition Agreement of the Payless License Agreement	Item 17
x. Dispute Resolution	14.9 to 14.13 of the Payless License Agreement XIX of the Intercity Program	Item 17
y. Intercity Rentals	The Intercity Rules and Regulations	Items 1, 6, 8, 16, and 17
z. Personal Guarantee	12.7 and Exhibit A of the Payless License Agreement were intentionally deleted	Items 1, 7, 15
aa. Assignment of account and other receivables	7.7 and 14.5 of the Payless License Agreement	
bb. Lien on equipment and property	7.7 of the Payless License Agreement	
cc. Honor National Account agreements and participate in Programs	Art. VI. 9.13, 11.10 and VI of the Payless License Agreement	Items 1, 6, 11, and 12
dd. Additional development in Territory	8.6 of the Payless License Agreement	Item 12
ee. Wizard Participation	6.2, 9.16, and Exhibit F of the Payless License Agreement	Items 6 and 7

ITEM 10

FINANCING

Neither Payless nor its affiliates offers direct or indirect financing to Payless franchisees. Payless does not guarantee your note, lease, vendor purchases, or any other obligation.

We are listed on the SBA Franchise Directory located at: https://www.sba.gov/document/support--sba-franchise-directory. If you obtain financing through the SBA, you must sign the SBA Addendum to Franchise Agreement, attached as Exhibit H-1.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS, AND TRAINING

Except as listed below, Payless need not provide you with any assistance.

Before the Opening of Your Payless Franchise.

Before you open your business, Payless will:

1) Approve the trade name for your Payless Franchise (the Payless License Agreement, **initial recital of parties**).

2) Designate your territory. Your authorization to operate a Payless Franchise is limited to an authorized geographic area (the Payless License Agreement, **paragraph 1.5,** the **Summary Pages**) (see Item 12).

3) Furnish your General Manager and other employees Payless approves with instruction on the operation of a Payless Franchise, as further described in this Item (the Payless License Agreement, **paragraphs 4.1** and **4.2**).

4) Calculate your Initial License Purchase Fee (the Payless License Agreement, **paragraph 7.1** and the **Summary Pages**) (see Item 5).

5) Establish minimum annual License Fees based on your territory and the expected business demand in that territory (the Payless License Agreement, **paragraph 7.2**) (see Item 6).

6) Establish a minimum number of rental offices for your territory, based on the expected business demand and any needs of the airport and central business district in your territory (the Payless License Agreement, **paragraph 8.1** and the **Summary Pages**).

7) Establish the deadline for you to open your Payless Franchise. If you fail to find a location that Payless approves and open and begin operating your Payless Franchise within the time period Payless specifies, Payless may terminate your Payless License Agreement (the Payless License Agreement, **paragraph 8.4** and the **Summary Pages**).

8) Approve your selection of one or more locations that meet Payless' criteria, which must be within your licensed territory (see Item 12). In approving the location(s) for your Payless Franchise, Payless' Licensee Relations Department will consult with and assist you, but Payless does not own or lease the locations at which Payless Franchises operate. When determining whether to approve a location for your Payless Franchise, Payless will consider factors such as traffic count, demographics, rent, suitability for use as a Payless Franchise, exposure, parking, and proximity to the central business district. Payless usually approves or disapproves of your selection within two weeks. You may not open a location for your Payless Franchise without Payless' approval (the Payless License Agreement, **paragraph 8.3**).

9) Establish your initial automobile requirements (the Payless License Agreement, **paragraph 8.1** and the **Summary Pages**).

10) Establish average annual market penetration quotas, based on the territory assigned to your Payless Franchise and the expected market demand in that territory (the Payless License Agreement, **paragraph 8.1** and the **Summary Pages**).

11) Payless will lend you one copy of the Manual and any other manuals Payless provides for franchisees. The Manual is confidential and remains Payless' property. Payless may modify the Manual as Payless determines useful to preserve or enhance the efficient operation, image, or goodwill of Payless' Proprietary Marks and Payless Franchises, but any modification will not alter your status or rights under the Payless License Agreement. You may view the Manual in confidence if you sign and return a Confidentiality Agreement to Payless (See **Exhibit D**). You must return the Manual and any other manuals to Payless when required under the Payless License Agreement (the Payless License Agreement, **Article III**) (see Item 8).

12) Provide you information concerning the equipment, signs, fixtures, supplies, and vehicles that you will need to develop and operate your Payless Franchise (the Payless License Agreement, paragraphs 9.11 and 9.12) (see Items 7 and 8). We will provide a list of approved vendors and specifications related to equipment, signs, fixtures, opening inventory, and supplies. However, we will not deliver or install these items.

13) We do not provide assistance with conforming the premises to local ordinances and building codes and obtaining any permits, and/or constructing, remodeling, or decorating the premises, and/or hiring and training employees.

During the Operation of Your Payless Franchise.

During the operation of your Payless Franchise, Payless will:

1) Furnish a representative and additional resources through web-based training seminars, field visits, or other programs, at its expense, to train and assist your General Manager and employees in the operation of your Payless Franchise, as in Payless' judgment is necessary (the Payless License Agreement, **paragraphs 4.1** and **4.2**).

2) Furnish operating training and assistance through web-based training seminars, representatives, or other training programs requiring your (and/or your managers') attendance as deemed necessary by Payless (the Payless License Agreement, **paragraph 4.2**). Operating assistance and training may include advice and guidance for establishing administrative, bookkeeping, accounting, and general operating procedures, and the acquisition, disposition, and financing of fleet and equipment.

3) Advertise suggested rental rates or include rental rates in promotions (the Payless License Agreement, **paragraphs 6.1** and **9.15**). To the maximum extent permitted by law, you must comply with, and adhere to, any rental rates Payless sets (including complying with and adhering to maximum rates Payless establishes). If Payless does not set rental rates, but you communicate to Payless your decision to adhere to Payless' suggested rental rates, then you must honor those rates. You also must honor rental rates that Payless periodically establishes under the **Corporate Rate** Program, with regard to **National Accounts**, as such accounts are designated by Payless from time to time.

4) Evaluate and approve or reject a website you propose (or changes to your approved website) (the Payless License Agreement**, paragraphs 9.2** and **10.1**).

5) Review and consider requests for approval of any transfer of your Payless Franchise (**Transfer Requirements, Exhibit F** of the Payless License Agreement) (see **Items 6 and 17**).

6) Together with Avis Budget Car Rental make rental reservations available to you through the **Payless Reservations System** under the terms set forth in the Rental System Agreement (the Payless License Agreement, **paragraph 6.2**). Wizard is an online, real time reservations system. Participation in Wizard is mandatory because Payless considers Wizard to be a significant part of the Payless Car Rental System. Avis Budget Car Rental, LLC or its subsidiaries currently will provide you with services under the Rental System Agreement as follows:

   a) Provide facilities, equipment, and personnel for the Payless Reservation System which may be reasonably necessary for the solicitation, reception, and transmission of national and international reservations for your Payless Franchise (Rental System Agreement, **paragraph II.2.(b)**);

   b) Resolve customer complaints by payment for your Payless Franchise up to $150 without prior approval from you. Adjustments greater than $150 require contact and approval by you (Rental System Agreement**, paragraph II.1.(b)**; and provide you with a report documenting payments Payless makes on your behalf pursuant to the Payless Licensee Customer Adjustment Procedure (Rental System Agreement**, paragraph I.1.(a)1**);

   c) For as long as Avis Budget Car Rental operates the Payless Reservation System domestically on a nonprofit basis, prepare a profit and loss statement for the reservation system and reconcile the applicable fees and expenses, and, within ninety (90) days adjust the fees for the then current year (including any retroactive adjustment to the beginning of the then current calendar year) (Rental System Agreement, **paragraph II.3.**) (see Item 6); and

   d) Pay travel agencies commissions or other similar booking sources for referral of customers through the Payless Reservation System by one central payment method (Rental System Agreement**, Schedule F3**).

   e) During the term of the Rental System Agreement, Payless will comply with the Rental System Agreement's terms and conditions, and pay the fees it describes, for Payless Car Rental locations that it operates.

Opening Your Payless Franchise.

The length of time between the signing of your Payless License Agreement (and the payment of your Initial License Purchase Fee) and the opening of your Payless Franchise is typically 0 to 90 days. Factors affecting this time period may include your ability to obtain a lease, financing, or building permits; zoning and local ordinances; weather conditions; timing of yellow pages or other telephone directory advertisements; and shortages or delayed installation of equipment, fixtures, inventory, or signs (the Payless License Agreement, **paragraphs 8.4, 10.4** and **10.5**).

The Manual.

You may view the Manual before you purchase a Payless Franchise if you sign the Confidentiality Agreement attached to this disclosure document as **Exhibit D** (the Payless License Agreement, **Article III**). You cannot, during the term of your Payless License Agreement or after the Agreement is terminated:

a) reproduce, exhibit, or disclose the Manual, or any confidential element of or information about a Payless Franchise, to anyone other than your partners, shareholders, directors, and employees; or

b) disclose any confidential information communicated to your partners, shareholders, directors, and employees by or at the direction of Payless.

Payless Rent A Car businesses operate in a dynamic business environment requiring Payless' careful assessment of long-range interests and the overall direction of all Payless Rent A Car vehicle rental locations, and the decision-making flexibility appropriate to achieve Payless' determined goals. Accordingly, Payless may periodically modify the Manual and the Standards through bulletins, supplements, and other communications. You must comply with all of these modifications.

The table of contents of our Manual is attached as Exhibit M. Our Manual has a total of 538 pages.

Training.

Payless and its affiliates provide training necessary to operate your Payless Franchise. Payless provides web-based training and seminars, manuals, on-the-job instruction, and other programs and materials appropriate for you, your General Manager, and other employees Payless approves. Payless offers web-based training through Workday Learning allowing you and your approved employees to complete training on any device that allows web access. You and your approved employees must complete the program to Payless's satisfaction (to that extent that they must actively participate in and timely complete all web-based sessions). You must complete the initial training at least 30 days before opening the business.

Payless offers numerous web-based courses and programs via Workday Learning. The content includes instruction and information on multiple topics such as Wizard and WaND (GUI) point of sale, Customer Service and Counter Sales. Laura Lirio is the Global Senior Director of Organizational Development for ABCR and supervises the training program. Ms. Lirio has held her current title since November 2022. Should on-the-job training or instruction at a different location be required, the instructors will have at least one year of experience in the car rental industry. Instructors also may be members of the Licensee Relations Department.

Periodically during the license term, Payless may add new and refresher web-based training programs and seminars and may require you and your General Manager and other managerial personnel of your Payless Franchise to satisfactorily complete these. Payless communicates the requirement to complete such web-based training programs and seminars via System Bulletins (the Payless License Agreement, paragraph 4.2). You and/or your General Manager also must attend any periodic conventions or seminars that Payless holds for the Network (the Payless License Agreement, paragraph 4.3). You must bear all of your and your personnel's cost of attending these programs, conventions, and seminars, including travel, lodging, meals, and wages.

Below is a list of the training content available in Workday Learning to franchisees.

TRAINING PROGRAM

Course	Duration in Minutes	Location
Vehicle Manufacturer Recall Process and Policy Acknowledgment	7	Workday Learning - Online Training
Introducing Compass	5	Workday Learning - Online Training

Course	Duration in Minutes	Location
Adding Information to FNOL | 2025 Recert	5	Workday Learning - Online Training
Documenting Vehicle Damage at Check-In Using MDMS | 2025 Recert	7	Workday Learning - Online Training
Conducting a 14-Point Check | 2025 Recert	10	Workday Learning - Online Training
Tracking Devices Using Compass Device Manager	7	Workday Learning - Online Training
Inspecting Tires Guidelines and Standard Operating Procedures | U.S. & Canada	7	Workday Learning - Online Training
Renting Licensee Vehicles Towards Their Owning City	7	Workday Learning - Online Training
Handling Licensee Vehicles Correctly - Intercity Training	10	Workday Learning - Online Training
Inspecting Tires Guidelines and Standard Operating Procedure | US	7	Workday Learning - Online Training
Navigating the Compass App	5	Workday Learning - Online Training
Setting Locations for Manager Views in Compass	8	Workday Learning - Online Training
Using the Shuttling Command Center in Compass	8	Workday Learning - Online Training
Installing the Compass App	5	Workday Learning - Online Training
Providing Feedback using STAR-AR - 2025	5	Workday Learning - Online Training
Closing Complaints in Compass	5	Workday Learning - Online Training
Recording a Clean Car in Compass	5	Workday Learning - Online Training
Creating Work Items in the Compass App	5	Workday Learning - Online Training
Using Compass for Off-Lot Shuttling	5	Workday Learning - Online Training
Rules of the Road: Ethical Sales for International Avis Budget Group - 2025 Recertification	10	Workday Learning - Online Training
Using Compass for On-Lot Shuttling	8	Workday Learning - Online Training
Inventorying Vehicles in Compass	5	Workday Learning - Online Training
Setting Locations in the Compass App	3	Workday Learning - Online Training
Managing Work Items in Compass	5	Workday Learning - Online Training
Creating Complaints in the Compass App	5	Workday Learning - Online Training
Signing Into the Compass App	5	Workday Learning - Online Training

Course	Duration in Minutes	Location
Getting to Know the Avis and Budget Apps | N. America and APAC	5	Workday Learning - Online Training
Budget Truck Dealer Training Curriculum	2	Workday Learning - Online Training
10 Point Inspection SOP Budget Truck	5	Workday Learning - Online Training
LMT Territory Performance Manager: Your Role	0	Workday Learning - Online Training
LMT Territory Performance Manager: Getting Started at ABG	5	Workday Learning - Online Training
Understanding the Weekly Rental Report	7	Workday Learning - Online Training
Working the Long-Term Rental Exception Report	7	Workday Learning - Online Training
Working the Long-Term Rental Report to Process Rewrites	7	Workday Learning - Online Training
Accessing the Truck Productivity Report	10	Workday Learning - Online Training
Tracking Units Using Edison or AirIQ Software	7	Workday Learning - Online Training
Completing the New Dealer Setup Process	10	Workday Learning - Online Training
Prospecting for New Dealers	5	Workday Learning - Online Training
Prospecting New Account Leads	7	Workday Learning - Online Training
Displaying Unit History in TRABO	5	Workday Learning - Online Training
Using TRABO Basics	5	Workday Learning - Online Training
Recovering Lost Revenue Using TRABO2's OW Cancel Function	10	Workday Learning - Online Training
Updating Charge Cards in TRABO2 for Automated Long-Term Rentals	7	Workday Learning - Online Training
Using POS - F6 Admin to Correct Mileage for Budget Truck	7	Workday Learning - Online Training
Using AdhocReporting for TRABO	5	Workday Learning - Online Training
Managing Shop Agreements for Truck Maintenance or Repairs	7	Workday Learning - Online Training
Managing Overdues, Swaps, and Shop Trucks Using FleetNet	7	Workday Learning - Online Training
Data Privacy and Protection | Avis India	15	Workday Learning - Online Training
Code of Conduct | Avis India	7	Workday Learning - Online Training
Confidentiality and Intellectual Property | Avis India	5	Workday Learning - Online Training

Course	Duration in Minutes	Location
Prevention of Workplace Sexual Harassment | Avis India	10	Workday Learning - Online Training
Anti-Bribery and Corruption | Avis India	5	Workday Learning - Online Training
Safeguarding Our Fleet at the Exit Gate	5	Workday Learning - Online Training
Personalizing the Energize Customer Experience	18	Workday Learning - Online Training
LMC Territory Performance Manager: Getting Started at ABG	5	Workday Learning - Online Training
LMC Territory Performance Manager: Your Role	5	Workday Learning - Online Training
Preparing New Independent Operators for a Location	7	Workday Learning - Online Training
Reviewing and Signing Off Fleet Reports in SMWR	7	Workday Learning - Online Training
Working the Fleet Overdue Report in SMWR	5	Workday Learning - Online Training
Working the Fleet Open Movement Report in SMWR	5	Workday Learning - Online Training
Operations Management Resource Guide	10	Workday Learning - Online Training
Applying Basic Daily Duties for End of Shift	15	Workday Learning - Online Training
Applying Basic Daily Duties for During Shift	15	Workday Learning - Online Training
Applying Basic Daily Duties for Start of Shift Setup	15	Workday Learning - Online Training
Discovering and Submitting a New Business Lead	3	Workday Learning - Online Training
SMWR Portal Guide v15	0	Workday Learning - Online Training
Practicing the Listen Own Resolve Technique	10	Workday Learning - Online Training
Overcoming Customer Service Objections | Toolkit	7	Workday Learning - Online Training
Defusing Difficult Conversations with De-escalation	10	Workday Learning - Online Training
Introducing the Avis Preferred Program | International	5	Workday Learning - Online Training
Completing Daily Vehicle Inventory Using MDMS	7	Workday Learning - Online Training
Reviewing the E-Signature Offline Report	7	Workday Learning - Online Training
Using the Manifest in WaND to Confirm Pre-Raised Rentals	5	Workday Learning - Online Training
Operations Manager Assessment | International	30	Workday Learning - Online Training

Course	Duration in Minutes	Location
Preparing for the Operations Manager Assessment | International	30	Workday Learning - Online Training
Signing In to the Station Manager Weekly Report Portal	5	Workday Learning - Online Training
Utilising the Basic Daily Duties Checklist	5	Workday Learning - Online Training
Ready.Set.GO. During Shift | International	1	Workday Learning - Online Training
Monitoring the Daily Allocation of Fuel Cards	5	Workday Learning - Online Training
Reviewing the Application Usage Report for WaND and E-Signature	7	Workday Learning - Online Training
Monitoring Your Team's Counter Sales Results | International	5	Workday Learning - Online Training
Ready. Set. Go. Shift Set Up | International	1	Workday Learning - Online Training
DAY ONE: Code of Conduct	10	Workday Learning - Online Training
Accessing Help in WaND	3	Workday Learning - Online Training
Reviewing Document Logs in WaND	3	Workday Learning - Online Training
Applying a Manual Rate in WaND	3	Workday Learning - Online Training
Viewing Rental Agreement Data Using Trace Results	3	Workday Learning - Online Training
Processing a Partial Rental Agreement	5	Workday Learning - Online Training
Processing an Insurance Replacement Rental	4	Workday Learning - Online Training
Understanding Excess Reduction & Zero Excess Coverage	5	Workday Learning - Online Training
Understanding Windscreen & Tyre Protection	5	Workday Learning - Online Training
Accepting Credit/Debit Cards in New York State	5	Workday Learning - Online Training
Using Offline Mode in WaND	7	Workday Learning - Online Training
Completing a Vehicle Exchange Using MDMS	7	Workday Learning - Online Training
Using the Automated Readyline and Inventory Function in MDMS	7	Workday Learning - Online Training
Raising a VTC or NRT using MDMS	7	Workday Learning - Online Training
Adding Information to FNOL	5	Workday Learning - Online Training
Documenting Vehicle Damage at Check-In Using MDMS	7	Workday Learning - Online Training

Course	Duration in Minutes	Location
Conducting a 14-Point Check	10	Workday Learning - Online Training
Completing a Check-In using MDMS	10	Workday Learning - Online Training
Exploring the WEB/GEB Rental Process	5	Workday Learning - Online Training
Using Explain to Energize Your Impact | Module E	5	Workday Learning - Online Training
Using Educate Protection+ to Energize Your Impact | Module D	5	Workday Learning - Online Training
Using Educate Vehicle+ to Energize Your Impact | Module C	5	Workday Learning - Online Training
Using Engage to Energize Your Impact | Module B	5	Workday Learning - Online Training
Introducing Energize Your Impact | Module A	5	Workday Learning - Online Training
Rules of the Road: Ethical Sales for International Avis Budget Group	10	Workday Learning - Online Training
Understanding Extended Roadside Assistance (International)	5	Workday Learning - Online Training
Exploring Optional Damage Waiver Protection	5	Workday Learning - Online Training
Processing a Digital Agreement using E-Signature	7	Workday Learning - Online Training
Understanding Renter Age Requirements & Restrictions	7	Workday Learning - Online Training
Understanding Driving Licence Requirements	7	Workday Learning - Online Training
Introduction to ABG Locations & Teams | International	10	Workday Learning - Online Training
Operations Manager: Getting Started at ABG	5	Workday Learning - Online Training
Shuttler: Getting Started at ABG	5	Workday Learning - Online Training
Service Agent: Getting Started at ABG	5	Workday Learning - Online Training
Preferred/Fastbreak Associate: Getting Started at ABG	5	Workday Learning - Online Training
Rental Sales Associate: Getting Started at ABG	5	Workday Learning - Online Training
Promoting and Managing Electric Vehicles	10	Workday Learning - Online Training
Digital Customer Journey	10	Workday Learning - Online Training
Assigning a Vehicle to a Partial Rental Agreement	5	Workday Learning - Online Training
Canada P-Products Training	10	Workday Learning - Online Training

Course	Duration in Minutes	Location
Race and Ethnicity Toolkit 2023	15	Workday Learning - Online Training
Preventing Fraud Using the 365 ID Scanner	5	Workday Learning - Online Training
Preparing for Chip and PIN PED Devices	7	Workday Learning - Online Training
Antitrust & Competition	10	Workday Learning - Online Training
Managing Employee Incidents: Workers' Compensation	5	Workday Learning - Online Training
Starting Up with WorkJam	5	Workday Learning - Online Training
Speaking with Beth Gibson	45	Workday Learning - Online Training
Speaking with Jessica Kornacki	60	Workday Learning - Online Training
Speaking with Lauren Nance	60	Workday Learning - Online Training
Speaking with Joe Siino	60	Workday Learning - Online Training
Speaking with Rob Calderone	45	Workday Learning - Online Training
Speaking with Carla Granger	60	Workday Learning - Online Training
Speaking with Michelle 'Mick' Lee	35	Workday Learning - Online Training
Resource: New Hire Training Programs	1	Workday Learning - Online Training
Managing Workplace Safety: Outdoor Heat & Illness Prevention	5	Workday Learning - Online Training
Managing Workplace Safety: Hazard Recognition	5	Workday Learning - Online Training
Managing Workplace Safety: General Safety Management	7	Workday Learning - Online Training
Managing Workplace Safety: Emergency Preparedness	7	Workday Learning - Online Training
Managing Workplace Safety: Conducting Safety Inspection	5	Workday Learning - Online Training
Automated Long Term Rental | Budget Truck	10	Workday Learning - Online Training
APAC - Safety Induction Checklist	5	Workday Learning - Online Training
Managing OSHA: Communications and Interactions	7	Workday Learning - Online Training
Managing Employee Incidents: Conducting an Employee Incident Investigation	5	Workday Learning - Online Training
Guiding Your New Hire Through Their Training Program	3	Workday Learning - Online Training

Course	Duration in Minutes	Location
Understanding Optional Liability Protections	7	Workday Learning - Online Training
Understanding Optional Damage Waiver Protection	7	Workday Learning - Online Training
Exploring Emergency Sickness Protection	7	Workday Learning - Online Training
Understanding Roadside Assistance Coverage	7	Workday Learning - Online Training
Understanding Optional Personal Accident and Effects Protection	7	Workday Learning - Online Training
Exploring Optional Protection Products	7	Workday Learning - Online Training
Understanding Wildfire Smoke Protection	5	Workday Learning - Online Training
Shuttler: Your Role	7	Workday Learning - Online Training
Service Agent: Your Role	7	Workday Learning - Online Training
Preparing for Emergencies and Evacuations	7	Workday Learning - Online Training
Planning to be a Safe Driver	5	Workday Learning - Online Training
Partnering in Preventing Terrorism	15	Workday Learning - Online Training
Following ABG's Guidelines For A Healthy Workplace	5	Workday Learning - Online Training
Filling Out the Shuttling Log	3	Workday Learning - Online Training
Delighting Customers on a Courtesy Bus	3	Workday Learning - Online Training
Courtesy Bus Driver: Your Role	7	Workday Learning - Online Training
Applying Safe Bus Driving Practices	5	Workday Learning - Online Training
Exploring Safety Data Sheets	7	Workday Learning - Online Training
Reading the Manifest for Courtesy Bus Drivers	5	Workday Learning - Online Training
Providing Special Needs Accommodations on the Lot	3	Workday Learning - Online Training
Assisting Preferred/Fastbreak Customers in your Courtesy Bus	7	Workday Learning - Online Training
Applying the 8-Step Process for Handling and Lifting Luggage	7	Workday Learning - Online Training
Making Bus Announcements for Departing Customers	5	Workday Learning - Online Training
Making Bus Announcements for Arriving Customers	5	Workday Learning - Online Training

Course	Duration in Minutes	Location
Following the Customer's Bus Journey	5	Workday Learning - Online Training
Conducting a Pre-Trip and Post-Trip Inspection of a Commercial Vehicle	5	Workday Learning - Online Training
Complying with DOT Regulations for Commercial Drivers	7	Workday Learning - Online Training
Becoming a Product Knowledge Expert	6	Workday Learning - Online Training
Proceeding on a Safe Journey	5	Workday Learning - Online Training
Preparing a Safe Vehicle	3	Workday Learning - Online Training
Understanding the Daily Game Plan	3	Workday Learning - Online Training
Performing the 15 Step Vehicle Cleaning Process	7	Workday Learning - Online Training
Moving Vehicles at Your Location	5	Workday Learning - Online Training
Completing the Vehicle Service Agent Log	5	Workday Learning - Online Training
Collecting, Cleaning, and Storing Child Safety Seats	3	Workday Learning - Online Training
Acknowledgment: Discrimination, Bullying and Harassment Manager Training | Pacific	1	Workday Learning - Online Training
WaND, Wizard, and Mobile WaND	7	Workday Learning - Online Training
Return Associate [RA]: Your Role	5	Workday Learning - Online Training
Preferred/Fastbreak Associate: Your Role	5	Workday Learning - Online Training
Customer Service Representative: Your Role	5	Workday Learning - Online Training
Modifying a Rental at the Gate in Mobile WaND	3	Workday Learning - Online Training
Modifying and Viewing Customer Profiles Using the Customer Tab in WaND	3	Workday Learning - Online Training
Split Billing at Check-In Using Wizard	3	Workday Learning - Online Training
Resolving Customer Issues for Preferred/Fastbreak Booth	3	Workday Learning - Online Training
Updating Vehicles on the Automated Readyline Using Mobile WaND	3	Workday Learning - Online Training
Checking the Vehicle When Loading the Readyline	3	Workday Learning - Online Training
Documenting Vehicle Damage in Mobile WaND	3	Workday Learning - Online Training
Reviewing Expected and Actual Check-In Numbers	3	Workday Learning - Online Training

Course	Duration in Minutes	Location
Processing Non-Revenue or Vehicle Transfer on Mobile WaND	3	Workday Learning - Online Training
Split Billing at Check-In Using WaND	3	Workday Learning - Online Training
Organizing Traffic Flow on the Lot	3	Workday Learning - Online Training
Identifying and Marking Vehicles Appropriately after Scanning	3	Workday Learning - Online Training
Following the Process for Missing Keys	3	Workday Learning - Online Training
Collecting and Storing Returned Products Properly (GPS/Tablet/Child Safety Seats)	3	Workday Learning - Online Training
Modifying a Return in Mobile WaND	3	Workday Learning - Online Training
Completing a Basic Check-In Using Mobile WaND	3	Workday Learning - Online Training
Explaining the Customer's Charges at Return	3	Workday Learning - Online Training
Making Fuel Entry at Return in Mobile WaND	3	Workday Learning - Online Training
Handling FAN Exceptions	3	Workday Learning - Online Training
Logging in and Setting up Mobile WaND	3	Workday Learning - Online Training
Using the Common Radio 10 Codes to Communicate with Your Team	3	Workday Learning - Online Training
Ensuring Hand-Held Equipment is Ready	3	Workday Learning - Online Training
Using Proper Telephone Techniques	3	Workday Learning - Online Training
Using the Reconciliation Macro for Auto-Void	3	Workday Learning - Online Training
Setting Auto-Void Parameters in Wizard	3	Workday Learning - Online Training
Creating Customer Profiles Using the Customer Tab in WaND	3	Workday Learning - Online Training
Placing the Right Vehicle, in the Right Place, at the Right Time	3	Workday Learning - Online Training
Processing a Vehicle Exchange at the Gate in Mobile WaND	3	Workday Learning - Online Training
Processing a Customer at the Gate in Mobile WaND	3	Workday Learning - Online Training
Answering Questions at the Gate	3	Workday Learning - Online Training
Reconciling Vehicles on the Readyline	3	Workday Learning - Online Training
Discrimination, Bullying & Harassment Policy | Pacific	10	Workday Learning - Online Training

Course	Duration in Minutes	Location
Applying the Curbside Delivery Process	3	Workday Learning - Online Training
Handling Lost and Found Items	3	Workday Learning - Online Training
Meet the Fleet	3	Workday Learning - Online Training
Explaining the Preferred Points System	3	Workday Learning - Online Training
Assisting First Time Preferred/Fastbreak Members	3	Workday Learning - Online Training
Answering Customer's Vehicle Questions	3	Workday Learning - Online Training
Show Positive Behaviors at Return	3	Workday Learning - Online Training
Providing Directions to Customers	3	Workday Learning - Online Training
Creating a Personalized Experience For Preferred/Fastbreak Members	3	Workday Learning - Online Training
ABG Optional Protection Product Knowledge: 2022 Recertification	3	Workday Learning - Online Training
Liability Claims : Shift State Responsibility Awareness	20	Workday Learning - Online Training
Understanding QuickPass Exit Using Avis APP	3	Workday Learning - Online Training
Pacific Counter Wand - How to if you are in 203 or 806 screen	3	Workday Learning - Online Training
Pacific Counter Wand – How to void and reissue rentals	7	Workday Learning - Online Training
Pacific Counter Wand – How to view and use 404s	4	Workday Learning - Online Training
Pacific Counter Wand – How to vehicle Exchange on and off lot	7	Workday Learning - Online Training
Pacific Counter Wand – How to use Trace Results (SEC SCREEN)	2	Workday Learning - Online Training
Pacific Counter Wand – How to use Estimated Total	2	Workday Learning - Online Training
Pacific Counter Wand – How to trace and perform Fuel Adjustments	9	Workday Learning - Online Training
Pacific Counter Wand – How to Partial and Partial add rentals	6	Workday Learning - Online Training
Pacific Counter Wand – How to Manual Rate a Rental	3	Workday Learning - Online Training
Pacific Counter Wand – How to change Card Method of Payment	2	Workday Learning - Online Training
Pacific Counter Wand - Adding Zero Excess and Optionals	2	Workday Learning - Online Training
Troubleshooting the Preferred Display Board	7	Workday Learning - Online Training

Course	Duration in Minutes	Location
Operation Manager Assessment	30	Workday Learning - Online Training
Preparing for the Operations Manager Assessment	30	Workday Learning - Online Training
Interacting with Vendor Employees	3	Workday Learning - Online Training
Resolving Employee Concerns	5	Workday Learning - Online Training
Providing Premium Service to Chairman's Club and Driver's Circle Members	5	Workday Learning - Online Training
Time4U: How to use the WorkJam Web and Mobile Clock	1	Workday Learning - Online Training
Meeting Your Objectives Through Basic Daily Duties	10	Workday Learning - Online Training
Understanding Your Daily Objectives	10	Workday Learning - Online Training
Avis Budget Group Systems and Online Resources	7	Workday Learning - Online Training
Understanding the Rules for Readylines	5	Workday Learning - Online Training
Differentiating Vehicles Based on Ownership, Status, and Car Class	5	Workday Learning - Online Training
Evaluating New Hires During Their First 90 Days of Employment	5	Workday Learning - Online Training
Introduction to Avis Budget Group Locations and Teams	10	Workday Learning - Online Training
Operations Manager: Your Role	5	Workday Learning - Online Training
Pulling and Reviewing One-Way Reservations in WaND	3	Workday Learning - Online Training
Retaining Employees at Avis Budget Group: Three Simple Steps	10	Workday Learning - Online Training
Signing into Time 4U and WorkJam	5	Workday Learning - Online Training
Preparing and Communicating the Daily Game Plan	3	Workday Learning - Online Training
Reviewing Special Services Manifest for Operational Readiness	5	Workday Learning - Online Training
Pulling and Reviewing President's Club, Chairman's Club, and Driver's Circle Reservations in WaND	3	Workday Learning - Online Training
Training and Coaching Employees on Listen. Own. Resolve.	3	Workday Learning - Online Training
Pulling and Reviewing Manifests in WaND	5	Workday Learning - Online Training
Pulling and Reviewing Top Account Manifest in WaND	3	Workday Learning - Online Training
Checking and Analyzing Your NPS and VOTC Results in Medallia	3	Workday Learning - Online Training

Course	Duration in Minutes	Location
Adjusting Walk Up Rates	5	Workday Learning - Online Training
Setting Shift Goals For All Workgroups	3	Workday Learning - Online Training
Conducting a Start of Shift Managers Meeting	3	Workday Learning - Online Training
Adjusting Staffing During Your Shift	3	Workday Learning - Online Training
Accessing Customer Responses in Medallia and Recognizing Your Team	3	Workday Learning - Online Training
Resolving Complaints in Medallia	3	Workday Learning - Online Training
Reviewing and Updating the Upsell Matrix	5	Workday Learning - Online Training
Completing a Car Count	3	Workday Learning - Online Training
Providing the Right Car for the Right Rental	5	Workday Learning - Online Training
Providing a Personalized Experience to Red Carpet Customers	5	Workday Learning - Online Training
Entering the DOR	5	Workday Learning - Online Training
Assessing Vehicle Inventory (VAR) in Wizard	7	Workday Learning - Online Training
Analyzing Pricing	5	Workday Learning - Online Training
Pacific | Workplace Surveillance Policy | Revised 2022	3	Workday Learning - Online Training
Pacific Counter Wand - Help	3	Workday Learning - Online Training
Pacific Counter Wand - Upsell	3	Workday Learning - Online Training
Pacific Counter Wand - Other Features	3	Workday Learning - Online Training
Pacific Counter Wand - Preferred/Fastbreak	4	Workday Learning - Online Training
Pacific Counter Wand - Display Rental	6	Workday Learning - Online Training
Pacific Counter Wand - Insurance Replacement Rental	2	Workday Learning - Online Training
Pacific Counter Wand - Walkup	3	Workday Learning - Online Training
Pacific Counter Wand - Reservation Rates	5	Workday Learning - Online Training
Pacific Counter Wand - Readyline	2	Workday Learning - Online Training
Pacific Counter Wand - Check in	2	Workday Learning - Online Training

Course	Duration in Minutes	Location
Pacific Counter Wand - Check out	3	Workday Learning - Online Training
Pacific Counter Wand - Manifest	2	Workday Learning - Online Training
Pacific Counter Wand - Log in	2	Workday Learning - Online Training
Investigating a Missing Vehicle	5	Workday Learning - Online Training
Upholding the Busing Service and Quality Standards	7	Workday Learning - Online Training
Working the Fleet Idle Report in SMWR	7	Workday Learning - Online Training
Managing Your Fleet by Upholding the Vehicle Quality Standards	5	Workday Learning - Online Training
Reviewing the Lost and Found Portal	3	Workday Learning - Online Training
Checking Location Signage	3	Workday Learning - Online Training
Managing Your People by Upholding the Service Delivery Standards	7	Workday Learning - Online Training
Managing High-Volume Customer Lines	3	Workday Learning - Online Training
Providing Feedback using STAR-AR	5	Workday Learning - Online Training
Understanding the Start of Shift Setup	7	Workday Learning - Online Training
Providing a Personalized Experience for Preferred/Fastbreak Customers	5	Workday Learning - Online Training
Using the Correct Terminology for ABG Business	5	Workday Learning - Online Training
Guiding Your Customers Through the Self-Service Avis App	5	Workday Learning - Online Training
Managing Your Location by Upholding the Facility Standards	7	Workday Learning - Online Training
Security Loss Prevention Reference Guide	0	Workday Learning - Online Training
Viewing Flight Delays by Checking the FAN Screens in Wizard	3	Workday Learning - Online Training
Monitoring & Developing Your Team's Counter Sales Results	5	Workday Learning - Online Training
Keeping Your Location Secure	3	Workday Learning - Online Training
Researching Contract Exceptions in SMWR	5	Workday Learning - Online Training
Processing 406 Cash, Vouchers, and Coupons in Wizard	3	Workday Learning - Online Training
Supporting the Deletion and Disposal Process	3	Workday Learning - Online Training

Course	Duration in Minutes	Location
Assessing Your Competitors to Plan and Set Rates	3	Workday Learning - Online Training
Preparing the Next Shift Manager	3	Workday Learning - Online Training
Reviewing The Delivery Manifest for Private Aviation/Fixed Based Operator (FBO)	3	Workday Learning - Online Training
Processing Unallocated Damage on the Damage Manager Portal	5	Workday Learning - Online Training
Customizing Your FAN Settings in Wizard	3	Workday Learning - Online Training
Adjusting the ReadyLine Logic Screens	5	Workday Learning - Online Training
Ensuring A Proper Mix Of Vehicles On The ReadyLine	5	Workday Learning - Online Training
Using the ICS Inventory Control System	7	Workday Learning - Online Training
Determining Car Classes Available for Upsells and Walkups	3	Workday Learning - Online Training
Auditing the Manual Rental Agreement Log and Voided Manual Rental Log	5	Workday Learning - Online Training
Supporting QuickPass	3	Workday Learning - Online Training
Forecasting Fleet Using The Yield Model and Wizard Reports	7	Workday Learning - Online Training
Communicating Your Daily Shuttling Needs	3	Workday Learning - Online Training
Reducing Costs at Your Location	3	Workday Learning - Online Training
Social Engineering and Secure Device Management Practices	10	Workday Learning - Online Training
Defining your team's mission | CK Test Course	10	Workday Learning - Online Training
Defining your team's mission | CK Test Course	10	Workday Learning - Online Training
Defining your team's mission | CK Test Course	10	Workday Learning - Online Training
Defining your team's mission | CK Test Course	10	Workday Learning - Online Training
Defining your team's mission | CK Test Course	10	Workday Learning - Online Training
Processing a Digital RA (Rental Agreement)	3	Workday Learning - Online Training
Understanding the Special Svc and Remarks Column in WaND	3	Workday Learning - Online Training
Rolling Over a Mini-Lease in WaND	3	Workday Learning - Online Training
Extending a Mini-Lease in WaND	3	Workday Learning - Online Training

Course	Duration in Minutes	Location
Ending a Mini-Lease Early In WaND	3	Workday Learning - Online Training
Creating a Mini-Lease in WaND	3	Workday Learning - Online Training
Rental Sales Associate: Your Role	7	Workday Learning - Online Training
Performing a Vehicle Exchange on the Display Rental Screen in WaND	3	Workday Learning - Online Training
Becoming a Customer Experience Owner (CEO) All Star	3	Workday Learning - Online Training
Understanding the Customer Journey	7	Workday Learning - Online Training
Avis Budget Group (ABG) Terms and Acronyms	7	Workday Learning - Online Training
Rewarding You	7	Workday Learning - Online Training
Customer Led, Service Driven	7	Workday Learning - Online Training
Rental Basics	7	Workday Learning - Online Training
Wizard and WaND	7	Workday Learning - Online Training
The Customer Service and Sales Process	7	Workday Learning - Online Training
Delivering Excellent Customer Service	3	Workday Learning - Online Training
Providing Empathy to Our Customers	3	Workday Learning - Online Training
Maximizing Your Impact: Product Knowledge	3	Workday Learning - Online Training
Identifying and Assisting Red Carpet Customers	3	Workday Learning - Online Training
Creating A Reservation And Adding Counter Products in WaND	3	Workday Learning - Online Training
Identifying and Processing Extended Rentals in WaND	3	Workday Learning - Online Training
Reviewing the Rental Agreement and Signature using Signature Capture	3	Workday Learning - Online Training
Adding Vehicles to the Automated Readyline in WaND	3	Workday Learning - Online Training
Tracking Counter Sales Incentives (CSI)	3	Workday Learning - Online Training
Identifying and Processing GEB/WEB Rentals	3	Workday Learning - Online Training
Understanding Special Needs Equipment for Disabled Customers	3	Workday Learning - Online Training
Splitting Billing in WaND	3	Workday Learning - Online Training

Course	Duration in Minutes	Location
Entering Paper Vouchers in WaND	3	Workday Learning - Online Training
Completing a Manual Rental Agreement	3	Workday Learning - Online Training
Searching For A Customer's Discount Code (AWD/BDC/PDN) in WaND	3	Workday Learning - Online Training
Filtering Various Manifests in WaND	3	Workday Learning - Online Training
Using the Express Manifest to Process Preferred and Fastbreak Checkouts	3	Workday Learning - Online Training
Exploring Various Screens and Functions in WaND	3	Workday Learning - Online Training
Addressing Customer Concerns Following Listen. Own. Resolve.	3	Workday Learning - Online Training
Comparing Your NPS to Your Location's Goal	3	Workday Learning - Online Training
Consulting a Customer's Previous NPS and Rental History in WaND	3	Workday Learning - Online Training
Promoting the Avis App for Customer Self-Service	7	Workday Learning - Online Training
Presenting a Vehicle's Features and Benefits to a Customer	3	Workday Learning - Online Training
Budget Truck: Optional Insurance & Protection Plans	15	Workday Learning - Online Training
Signing In and Out of Wizard	3	Workday Learning - Online Training
Checking the Readyline in Wizard	3	Workday Learning - Online Training
Processing a Check In Using Wizard	3	Workday Learning - Online Training
Processing a Checkout Using Wizard	3	Workday Learning - Online Training
Looking Up a Reservation Using Wizard	3	Workday Learning - Online Training
Adding An Additional Rate Premium To An Upsell	3	Workday Learning - Online Training
Maximizing Your Impact: Overcoming Objections to the Vehicle Presentation	3	Workday Learning - Online Training
Maximizing Your Impact: Top-Down Selling	3	Workday Learning - Online Training
Completing a Basic Check-in in WaND	3	Workday Learning - Online Training
Completing a Rate Shop in WaND for a Walk-Up Customer	3	Workday Learning - Online Training
Adding/Removing Protections and Additional Services to an Open Rental in WaND	3	Workday Learning - Online Training
Canceling A Reservation Using The Reservation Rates Screen in WaND	3	Workday Learning - Online Training

Course	Duration in Minutes	Location
Voiding and Re-Opening A Rental Agreement in WaND	3	Workday Learning - Online Training
Maximizing Your Impact: Guiding Principles	3	Workday Learning - Online Training
Identifying Upsell Types in WaND: Standard, Variable, and Do Not Upsell	3	Workday Learning - Online Training
Maximizing Your Impact: Step 6. Disclose Fully & Close Positively	3	Workday Learning - Online Training
Maximizing Your Impact: Step 5. Present Other Services	3	Workday Learning - Online Training
Maximizing Your Impact: Step 4. Present Protection	3	Workday Learning - Online Training
Maximizing Your Impact: Step 3. Present the Vehicle	3	Workday Learning - Online Training
Maximizing Your Impact: Step 2. Qualifying Your Customer	3	Workday Learning - Online Training
Maximizing Your Impact: Step 1. Greet and Build Rapport	3	Workday Learning - Online Training
Maximizing Your Impact: The CORE	3	Workday Learning - Online Training
Offering Benefits of the Budget Fastbreak Program to Customers	5	Workday Learning - Online Training
Identifying Normal Wear and Tear vs. Damage	3	Workday Learning - Online Training
Following System Alerts in WaND	3	Workday Learning - Online Training
Handling Partner Accounts (AARP/COSTCO/USAA)	3	Workday Learning - Online Training
Processing a Standard Upsell in WaND	3	Workday Learning - Online Training
Using The Automated ReadyLine Count Button in WaND	3	Workday Learning - Online Training
Modifying an Existing Reservation in WaND	3	Workday Learning - Online Training
Looking up a Station Code in WaND	3	Workday Learning - Online Training
Printing a Rental Agreement in WaND	3	Workday Learning - Online Training
Applying Adjustments at Return in WaND	3	Workday Learning - Online Training
Signing into WaND	3	Workday Learning - Online Training
Modifying Global Choice Foreign Currency (Fx) in WaND	3	Workday Learning - Online Training
Creating A Reservation Using The Reservation Rates Screen In WaND	3	Workday Learning - Online Training
Conducting a Rate Shop in WaND	3	Workday Learning - Online Training

Course	Duration in Minutes	Location
Adding the Fuel Service Option in WaND	3	Workday Learning - Online Training
Adding Protections and Products at Check Out in WaND	5	Workday Learning - Online Training
Taking Payment in WaND with a PED	3	Workday Learning - Online Training
Identifying a Promoter/Detractor with VOTC	3	Workday Learning - Online Training
Pulling Rental Reports from the Document Logs in WaND	3	Workday Learning - Online Training
Verifying a Renter's Drivers License	3	Workday Learning - Online Training
Performing a Vehicle Trace in WaND	3	Workday Learning - Online Training
Accessing the Automated ReadyLine in WaND	3	Workday Learning - Online Training
Determining Renter Age Requirements & Restrictions	3	Workday Learning - Online Training
Displaying a Reservation in WaND	3	Workday Learning - Online Training
Creating a New Reservation with an AWD/BCD Number	3	Workday Learning - Online Training
Changing Payment Card at Check-In in WaND	3	Workday Learning - Online Training
Completing a Delayed Check-in in WaND	3	Workday Learning - Online Training
Processing a Debit Card Check Out in WaND	3	Workday Learning - Online Training
Checking Vehicle Availability in WaND	3	Workday Learning - Online Training
Displaying Booking Information for Vouchers	3	Workday Learning - Online Training
Creating a Rental Agreement in WaND	3	Workday Learning - Online Training
Creating a Wizard Number in the WaND Display Rental Screen	3	Workday Learning - Online Training
Displaying a Rental Agreement to Modify in WaND	3	Workday Learning - Online Training
Adding or Removing An Upsell On An Open Rental in WaND	3	Workday Learning - Online Training
Offering Benefits of the Avis Preferred Program To Customers	3	Workday Learning - Online Training
15. Dealer: Unit Inspection	15	Workday Learning - Online Training
14. Dealer: Physical Inventory	5	Workday Learning - Online Training
13. Dealer: Tire & Glass Repair Requests	6	Workday Learning - Online Training

Course	Duration in Minutes	Location
12. Dealer: Force Charge at Close	5	Workday Learning - Online Training
11. Dealer: Out of Service Status	6	Workday Learning - Online Training
10. Dealer: Pending Close & Follow Up Pending Report	6	Workday Learning - Online Training
9. Dealer: Inventory Status Grid and Detail	6	Workday Learning - Online Training
8. Dealer: Transfers & Dealer Use	6	Workday Learning - Online Training
6. Dealer: One-way Close Agreement	10	Workday Learning - Online Training
7. Dealer: What is DEF	5	Workday Learning - Online Training
5. Dealer: Local Close Agreement	7	Workday Learning - Online Training
Quick Reference for Accessing SMWR Portal	2	Workday Learning - Online Training
4. Dealer: One-way Open Agreement	8	Workday Learning - Online Training
3. Dealer: Local Open Agreement	5	Workday Learning - Online Training
Avis Budget Group and The False Claims Act: What You Need to Know	10	Workday Learning - Online Training
2. Dealer: Truck Basics & Reservations	15	Workday Learning - Online Training
1. Dealer: Getting Started with Budget Truck Systems	15	Workday Learning - Online Training
Customer Empathy Pocketcard Job Aid	0	Workday Learning - Online Training
Customer Empathy Scenario Workbook	0	Workday Learning - Online Training
Operations Action Plan	0	Workday Learning - Online Training
Kronos Management Guide (AU)	0	Workday Learning - Online Training
Wizard Based Training Learner Guides (NZ)	0	Workday Learning - Online Training
Wizard Based Training Learner Guide (AU)	0	Workday Learning - Online Training
A Day in the Life: Customer Services Department	0	Workday Learning - Online Training
A Day in the Life: Commercial Team	0	Workday Learning - Online Training
A Day in the Life: Program Management Office Team	0	Workday Learning - Online Training
A Day in the Life: Call Centre Manager	0	Workday Learning - Online Training

Course	Duration in Minutes	Location
A Day in the Life: Workshop Manager	0	Workday Learning - Online Training
A Day in the Life: Fleet Manager	0	Workday Learning - Online Training
A Day in the Life: Human Resources Business Partner	0	Workday Learning - Online Training
A Day in the Life: Wash Bay Manager	0	Workday Learning - Online Training
A Day in the Life: Preferred/Fastbreak Agent	0	Workday Learning - Online Training
A Day in the Life: Counter Agent	0	Workday Learning - Online Training
A Day in the Life: Airport/Location Manager	0	Workday Learning - Online Training
A Day in the Life: Customer Experience & Sales Manager	0	Workday Learning - Online Training
A Day in the Life: Operations & Duty Manager	0	Workday Learning - Online Training
MTC Employee Guide (Pacific)	0	Workday Learning - Online Training
Transfer Fuel Tip Sheet | Budget Truck	0	Workday Learning - Online Training
First Time Workday Log in Operators & Dealers	0	Workday Learning - Online Training
Anticorruption & Bribery Training | New Hires	20	Workday Learning - Online Training
Independent Operator Training Resource User Guide	0	Workday Learning - Online Training
Replacement Rental Record Screen | Wizard	6	Workday Learning - Online Training
Independent Operator Training Curriculum	0	Workday Learning - Online Training
Code of Practice Customer Services	0	Workday Learning - Online Training
Code of Practice Claims Training	0	Workday Learning - Online Training
Maximising Your Impact 2.0 - Module F: Defining Steps 5 & 6	0	Workday Learning - Online Training
Maximising Your Impact 2.0 - Module E: Defining Step 4	0	Workday Learning - Online Training
Maximising Your Impact 2.0 - Module D: Defining Step 3	0	Workday Learning - Online Training
Maximising Your Impact 2.0 - Module C: Defining Steps 1 & 2	0	Workday Learning - Online Training
Maximising Your Impact 2.0 - Module B: Demonstrating the Core	0	Workday Learning - Online Training
Maximising Your Impact 2.0 - Module A: Introduction to the Service & Sales Process	0	Workday Learning - Online Training

Course	Duration in Minutes	Location
Automated Mini Lease with Connected Car	20	Workday Learning - Online Training
Modern Slavery Compliance Training - Pacific Region	0	Workday Learning - Online Training
Daily Fleet Management Job Aid (Americas Operations Manager Trainees)	0	Workday Learning - Online Training
Wildfire Smoke Protection - CA & WA	0	Workday Learning - Online Training
Wildfire Smoke Protection - CA & WA	0	Workday Learning - Online Training
Wildfire Smoke Protection - CA & WA	0	Workday Learning - Online Training
Operator Sales Rules of the Road	0	Workday Learning - Online Training
Rules of the Road: Ethical Sales at Avis Budget Group	10	Workday Learning - Online Training
Safe Driving Training	20	Workday Learning - Online Training
Safety: Advanced Accident Investigation (Americas Operations Manager Trainees)	30	Workday Learning - Online Training
Safety: Hazard Recognition (Americas Operations Manager Trainees)	30	Workday Learning - Online Training
Safety 101 (Americas Operations Manager Trainees)	30	Workday Learning - Online Training
Effective Corrective Action	20	Workday Learning - Online Training
The 3 Ways to Well-being	5	Workday Learning - Online Training
Mental Health Awareness for International	0	Workday Learning - Online Training
Mental Health Awareness for International	0	Workday Learning - Online Training
Mental Health Awareness for International	0	Workday Learning - Online Training
Mental Health Awareness for International	0	Workday Learning - Online Training
Global Privacy and Data Protection	30	Workday Learning - Online Training
Global Privacy and Data Protection	30	Workday Learning - Online Training
Global Privacy and Data Protection	30	Workday Learning - Online Training
Global Privacy and Data Protection	30	Workday Learning - Online Training
Alcohol and/or Other Drugs Policy - APAC	0	Workday Learning - Online Training
Leslie Saunders Protection Training: Annual Refresher	10	Workday Learning - Online Training

Course	Duration in Minutes	Location
Digital Accident Reporting | Mobile WaND	15	Workday Learning - Online Training
Conducting a 14 Point Inspection	20	Workday Learning - Online Training
Recruitment - Your Role as a Hiring Manager	15	Workday Learning - Online Training
MDMS Raising a VTC	7	Workday Learning - Online Training
MDMS Readyline & Inventory	8	Workday Learning - Online Training
Introduction to Module 1 Role of the People Manager	1	Workday Learning - Online Training
Problem Solving - The Solution Selection Process	5	Workday Learning - Online Training
RACI - Assigning Responsibility in a project or task	15	Workday Learning - Online Training
RACI - Assigning Responsibility in a project or task	15	Workday Learning - Online Training
SMARTs Objectives and Developing You	30	Workday Learning - Online Training
SMARTs Objectives and Developing You	30	Workday Learning - Online Training
SMARTs Objectives and Developing You	30	Workday Learning - Online Training
SMARTs Objectives and Developing You	30	Workday Learning - Online Training
SMARTs Objectives and Developing You	30	Workday Learning - Online Training
SMARTs Objectives and Developing You	30	Workday Learning - Online Training
Introduction to Role of the People Manager Module 2	1	Workday Learning - Online Training
SMWR Portal - Launch Videos	0	Workday Learning - Online Training
SMWR Portal - Launch Videos	0	Workday Learning - Online Training
SMWR Portal - Launch Videos	0	Workday Learning - Online Training
SMWR Portal - Launch Videos	0	Workday Learning - Online Training
SMWR Portal - Launch Videos	0	Workday Learning - Online Training
SMWR Portal - Launch Videos	0	Workday Learning - Online Training
SMWR Portal - Launch Videos	0	Workday Learning - Online Training
SMWR Portal - Launch Videos	0	Workday Learning - Online Training

Course	Duration in Minutes	Location
SMWR Portal - Launch Videos	0	Workday Learning - Online Training
SMWR Portal - Launch Videos	0	Workday Learning - Online Training
SMWR Portal - Launch Videos	0	Workday Learning - Online Training
SMWR Portal - Launch Videos	0	Workday Learning - Online Training
SMWR Portal - Launch Videos	0	Workday Learning - Online Training
Effective Stress Management (ROPM)	15	Workday Learning - Online Training
MDMS Vehicle Exchange	10	Workday Learning - Online Training
MDMS Checking in a Vehicle	20	Workday Learning - Online Training
Records and Information Management for Employees	20	Workday Learning - Online Training
Damage Manager Portal: Uploading Documents	7	Workday Learning - Online Training
Introduction to Lean and Six Sigma	45	Workday Learning - Online Training
Introduction to Lean and Six Sigma	45	Workday Learning - Online Training
Introduction to Lean and Six Sigma	45	Workday Learning - Online Training
Introduction to Lean and Six Sigma	45	Workday Learning - Online Training
Introduction to Lean and Six Sigma	45	Workday Learning - Online Training
Managing Email Effectively	20	Workday Learning - Online Training
Managing Email Effectively	20	Workday Learning - Online Training
Managing Your Operations Function Checklist (EMEA)	0	Workday Learning - Online Training
Managing Readylines and Vehicle Demands Checklist (EMEA)	15	Workday Learning - Online Training
Learning the Role of the Associates Checklist (EMEA)	0	Workday Learning - Online Training
Business Reports Managers Checklist (EMEA)	15	Workday Learning - Online Training
Getting Started in Workday	0	Workday Learning - Online Training
Getting Started in Workday	0	Workday Learning - Online Training
Getting Started in Workday	0	Workday Learning - Online Training

Course	Duration in Minutes	Location
Getting Started in Workday	0	Workday Learning - Online Training
Getting Started in Workday	0	Workday Learning - Online Training
Getting Started in Workday	0	Workday Learning - Online Training
Getting Started in Workday	0	Workday Learning - Online Training
Employee Safety: Outdoor Heat Illness Prevention Training for Employees	0	Workday Learning - Online Training
Rules of the Road - Pacific	10	Workday Learning - Online Training
Basic Daily Duties - During Your Shift Reference Guide	5	Workday Learning - Online Training
Basic Daily Duties - During Your Shift Video	7	Workday Learning - Online Training
Basic Daily Duties - Shift Set Up Checklists	5	Workday Learning - Online Training
Basic Daily Duties - Shift Set Up Checklists	5	Workday Learning - Online Training
Basic Daily Duties - Shift Set Up Video	5	Workday Learning - Online Training
Basic Daily Duties - Shift Set Up	45	Workday Learning - Online Training
Basic Daily Duties - Fundamentals Videos	5	Workday Learning - Online Training
Basic Daily Duties - Fundamentals Videos	5	Workday Learning - Online Training
Basic Daily Duties - Fundamentals	20	Workday Learning - Online Training
All About Fuel	15	Workday Learning - Online Training
Return Receipt Review Mobile WaND	20	Workday Learning - Online Training
Mobile WaND Basics for Return Associates	20	Workday Learning - Online Training
Return Associate Role Overview 🚗	7	Workday Learning - Online Training
Delivering 5-Star Excellence through Service Recovery at Return	15	Workday Learning - Online Training
The Vehicle Return Process	5	Workday Learning - Online Training
Benefits of the Ready Line for the US	6	Workday Learning - Online Training
Connected Car	0	Workday Learning - Online Training
Connected Car	0	Workday Learning - Online Training

Course	Duration in Minutes	Location
Connected Car	0	Workday Learning - Online Training
Connected Car	0	Workday Learning - Online Training
Sirius/XM Radio - Product Knowledge	10	Workday Learning - Online Training
Workday Learning - Learning Administrators	0	Workday Learning - Online Training
Workday Learning - Learning Administrators	0	Workday Learning - Online Training
Workday Learning - Learning Administrators	0	Workday Learning - Online Training
Workday Learning - Learning Administrators	0	Workday Learning - Online Training
Workday Learning - Learning Administrators	0	Workday Learning - Online Training
Wizard: Modifications (203)	4	Workday Learning - Online Training
Workplace Health & Safety Fundamentals - Pacific	14	Workday Learning - Online Training
Workplace Health & Safety Fundamentals - Pacific	14	Workday Learning - Online Training
Workplace Health & Safety Fundamentals - Pacific	14	Workday Learning - Online Training
Upsell Matrix	0	Workday Learning - Online Training
Wizard Overview	15	Workday Learning - Online Training
Service Standards	10	Workday Learning - Online Training
Walk Ups Pacific	15	Workday Learning - Online Training
Operational Knowledge Assessment	0	Workday Learning - Online Training
Counter Sales Assessment	0	Workday Learning - Online Training
Basic Daily Duties Assessment	0	Workday Learning - Online Training
How to Clean a Car (Video)	9	Workday Learning - Online Training
Wizard: Rates	4	Workday Learning - Online Training
Avis Budget Group Workday Learning Terms of Use	2	Workday Learning - Online Training
Basic Daily Duties - Completing Vehicle Quality Audits	0	Workday Learning - Online Training
Basic Daily Duties - Completing Vehicle Quality Audits	0	Workday Learning - Online Training

Course	Duration in Minutes	Location
Basic Daily Duties - Completing the Managers Weekly Report	0	Workday Learning - Online Training
Basic Daily Duties - Completing the Managers Weekly Report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the Exception Reports	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the Exception Reports	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the Exception Reports	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the Exception Reports	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the Exception Reports	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the Exception Reports	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the Exception Reports	0	Workday Learning - Online Training
Basic Daily Duties - Completing Equipment Availability Reports and Inventory	0	Workday Learning - Online Training
Basic Daily Duties - Completing Equipment Availability Reports and Inventory	0	Workday Learning - Online Training
Basic Daily Duties - Completing Equipment Availability Reports and Inventory	0	Workday Learning - Online Training
Basic Daily Duties - Completing Equipment Availability Reports and Inventory	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the 409 cash balancing report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the 409 cash balancing report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the 409 cash balancing report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the 409 cash balancing report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the 409 cash balancing report	0	Workday Learning - Online Training
Basic Daily Duties - Opening and reading the 21 Unaccounted Report	0	Workday Learning - Online Training
Basic Daily Duties - Opening and reading the 21 Unaccounted Report	0	Workday Learning - Online Training
Basic Daily Duties - Opening and reading the 21 Unaccounted Report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the 406 Cash, Coupon and Voucher tape report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the 406 Cash, Coupon and Voucher tape report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the 406 Cash, Coupon and Voucher tape report	0	Workday Learning - Online Training

Course	Duration in Minutes	Location
Basic Daily Duties - How to complete the 406 Cash, Coupon and Voucher tape report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the 406 Cash, Coupon and Voucher tape report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the 404 IR Incomplete Rental Report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the 404 IR Incomplete Rental Report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the 404 IR Incomplete Rental Report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the 24 Idle Vehicle Report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the 24 Idle Vehicle Report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the 24 Idle Vehicle Report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the Overdue Report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the Overdue Report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the Overdue Report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the Overdue Report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the Open Movement Report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the Open Movement Report	0	Workday Learning - Online Training
Basic Daily Duties - How to complete the Open Movement Report	0	Workday Learning - Online Training
Learning Wizard: Identifying someone on the name risk/DNR list	0	Workday Learning - Online Training
Learning Wizard: Identifying someone on the name risk/DNR list	0	Workday Learning - Online Training
Learning Wizard: Modifying an open rental on /FOR X203 screen	0	Workday Learning - Online Training
Learning Wizard: Modifying an open rental on /FOR X203 screen	0	Workday Learning - Online Training
Learning Wizard: Viewing and Understanding the 404 document logs	0	Workday Learning - Online Training
Learning Wizard: Viewing and Understanding the 404 document logs	0	Workday Learning - Online Training
Learning Wizard: Viewing and Understanding the 404 document logs	0	Workday Learning - Online Training
Learning Wizard: Understanding the Manifest Screens	0	Workday Learning - Online Training
Learning Wizard: Understanding the Manifest Screens	0	Workday Learning - Online Training

Course	Duration in Minutes	Location
Wizard: Upsells	4	Workday Learning - Online Training
Basic Daily Duties: How to complete the 01 Inactive Report	10	Workday Learning - Online Training
Basic Daily Duties: How to complete the 01 Inactive Report	10	Workday Learning - Online Training
Basic Daily Duties: How to complete the 01 Inactive Report	10	Workday Learning - Online Training
Wizard: Split Billing	4	Workday Learning - Online Training
Wizard: Vehicle Exchanges	4	Workday Learning - Online Training
Wizard: Tour Voucher Processing	4	Workday Learning - Online Training
Wizard GUI: Split Billing	3	Workday Learning - Online Training
Wizard GUI: Tour Voucher Processing	4	Workday Learning - Online Training
Wizard GUI: Tour Voucher Processing	4	Workday Learning - Online Training
Wizard GUI: Extended Rental Processing	3	Workday Learning - Online Training
Wizard GUI: Rolling and Ending a Mini-Lease	4	Workday Learning - Online Training
Wizard GUI: Creating a Mini-Lease	3	Workday Learning - Online Training
Wizard GUI: Customer Tab	3	Workday Learning - Online Training
Wizard GUI: WEB/GEB Rentals	3	Workday Learning - Online Training
ABG Optional Products & Services	8	Workday Learning - Online Training
ABG Optional Products & Services Overview	2	Workday Learning - Online Training
Wizard GUI Basics: Completing a Basic Rental Transaction	10	Workday Learning - Online Training
Workday Learning - FAQ	10	Workday Learning - Online Training
ABG Optional Protection Product Knowledge: How to File a Claim	5	Workday Learning - Online Training
ABG Optional Protection Product Knowledge: Roadside Assistance	5	Workday Learning - Online Training
ABG Optional Protection Product Knowledge: Sickness Protection (US ONLY)	5	Workday Learning - Online Training
ABG Optional Protection Product Knowledge: PAE/PAI	5	Workday Learning - Online Training
ABG Optional Protection Product Knowledge: Liability (US/CA Only)	5	Workday Learning - Online Training

Course	Duration in Minutes	Location
ABG Optional Protection Product Knowledge: Vehicle Protection	15	Workday Learning - Online Training
ABG Optional Protection Product Knowledge: Introduction	5	Workday Learning - Online Training
Avis Now - Self Serve App	0	Workday Learning - Online Training
Avis Now - Self Serve App	0	Workday Learning - Online Training
Avis Now - Self Serve App	0	Workday Learning - Online Training
Avis Now - Self Serve App	0	Workday Learning - Online Training
Avis Now - Self Serve App	0	Workday Learning - Online Training
Avis Now - Self Serve App	0	Workday Learning - Online Training
Avis Now - Self Serve App	0	Workday Learning - Online Training
Workday Learning - How to Guide For Managers	5	Workday Learning - Online Training
Ancillary Sales: Maximizing Your Impact - Module F (Americas)	20	Workday Learning - Online Training
Ancillary Sales: Maximizing Your Impact - Module E (Americas)	15	Workday Learning - Online Training
Ancillary Sales: Maximizing Your Impact - Module D (Americas)	25	Workday Learning - Online Training
Ancillary Sales: Maximizing Your Impact - Module C (Americas)	15	Workday Learning - Online Training
Ancillary Sales: Maximizing Your Impact - Module B (Americas)	20	Workday Learning - Online Training
Ancillary Sales: Maximizing Your Impact - Module A (Americas)	20	Workday Learning - Online Training
The Customer Journey	3	Workday Learning - Online Training
Wizard GUI Basics: Introduction to Rental Basics	5	Workday Learning - Online Training
Wizard GUI Basics: Sign On Instructions	5	Workday Learning - Online Training
Wizard GUI Basics: Upsells	10	Workday Learning - Online Training
Wizard GUI Basics: Introduction to Wizard GUI	5	Workday Learning - Online Training
Wizard GUI Basics: Vehicle Check-in	10	Workday Learning - Online Training
Wizard GUI Basics: The Automated ReadyLine	15	Workday Learning - Online Training
Wizard GUI Basics: The Display Rental Screen	15	Workday Learning - Online Training

Course	Duration in Minutes	Location
Wizard GUI Basics: Protections & Additional Products	10	Workday Learning - Online Training
Wizard GUI Basics: Reservation Manifest	15	Workday Learning - Online Training
Vehicle Product Knowledge	5	Workday Learning - Online Training
The Daily Game Plan	4	Workday Learning - Online Training
Wizard Basics: Long-term Rental	10	Workday Learning - Online Training
Wizard Basics: Reservations	20	Workday Learning - Online Training
Wizard Basics: Fleet	10	Workday Learning - Online Training
Wizard Basics: Administration	10	Workday Learning - Online Training
Wizard Basics: During the Rental	10	Workday Learning - Online Training
Wizard Basics: Check-in	10	Workday Learning - Online Training
Wizard Basics: Check-out	15	Workday Learning - Online Training
Wizard GUI User Guide	15	Workday Learning - Online Training
WizGUI Benefits	15	Workday Learning - Online Training
Wizard to Wizard GUI Translation Guide	15	Workday Learning - Online Training
Introduction to the Customer Led Experience Training Series	2	Workday Learning - Online Training
Introduction to the Customer Led Experience Training Series	2	Workday Learning - Online Training
Wizard GUI Basics: Walk Up Rentals	10	Workday Learning - Online Training
Wizard GUI Basics: The Reservation Rates Screen	15	Workday Learning - Online Training
Billing: All In One Commercial Billing Application	15	Workday Learning - Online Training
Vehicle Ramming Attack - Mitigating the Risks	15	Workday Learning - Online Training
Anatomy of a Courtesy Bus Driver - Role and Responsibilities	15	Workday Learning - Online Training
Safety New Hire Brochure	15	Workday Learning - Online Training
ABG Ultimate Test Drive Part I	15	Workday Learning - Online Training
Truck Manual Agreement Training (Recording)	30	Workday Learning - Online Training

Course	Duration in Minutes	Location
Truck Manual Agreement Training (Recording)	30	Workday Learning - Online Training
Truck Manual Agreements FAQ	5	Workday Learning - Online Training
Truck Manual Agreement Training Slides	5	Workday Learning - Online Training
Managing Safety Recalls	30	Workday Learning - Online Training
FBI Rental Trucks	5	Workday Learning - Online Training
TSA Rental Truck Brochure	5	Workday Learning - Online Training
Basic Phone Techniques (Recording)	15	Workday Learning - Online Training
Basic Phone Techniques (Recording)	15	Workday Learning - Online Training
Basic Phone Techniques (Recording)	15	Workday Learning - Online Training
Getting Started: Truck Rental Counter Guide (Truck)	15	Workday Learning - Online Training
Truck - BART Online POS Chapter 6: System Options	20	Workday Learning - Online Training
SOP How to Clean a Car	15	Workday Learning - Online Training
Doculynx Job Aid - Independent Operators	3	Workday Learning - Online Training
Doculynx Job Aid - Dealers	5	Workday Learning - Online Training
Doculynx FAQ	5	Workday Learning - Online Training
Wizard GUI Chip and PIN Job Aid	15	Workday Learning - Online Training
Wizard Chip and PIN Job Aid	15	Workday Learning - Online Training
Avis App Dialog: Courtesy Bus Drivers	15	Workday Learning - Online Training
Increase NPS with 5 Step Return Process Job Aid	15	Workday Learning - Online Training
Wizard GUI Chip and PIN Guide	15	Workday Learning - Online Training
Wizard Chip and PIN Guide	15	Workday Learning - Online Training
Wizard GUI Chip and PIN E-learning	20	Workday Learning - Online Training
Wizard Chip and PIN E-learning	20	Workday Learning - Online Training
Ancillary Sales: Steps 1-6 Dialogue Ideas (Viewable)	5	Workday Learning - Online Training

Course	Duration in Minutes	Location
Ancillary Sales: Steps 1-6 Dialogue Ideas (Printable)	5	Workday Learning - Online Training
Ancillary Sales: Step 5 Other Services Dialogue and Objections Job Aid (Printable)	5	Workday Learning - Online Training
Ancillary Sales: Step 3 Handling Objections Job Aid (Printable)	5	Workday Learning - Online Training
Ancillary Sales: Step 3 Handling Objections Job Aid (Viewable)	5	Workday Learning - Online Training
Ancillary Sales: Step 5 Other Services Dialogue and Objections Job Aid (Viewable)	5	Workday Learning - Online Training
Ancillary Sales: Core and Steps Summary Job Aid (Printable)	5	Workday Learning - Online Training
Total	**4976**	

All training programs are offered to new franchisees and are currently provided via web-based training.

Computerized Rental System.

Under the Payless License Agreement, you must enter into a Rental System Agreement with ABCR that governs your use of Wizard. Wizard generates and stores reservation, rental, and customer data, to which Payless has unlimited, independent access. Under the Rental System Agreement you must acquire, install, and maintain certain computer hardware software and communications equipment, which will vary depending on whether you choose to connect to Wizard via the Internet. Your estimated cost to acquire and install such equipment per connected workstation is approximately $3,000–$4,500. If you choose to use a PC, your estimated cost to acquire and install such equipment per workstation is approximately $1,500 with monthly costs estimated at approximately $190. These amounts are per workstation and will vary based on the number of workstations that you have. If you choose to access Wizard through the Internet, you must also obtain Internet access through an Internet Service Provider and implement computer security standards and procedures.

If you choose to access Wizard through Thin Client, a PCI-compliant infrastructure, your estimated cost to acquire and install such equipment per connected workstation is approximately $7,000–$13,000 plus $565 if you choose Signature Capture, an electronic signature system. Monthly costs for Thin Client will vary widely based on the Site Survey results; however, we estimate monthly costs at approximately $600–$1,600 if you choose to connect via MPLS Frame Circuit and $175–$900 for an Aruba/DSL Based Network Solution. Local internet service provider fees are additional. A Site Survey must be conducted prior to the implementation of Thin Client to determine the network and physical needs of your Location. The Site Survey must be conducted by a Payless approved third-party supplier and the fees for the Site Survey are paid by you directly to the supplier.

ABCR will provide ongoing repairs, maintenance upgrades, or upgrades to Wizard as necessary. You must purchase, lease, or otherwise acquire, from sources Payless designates or approves (which might include or be limited to Payless or its affiliates), computer hardware, software and communications equipment that is totally compatible with and strictly conforms to the requirements of the Rental System Agreement as Payless may modify those requirements during the term. Payless cannot estimate the annual cost of maintenance or upgrade obligations and their associated costs. There are no contractual limitations on the frequency or cost of your obligations under this section of the Payless License Agreement.

Payless and its designees will have independent access to the Wizard system and all other computer systems, hardware, and software you use. Payless and its designees may access all information and software on such systems and there is no limitation on such access.

Marketing and Advertising.

Payless conducts advertising and promotion at its own expense and at its sole discretion as described in **Article V** of the Payless License Agreement. Payless Franchise owners do not directly contribute to such advertising and promotion. Payless may, at any time, increase, decrease, or eliminate its expenditures on advertising and promotion. Payless will pay the service providers directly and you must reimburse Payless for these costs.

There is no advertising council composed of franchisees.

Payless has sole control and discretion over these expenditures and the related advertising and promotion activities, including, without limitation, the creative concepts, materials, and endorsements used, and the geographic, market, and media placement and allocation of programs and activities. Advertising may appear in any form of media, and may be local, regional, or national in scope. Payless currently utilizes both in-house advertising personnel and outside advertising agencies to assist with marketing and promotion. In addition to the marketing fund referenced above, Payless currently applies a portion of the Reservation Fee toward expenses related to the promotion of paylesscar.com and other reservation channels. This portion of the Reservation Fee does not constitute a contribution to any advertising or marketing fund by licensees and is not separately accounted for or reported.

You have no right, claim, or interest of any kind in or to any funds Payless allocates from those fees or with regard to Payless' funds generally. Payless' expenditures are intended to maximize recognition of Payless' Proprietary Marks and all rental locations operated by the Network. Payless' expenditures do not have to be proportionate or equivalent to the fees paid by licensees in a geographic area, and Payless has no obligation to ensure that you will benefit directly from its advertising and promotion expenditures. Payless is not obligated to spend any amount on advertising in your area or territory.

Payless has the following advertising and promotions expenditures during 2025: 74% on media placement (including television, tablet, in-airport signage, magazines, newspapers, search and display); 0% on production (production, fees, and fulfillment); and 26% on administrative expenses (Payless' personnel and general expenses). No amounts are spent for advertising that principally is a solicitation of prospective Payless Franchise owners. Franchisees may submit written requests to obtain an accounting of the marketing fees. The marketing fees are not audited. Currently, we do not charge a marketing fee to franchisees.

Payless may require that you spend $2,000 to $5,000 for grand opening promotions. Payless currently does not, but may require in the future that you spend an amount equal to 2% of the Gross Revenues of your Payless Franchise on local advertising annually. Payless has the right to review all advertising and promotional materials that you use prior to their use. Payless currently does not conduct regular reviews of each licensee's materials, but you are required to develop materials that are in good taste, are in compliance with the law, and comply with rules for Payless' Proprietary Marks and the Standards. You are not required to participate in any local or regional advertising cooperative (the Payless License Agreement, **Article X**).

Payless currently does not, but may require in the future that you spend an amount equal to 2% of the Gross Revenues of your Payless Franchise on local advertising annually. Payless has the right to review all advertising and promotional materials that you use prior to their use. Payless currently does not conduct regular reviews of each licensee's materials, but you are required to develop materials that are in good taste, are in compliance with the law, and comply with rules for Payless' Proprietary Marks and the Standards.

You are not required to participate in any local or regional advertising cooperative (the Payless License Agreement, **Article X**).

Payless may, in its sole discretion, obtain "yellow pages" and "white pages" listings identifying the Franchised Business in such telephone directories as Payless may designate, and Payless may obtain reimbursement from you for its costs and expenses in obtaining and maintaining such listings. If Payless does not obtain telephone directory listings for you, you must advertise, in a manner prescribed by Payless, in the local "yellow pages" and "white pages" of the telephone directory(ies) serving your territory, but must not obtain any listing or place any advertisements in any telephone directories, without Payless' prior written consent. Payless credits what you spend for "yellow pages" and "white pages" advertising toward your Local Advertising Requirement (the Payless License Agreement, **Article V**).

Any Website (as defined below) will be deemed "advertising" under the franchise agreement, and will be subject to (among other things) Payless' approval. The term "Website" means an interactive electronic document, contained in a network of computers linked by communications software that you operate or authorize others to operate and that refers to the Franchised Business, Proprietary Marks, Payless, BRAC, Avis Budget Group, and/or the System. The term Website includes Internet and World Wide Web home pages. As to any Website, you agree to the following:

1. Before establishing the Website, you must submit to Payless a sample of the Website format and information in the form and manner we may reasonably require.

2. You may not establish the Website without Payless' prior written approval.

3. In addition to any other applicable requirements, you must comply with the standards and specifications for Websites Payless prescribes in writing. If required by Payless, you must establish your Website as part of Payless' website (primarily "paylesscar.com") and/or establish HTML or other electronic links to Payless Website.

4. If you propose any material revision to the Website or any of the information contained in the Website, you must submit each revision to Payless for its prior written approval (the Payless License Agreement, **Article V**).

Payless will conduct advertising, at its own expense, and in the manner it sees fit. Payless does not guarantee the distribution of advertising in any quantity or format, to or for any particular franchisee or franchisees, or in any area, which includes a particular franchisee's territory. Payless will have sole discretion over the placement and format of the advertising. Payless is not obligated to expend any amount of funds on advertising or contribute any amount to an advertising fund. You will not be obligated to participate in an advertising cooperative.

Payless has no obligation to assist you in establishing prices at which you must offer and sell products and services.

ITEM 12

TERRITORY

Payless grants licenses to operate a Payless Franchise to persons with the ability to operate and promote a Payless Franchise in a particular geographic territory. Payless will assign you a territory in which to operate under the Payless License Agreement and in which you choose your business locations, subject to Payless's approval **(see Item 11).** Because the size of the licensed territory depends on factors like population, the presence or absence of an airport, and your operational abilities and experience, it is not possible to specify the minimum area granted to a Payless Franchise. The territory is usually described by

political boundaries (for example, part of a city or county), but in certain areas might be a circle with your location at the center. Payless may use accepted industry parameters, census tracts, population densities, zip code boundaries, buying patterns, traffic counts, and projected commercial and residential growth to determine the territory's boundaries. However, a territory will not usually include a population of less than 25,000 people. During the term of your Payless License Agreement and subject to your compliance with all of your other obligations under the Payless License Agreement, Payless will not operate on its own behalf, or grant a license to another party to operate, a Payless Franchise within your territory.

You will not receive an exclusive territory. You may face competition from other franchisees, from outlets that we own, or from other channels of distribution or competitive brands that we control.

Nothing in the Payless License Agreement prohibits Payless or its parent company, subsidiaries, or affiliates from: (a) engaging in the activities referred to above; (b) operating or granting others the right to operate, Payless Rent A Car businesses in the licensed territory that offer for rental vehicle other than the Vehicles including, but not limited to, renting or leasing motor vehicles that are designed used or maintained for the transportation of property, cargo, or goods (collectively defined as "Trucks"); or (c) selling their assets, engaging in a public offering or private placement of ownership interests, merging with or acquiring other corporations or entities, or being acquired by another corporation or entity (including a corporation or entity that owns or operates systems or chains that may be competitive with or similar to the Network).

Payless reserves all rights not expressly granted to you under your Payless License Agreement, including the rights of Payless and its affiliates to: (1) operate, and grant others the right to operate Payless Franchises outside your licensed territory and, under certain circumstances (for National Accounts or if you fail to comply with the Payless License Agreement, as described below), inside the licensed territory, on any terms and conditions Payless deems appropriate; (2) hire and/or appoint sales persons and general sales agents and negotiate and enter into local, regional, national, and international sales and marketing agreements with persons or entities located within your licensed territory; (3) use Payless's Proprietary Marks for any purpose within your licensed territory, other than for the operation of a Payless Car Rental business location offering for rental the vehicles offered through your Payless Franchise ("Vehicles"), subject to Payless's rights under the Payless License Agreement; and (4) operate, and grant others the right to operate, businesses (including businesses that offer for rent or sale Vehicles and other motorized and non-motorized equipment and parking business) outside and within the licensed territory under trademarks different than Payless's Proprietary Marks.

Payless and its affiliates have established, and may in the future establish, other franchises or company-owned outlets or other channels of distribution selling or leasing products or services similar to those of a Payless Franchise under different trademarks or under Payless's Proprietary Marks. You may not use alternative distribution channels to make sales and you will receive no compensation for our sales through alternative distribution channels.

As described in Item 1, our affiliates currently operate and grant franchises for businesses that rent vehicles without drivers to the general public. Such affiliates' business locations might be located in your licensed territory, and these locations (whether within or outside your licensed territory) may solicit and accept orders from customers within your licensed territory. Likewise, your Payless Franchise may solicit and accept orders from customers and potential customers of our affiliates' business locations, without compensation to you. Payless is under no obligation to take any action if conflicts arise concerning Payless Franchise owners and our affiliates' business operators.

If you fail to: (i) open and continue operating the required minimum number of locations for your Payless Franchise, including requirements to develop additional rental offices at Payless's request; (ii) achieve and/or maintain average market penetration quotas Payless periodically establishes in the Payless License Agreement for automobile penetration; or (iii) participate in and comply with mandatory programs;

then Payless may, in lieu of terminating your Payless License Agreement and in its sole discretion on 30 days' notice to you: (a) terminate the Payless License Agreement with respect to the portion of the licensed territory that Payless determines you have failed to develop; or (b) convert your exclusive rights in the geographic market that Payless determines is underdeveloped, and/or your rights with respect to those products and services that Payless determines are underdeveloped, to become non-exclusive in nature.

You may serve any customer without regard to his or her domicile. You may not operate your Payless Franchise or any part of it from a location outside the licensed territory. You may not pick up customers who reside outside your Payless Franchise's territory unless authorized by Payless in writing. Otherwise, there are no restrictions on your accepting customers who reside outside your licensed territory or on other Network members' accepting customers who reside inside your licensed territory. You must obtain Payless's prior written consent for your initial location, any change in your location, or construction of additional facilities (see Item 11).

You have no options, rights of first refusal or similar rights to acquire additional franchises within your licensed territory or contiguous territories. As described above in this Item, your exclusive right to the licensed territory depends on your meeting market penetration quotas for automobile rental and otherwise complying with your Payless License Agreement. In addition, if you do not meet minimum fleet and royalty requirements set forth in the Payless License Agreement, you may risk termination of your Payless Franchise. Payless may negotiate development terms for the Payless License Agreements it offers to Payless Licensees.

You may apply to be non-exclusively licensed pursuant to the Used Car Sales Addendum (Payless License Agreement, Exhibit E), to use the Payless Trademarks in connection with the offer or sale of any used fleet Vehicle, with Payless's prior written consent pursuant to the Standards and terms set forth therein ("Used Car Sales Business" or together with the car rental business, "Licensed Businesses"). Payless and its affiliates reserve the right to grant others the right to operate similar businesses within your Licensed Territory (Payless License Agreement, Paragraph 1.3).

You may not relocate your Payless Franchise without Payless's prior written approval. You may apply for the right to open additional Payless Franchises under separate franchise agreements, but we have no obligation to allow you to open additional Payless Franchises. Payless does not compensate you for soliciting or accepting orders from persons residing in your licensed territory.

You will not be allowed to relocate your Payless Franchise outside of your licensed territory. We and our affiliates and other franchisees may solicit or accept orders from customers located anywhere, without compensation to you.

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ITEM 13

TRADEMARKS

The Payless Car Rental License Agreement grants to you the right to use the Marks listed below. All of the below Marks are registered on the Principal Register of the United States Patent and Trademark Office:

Mark	Registration Date	Registration Number
1-800-PAYLESS	9/11/1990 (renewed February 3, 2020)	1613271
PAYLESS	9/19/1995 (renewed December 22, 2015)	1920457
PAYLESS	9/15/1987 (renewed July 18, 2017)	1457748
PAYLESS PARKING	5/1/2007 (renewed April 4, 2017)	3236664
PAYLESS PERKS	6/18/2002 (renewed June 17, 2022)	2581548
PAYLESS CAR RENTAL & Curve Design (B&W)	6/9/2015	4753326

There are presently no effective determinations of the U.S. Patent and Trademark Office, any trademark trial and appeal board, the Trademark Administrator of any state or any court, any pending interference or cancellation proceeding or any pending material litigation involving any of the above-referenced marks which is relevant to your use. There are no currently effective agreements which significantly limit our rights to use or license the use of the marks listed in this section in a manner material to the franchise. There are no infringing uses or superior prior rights known to Payless that can materially affect your use of the marks in this state or any other state in which the franchised/licensed business is to be located. All required affidavits and renewals have been filed.

If you learn of any claim against you for alleged infringement, unfair competition or similar claims about the Marks, you must promptly notify Payless. You may not settle or compromise any of these claims without our prior written consent. Payless has the right to control any administrative proceedings or litigation involving a trademark licensed by Payless to you. Payless will have the right to defend and settle any claim at its sole expense, using its chosen counsel. You must cooperate with Payless in the defense. You may participate at your own expense, but our decisions with regard to the defense or settlement will be final and binding on you. Payless will have no obligation to defend or indemnify you if the claim against you relates to your use of the Marks in violation of the License Agreement, but state law may provide additional rights or restrictions. See state-specific addenda for details.

If you learn that any third party may be using the Marks without authority or improperly, you must promptly notify Payless, which will determine the proper course of action. You will have no right to pursue any claim against any third party for infringement.

You must comply with Payless requirements with regard to the use of the Marks and modify or discontinue the use of any Mark upon the instruction of Payless. You will be granted the right to use the modified marks in accordance with the terms of the License Agreement applicable to the current proprietary marks. If this happens, we will reimburse you for your tangible costs of compliance (for example, changing signs). Payless reserves the right to change or substitute marks. You must not directly or indirectly contest our right to our trademarks, trade secrets or business techniques that are party of a Payless franchise.

ITEM 14

PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

No patents are pending that are material to Payless Franchises. Payless claims a copyright in its Manual, advertising material, and related items used in operating a Payless Franchise, whether Payless registered or unregistered with the United States Registrar of Copyrights.

You must immediately notify Payless of any actual or apparent infringement of, or challenge to, any of the copyrighted works, or any person's claim of any rights in the copyrighted works. Payless may take any action (or no action) in response to these matters and control exclusively any settlement, litigation, arbitration, administrative, or other proceeding arising out of any alleged infringement, challenge, or claim or otherwise relating to the copyrighted works. Payless has no obligation to participate in your defense or indemnify you for damages or expenses you incur if you are a party to any proceeding involving the copyrighted work. If it becomes advisable at any time in Payless's judgment for you to modify or discontinue using any of the copyrighted works and/or for you to use one or more additional or substitute copyrighted or copyrightable items, you must comply with Payless's directions. There are no effective determinations of the Copyright Office (Library of Congress), any state or any court, or any pending proceedings or litigation, regarding any of the copyrighted works. Payless has no actual knowledge of any superior prior rights to or infringements of the copyrighted works that could materially affect your use of the copyrighted works. No agreement limits Payless's right to use or license its copyrights.

Payless's Manual, which is described in Item 11, and other materials Payless provides to you contain Payless's confidential and proprietary information. In paragraph 2.4 of the Payless License Agreement, you acknowledge that you have had no part in the creation or development of, no prior knowledge of, and no proprietary or other rights or claims in or to any element of, the Payless Car Rental System or Payless's Proprietary Marks. You must also acknowledge that all materials loaned or otherwise made available to you and all disclosures made to you by or at the direction of Payless, and not to the general public, at any time before or during the term of your Payless License Agreement, including the contents of the Manual, are communicated and made available confidentially and as trade secrets.

You must not, during the term of your Payless License Agreement or afterwards, reproduce, exhibit, or disclose to any person other than your partners, shareholders, officers, and Payless Car Rental A Car System. You must also acknowledge that these items are trade secrets, in which Payless has made a substantial investment and has a legitimate right to protect against unlawful disclosure.

During the term of the Payless License Agreement, if you develop any idea, method of operation, formula, design, invention, marketing technique, or trademark that could be useful to the operation of the Payless Car Rental System, then you must make it available to Payless, its affiliates, and Network members throughout the world free of charge.

ITEM 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

Payless does not require you to participate personally in the direct operation of your Payless Franchise, but strongly urges you to do so.

You must employ on a full-time basis, at all times during the term of your Payless License Agreement, at least one General Manager who has completed the instruction Payless furnishes and who will devote his or her entire time during normal business hours to the management, operation, and

development of your Payless Franchise as required in the Standards and the Manual. Your General Manager need not have an equity interest in the Payless Franchise or in you. An on-premises supervisor must successfully complete Payless' training program.

Persons who are the beneficial owners and principal officers of your Payless Franchise must sign certain documents included in the Payless License Agreement, including Payless's Nondisclosure and Noncompetition Agreement. Payless may negotiate provisions in this section for the Payless License Agreements it offers to Payless Licensees.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

Payless requires you to rent, and you are authorized to rent, only those types of motor vehicles that Payless specifies (see Item 8).

Payless currently does not, by any restriction or condition, limit you regarding the make or model of automobiles that you offer to rent (although it may impose these restrictions or conditions in the future). The Payless License Agreement limits the class of vehicles your Payless Franchise may rent (for example, you may not rent trucks, which definition excludes SUVs of any size, crossovers, passenger vans of any occupancy, and smaller than medium duty pickup trucks. In addition, you may not rent motorcycles, snow mobiles, all-terrain vehicles (ATVs), bicycles, horse-drawn vehicles, or other similar vehicles under the "Payless" name without Payless's consent). The Payless License Agreement and the Standards regulate age and other standards of quality regarding the automobiles you offer for rental or sale.

Subject to Payless's approval, and as part of your Payless Franchise, you may, and if required by Payless, must, in addition to renting motor vehicles, sell or rent to your vehicle rental customers products and services directly related to your vehicle rental business. Payless reserves the right to require you to sell or rent to your customers, as applicable, designated product brands and to obtain products and services to be sold or rented to your customers from designated sources. Your Payless Franchise may not offer any products or services that Payless has not authorized in advance in writing. Payless may periodically change required and authorized products and services, and there are no limits on Payless's right to do so. Other than approval granted by Payless under the Used Car Sales Addendum, you are not authorized to sell used vehicles using Payless's Proprietary Marks.

Under the Payless License Agreement, you must adhere to Payless's rental rates to the maximum extent the law allows, including for maximum rates. You also must honor all rental rates that you communicate to Payless for your Payless Franchise. Under the Intercity Program, you must enforce and abide by certain minimum rental qualifications for customers when renting vehicles owned by another Payless Franchise or a Payless affiliate. Under the Corporate Rate Program, with regard to National Accounts, you must abide by any pre-negotiated rental rates and other terms that Payless negotiates for Corporate Rate Program participants.

ITEM 17

RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

This table lists certain important provisions of the License Agreement and related agreements. You should read these provisions in the agreements attached to this disclosure document.

THE FRANCHISE RELATIONSHIP

I. THE PAYLESS LICENSE AGREEMENT

Provision		Section of the Payless License Agreement	Summary
a.	Term of the franchise	11.1	10 years.
b.	Renewal or extension of the term	11.1	You have the right to renew the Payless License Agreement for successive five (5) year terms.
c.	Requirements for you to renew or extend	11.1	The following conditions need to be met at least thirty (30) days prior to the expiration of the applicable term: (a) you must not be in default of any provisions of the Agreement, (b) you must be the original beneficial owner or sign the then-current form of License Agreement, which may contain materially different terms and conditions than your original contract, (c) you must pay the then current renewal fee, and (d) you and the other owners of the Licensee must sign a general release.
d.	Termination by you	11.2	Upon 180 days' written notice to Payless, but you might pay the Termination Fee. No Termination Fee is due unless you (a) cease operating within the 180 day notice period or (b) Licensee's Gross Revenue is less than the average monthly Gross Revenue of Licensee's Payless Car Rental business during the preceding one (1) year period (or during the term of the Payless License Agreement if less than one year) (see Item 6).
e.	Termination by Payless without cause	None	Payless does not have this right.
f.	Termination by Payless with cause	11.3, 11.4, and 11.11	Payless can terminate only for cause. In certain cases, Payless may elect to terminate the Payless License Agreement only with respect to part of your licensed territory, or may terminate only your exclusive rights with respect to a particular geographic market or certain products and services (see Item 11). Defaults under other agreements with Payless or its affiliates are considered defaults of the Payless License Agreement.

Provision	Section of the Payless License Agreement	Summary
g. "Cause" defined—defaults which can be cured	11.3	15 days if you fail to pay sums owed to Payless; 30 days if you fail to adhere to any provision of the Payless License Agreement.
h. "Cause" defined—defaults which cannot be cured	11.4	Assignment for the benefit of creditors; admit in writing your inability to pay debts as they become due; file, or have filed against you, any petition in bankruptcy (or other similar proceeding); appointment of trustee; fail to vacate or discharge final judgment within 30 days; fail to actively operate your Payless Franchise for more than seven consecutive days; understate Gross Revenue or monthly vehicle average by more than 5%; fail to maintain required insurance coverage; unauthorized use of Payless's Trade Marks, including as part of a domain name, web link, or in a website; conviction of or pleading no contest to felony, crime involving moral turpitude, or offense affecting reputation or goodwill; operation of your Payless Franchise in unsafe manner; continued violation of law after notice; receipt of two (2) default notices within a 24-month period; unauthorized transfer; suffers a material security breach that results in (i) the violation of any law, ordinance rule, or regulation and or (ii) the implementation of fines and or cancellation of credit card processing; and termination of another agreement with Payless or an affiliate.
i. Your obligations on termination	11.6	Pay fees and other amounts owed to Payless, its affiliates, and third parties; not identify yourself as a Payless Licensee or use Payless's system; return Manual, Standard Rental Agreements, advertising materials, and anything bearing the "Payless" name to Payless; transfer telephone numbers, facsimile and electronic communication lines, and electronic addresses and domain names used by it to conduct the Payless Car Rental business to Payless or its designee; effectuate the sale, transfer, or assignment of airport licenses, concession agreements, and permits to Payless or its designee and, at Payless's option, any real estate agreements; cancel any assumed name or equivalent registration containing "Payless" name; cancel website promoting the Payless Car Rental business, take all steps necessary to transfer to Payless all existing reservations and open rental agreements, take all steps to properly secure and or destroy customer PII (as defined in Section 9.10) in accordance with applicable laws, and in accordance with Payless's data retention policies (which are

Provision		Section of the Payless License Agreement	Summary
			applicable to any data obtained through Payless), and promptly remove and destroy all Payless signage.
j.	Assignment of contract by Payless	12.1	No restrictions on Payless's right to assign.
k.	"Transfer" by you—definition	12.2(b)	Transfer of the license or any assets, or ownership changes of 25% or more through a stock sale, assignment, asset purchase, transfer, offering, or otherwise, requires Payless's prior written consent.
l.	Payless's approval of transfer by you	12.2(a)	Payless must approve all proposed transfers in writing. No transfers without Payless's approval.
m.	Conditions for Payless's approval of transfer	12.2(a) and (c), Transfer Requirements (Exhibit F)	You must notify Payless before any proposed sale, assignment or transfer; prior written consent of Payless is required. You must submit written, signed copies of buy/sell agreements and transfer fee agreement, information concerning transferee, relevant documents certified as true, correct, and complete by transferee. In determining whether to approve transfer, Payless considers transferee's history, aptitude, resources, commitment, competitive businesses, and willingness to participate in current programs. Payless also considers whether you (as the Seller) are following system Standards such as the: (1) operation of the Payless business using Wizard (or other approved electronic distribution system), (2) maintenance of Payless's then current trade dress and facility standards, and (3) following of Payless's other Standards and programs regarding **National Accounts** corporate accounts and form of rental agreement. If Payless approves, transferee must sign then current license agreement (modified to provide for your royalty fee structure) and Payless's Transfer Approval Document and make operational improvements in the Payless Franchise to bring it into reasonable compliance with other Payless Franchises, and you must pay all amounts due Payless and/or our affiliates, other Network members, and all other creditors, provide all final documents to Payless and pay transfer fee (see Item 6). You may not conduct a transfer by a public stock offering. Payless may not consent to your private stock offering if it determines that such an offering is not in the best interests of Avis/Payless, as Licensor, or its franchise system. If Payless allows a private stock offering, additional transfer fees and paperwork will be required as part of the Transfer Requirements. If the transfer is of voting securities in a private stock offering, you must also submit all materials to be used

Provision	Section of the Payless License Agreement	Summary
		or required in the stock offering and pay the transfer fee (see Item 6). In determining the acceptability of the offering and offering documents, Payless considers, among other things, the transaction's effect on the Payless Franchise and Payless's rights and the accuracy and completeness of the documents. If Payless approves, it may require the legending of stock certificates; advising registrars or transfer agents of necessity of Payless's prior express written consent prior to the transfer of stock; agreeing to restrictions on representations relating to the Payless Franchise; inclusion of disclaimers in filing and offering documents; beneficial owners' signing Non-Disclosure/Non-Competition Agreement; restrictions on the use of the Payless name; confidentiality restrictions; and an agreement by all shareholders to adhere to in-term and post-term restrictions on confidentiality.
n. Payless's right of first refusal	12.3	Payless may match any offer to acquire your business and may substitute cash for other consideration for a period of 60 days after receiving an executed Purchase Agreement.
o. Payless's option to purchase your business	11.8	Payless may purchase your Payless Franchise upon the termination of the Payless License Agreement.
p. Your death or disability	12.4	Any transfer must occur within six months to a third party Payless approves. Payless is authorized to immediately appoint a manager to maintain the operation, until an approved Assignee is able to assume the management and operation of the Payless Car Rental business.
q. Non-competition during the term of the franchise	1.6 and Nondisclosure and Noncompetition Agreement	No involvement in other vehicle rental business or system in the United States.
r. Non-competition covenants after the franchise is terminated or expires	11.9, 12.6, and Nondisclosure and Noncompetition Agreement	No competing business for one year in licensed territory or within five miles of licensed territory.
s. Modification of the agreement	14.2(c)	Must be reduced to writing and signed by you and Payless. However, the Manual and Standards are subject to change.

Provision	Section of the Payless License Agreement	Summary
t. Integration/merger clause	14.2(a)	Only terms of license agreement, its exhibits, its schedules, the Standards and Transfer Requirements are enforceable. Any representations or promises outside of the disclosure document and license agreement may not be enforceable. Notwithstanding the foregoing, nothing in this or any related agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u. Dispute resolution by arbitration or mediation	None	
v. Choice of forum	14.9	Subject to state law, you agree to the jurisdiction of New Jersey courts.
w. Choice of law	14.8	Subject to state law, New Jersey law applies.

See the state addenda to the License Agreement and disclosure document for special state disclosures. The provision of the License Agreement that provides for termination upon your bankruptcy may not be enforceable under federal bankruptcy law (11 United States Code Sections 101 and following).

ITEM 18

PUBLIC FIGURES

Payless does not use any public figure to promote its franchise. You may not use a public figure to promote the Licensed Business without our prior written approval.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

The FTC's Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor provides the actual records of an existing outlet you are considering buying; or (2) a franchisor supplements the information provided in this Item 19, for example, by providing information about possible performance at a particular location or under particular circumstances.

Payless does not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. Payless also does not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, Payless may provide you with actual records of that outlet. If you receive any other financial performance information or projections of your future income, you should report it to the franchisor's management or by contacting Ms. Shari Asarch in the Franchise Operations Department at 379 Interpace Parkway, Parsippany, New Jersey 07054, by telephone at (973) 496-3444 or

via email at Shari.Asarch@avisbudget.com, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table 1
SYSTEMWIDE OUTLET SUMMARY
For Years 2023 – 2025

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	24	12	-12
	2024	12	12	0
	2025	12	11	-1
Company-owned	2023	85	106	+21
	2024	106	97	-9
	2025	97	92	-5
Total	2023	109	118	+9
	2024	118	109	-9
	2025	109	103	-6

Table 2

TRANSFERS OF OUTLETS FROM FRANCHISEES
TO NEW OWNERS (OTHER THAN THE FRANCHISOR)
For Years 2023 – 2025

State	Year	Number of Transfers
Total	2023	0
	2024	0
	2025	0

Table 3
STATUS OF FRANCHISED OUTLETS
For Years 2023 – 2025

State	Year	Outlets at Start of Year	Outlets Opened	Term-inations	Non-Renewals	Reacquired by Franchisor	Ceased Operations/Other Reasons	Outlets at Year End
California	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Florida	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1

	2025	1	0	0	0	0	0	1
Missouri	2023	1	0	0	0	0	0	1
	2024	1	0	0	0	0	0	1
	2025	1	0	0	0	0	0	1
Montana	2023	1	0	0	0	1	0	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
New Jersey	2023	11	0	0	0	0	11	0
	2024	0	0	0	0	0	0	0
	2025	0	0	0	0	0	0	0
North Dakota	2023	2	0	0	0	0	0	2
	2024	2	0	0	0	0	0	2
	2025	2	0	0	0	0	0	2
Pennsylvania	2023	7	0	0	0	0	0	7
	2024	7	0	0	0	0	0	7
	2025	7	0	0	0	0	1	6
TOTAL OUTLETS	**2023**	**24**	**0**	**0**	**0**	**1**	**11**	**12**
	2024	**12**	**0**	**0**	**0**	**0**	**0**	**12**
	2025	**12**	**0**	**0**	**0**	**0**	**1**	**11**

***** If multiple events occurred affecting a franchised outlet, this table shows the event that occurred last in time.

Table 4
STATUS OF COMPANY-OWNED OUTLETS
For Years 2023 – 2025

State	Year	Company-owned Outlets at Start of Year	Company-owned Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Company-owned Outlets Sold to Franchisees	Company-owned Outlets at End of the Year
Alabama	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Arizona	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
California	2023	9	0	0	1	0	8
	2024	8	0	0	7	0	1
	2025	1	0	0	1	0	0
Colorado	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	0	3
Connecticut	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Delaware	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Florida	2023	15	1	0	0	0	16
	2024	16	0	0	0	0	16
	2025	16	0	0	0	0	16
Georgia	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	0	3
Hawaii	2023	5	0	0	0	0	5
	2024	5	0	0	1	0	4
	2025	4	0	0	1	0	3
Illinois	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Indiana	2023	1	0	0	0	0	1
	2024	1	0	0	1	0	0
	2025	0	0	0	0	0	0
Iowa	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Kansas	2023	1	9	0	0	0	10
	2024	10	0	0	0	0	10
	2025	10	1	0	0	0	11

State	Year	Company-owned Outlets at Start of Year	Company-owned Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Company-owned Outlets Sold to Franchisees	Company-owned Outlets at End of the Year
Kentucky	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	1	0	1
Louisiana	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Maine	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Massa-chusetts	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Michigan	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Minnesota	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Mississippi	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Missouri	2023	1	6	0	0	0	7
	2024	7	1	0	1	0	7
	2025	7	0	0	0	0	7
Nebraska	2023	1	5	0	0	0	6
	2024	6	0	0	0	0	6
	2025	6	0	0	0	0	6
Nevada	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
New Jersey	2023	1	2	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	1	0	2
New Mexico	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
New York	2023	6	0	0	0	0	6
	2024	6	0	0	0	0	6
	2025	6	0	0	0	0	6
North Carolina	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	1	0	0

State	Year	Company-owned Outlets at Start of Year	Company-owned Outlets Opened	Outlets Reacquired from Franchisees	Outlets Closed	Company-owned Outlets Sold to Franchisees	Company-owned Outlets at End of the Year
Ohio	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Oklahoma	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Oregon	2023	2	0	0	0	0	2
	2024	2	0	0	0	0	2
	2025	2	0	0	0	0	2
Pennsylvania	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	1	0	1	0	0
Rhode Island	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
South Carolina	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	0	1	0	0
Tennessee	2023	3	0	0	0	0	3
	2024	3	0	0	0	0	3
	2025	3	0	0	0	0	3
Texas	2023	9	0	0	0	0	9
	2024	9	0	0	0	0	9
	2025	9	1	0	0	0	10
Utah	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Virginia	2023	2	0	0	1	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Washington	2023	0	0	0	0	0	0
	2024	0	0	0	0	0	0
	2025	0	0	0	1	0	0
Total	**2023**	**85**	**23**	**0**	**2**	**0**	**106**
	2024	**106**	**1**	**0**	**10**	**0**	**97**
	2025	**97**	**3**	**0**	**8**	**0**	**92**

Table 5

Projected Openings As Of December 31, 2025

State	License Agreements Signed But Store not Opened	Projected Franchised New Stores in Next Fiscal Year (2026)	Projected Company Owned Openings in Next Fiscal Year (2026)
Total	**0**	**0**	**0**

A list of all operational franchises as of December 31, 2025 is attached as Exhibit E.

A list of all franchisees who have left the system January 1, 2025 through December 31, 2025, as well as franchisees who have not communicated with us within 10 weeks of the issuance date of this disclosure document is attached as Exhibit F.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

During the last three fiscal years, no current or former franchisees have signed confidentiality clauses that restrict them from discussing with you their experiences as a franchisee in our franchise system.

There are no trademark-specific franchise organizations associated with this franchise.

ITEM 21

FINANCIAL STATEMENTS

Exhibit G includes the audited consolidated balance sheets of Avis Budget Group, Inc. as of December 31, 2025 and 2024, and the related consolidated statements of operations, stockholders' equity, comprehensive income and cash flows for the years ended December 31, 2025, 2024 and 2023 and the related notes of Avis Budget Group, Inc. Avis Budget Group, Inc. guarantees our performance of our obligations under the Payless License Agreements we enter into. The instrument of guaranty is included in Exhibit G. We file state specific guarantees of performance with the appropriate agencies in the states where our licenses are registered to be offered and sold.

ITEM 22

CONTRACTS

Copies of the following contracts are attached to this disclosure document with the exhibit numbers noted below:

Name of Contract	Exhibit
Confidentiality Agreement	D
Payless Car Rental System, Inc. License Agreement	H
Guaranty	H (a)
Conditional Assignment of Telephone Numbers and Listings	H (b)
Nondisclosure and Noncompetition Agreement	H (c)
Contingent Assignment of Airport Concession Agreement	H (d)
Ownership Statement	H (g)

SBA Addendum	H-1
Rental System Agreement	I
General Release	L

ITEM 23

RECEIPT

The last 2 pages of this disclosure document packet are duplicate Receipt pages, which will serve as acknowledgment by you that you received a copy of this disclosure document. You must sign both Receipt pages, return one to Franchisor and retain the other with your records. If the Receipt pages or any other pages and attachments appear to be missing please contact us immediately.

Exhibit A
List of Agencies / Agents for Service of Process
(See attached)

Listed here are the names, addresses and telephone numbers of the state agencies having responsibility for franchising disclosure/registration laws. We may not yet be registered to sell franchises in any or all of these states.

STATE ADMINISTRATORS

Commissioner of Department of Financial Protection and Innovation
320 West 4th Street, Suite 750
Los Angeles, California 90013-2344
(213) 576-7500
(866) 275-2677 Toll Free
Email: Ask.DFPI@dfpi.ca.gov
Website: www.dfpi.ca.gov

Hawaii Commissioner of Securities
Department of Commerce & Consumer Affairs
335 Merchant Street, Room 205
Honolulu, Hawaii 96813
(808) 586-2744

Chief
Franchise Bureau
Office of Attorney General
500 South Second Street
Springfield, Illinois 62701
(217) 782-4465

Franchise Section
Indiana Securities Division
302 West Washington Street
Room E-111
Indianapolis, Indiana 46204
(317) 232-6681

Office of the Attorney General
Securities Division
200 St. Paul Place
Baltimore, Maryland 21202
(410) 576-6360

Franchise Administrator
Consumer Protection Division
Antitrust and Franchise Unit
Michigan Dept. of Attorney General
G. Mennen Williams Building, 1st Floor
525 W. Ottawa Street
Lansing, Michigan 48913
(517) 335-7567

Commissioner of Commerce
Minnesota Department of Commerce
85 7th Place East, Suite 280
Saint Paul, Minnesota 55101
(651) 539-1600

NYS Department of Law
Investor Protection Bureau
28 Liberty Street, 21st Floor
New York, New York 10005
(212) 416-8285

North Dakota Securities Department
600 East Boulevard Avenue
State Capitol, Fourteenth Floor, Dept. 414
Bismarck, North Dakota 58505-0510
(701) 328-4712

Director of the Rhode Island
Department of Business Regulation
1511 Pontiac Avenue
Cranston, Rhode Island 02920
(401) 462-9500

Registration Specialist, Securities Regulation
Department of Labor and Regulation
Division of Insurance
124 S. Euclid Avenue 2nd Floor
Pierre, South Dakota 57501-3185
(605) 773-3563

State Corporation Commission
Division of Securities and Retail Franchising
1300 E. Main Street, Ninth Floor
Richmond, Virginia 23219
(804) 371-9051

Administrator
Department of Financial Institutions
Securities Division
150 Israel Rd. SW
Tumwater, Washington 98501
(360) 902-8760

Department of Financial Institutions
Division of Securities
Franchise
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 266-0448

AGENTS FOR SERVICE OF PROCESS

Alabama

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
641 South Lawrence Street
Montgomery, Alabama 36104

Alaska

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
8585 Old Dairy Road, Suite 208
Juneau, Alaska 99801

Arizona

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
7955 S Priest Dr., Suite 102
Tempe, Arizona 85284

Arkansas

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
300 Spring Building, Suite 300
300 South Spring Street
Little Rock, Arkansas 72201

California

Commissioner of the Department of
Financial Protection and Innovation
651 Bannon Street, Suite 300
Sacramento, CA 95811
Email: Ask.DFPI@dfpi.ca.gov
Website: www.dfpi.ca.gov

Colorado

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
1900 W Littleton Boulevard
Littleton, Colorado 80120

Connecticut

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
Goodwin Square.
225 Asylum Street, 20th Floor
Hartford, Connecticut 06103

Delaware

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
251 Little Falls Drive
Wilmington, Delaware 19808

District of Columbia

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
1156 15th St NW, Suite 605
Washington, DC 20005

Florida

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
1201 Hayes Street
Tallahassee, Florida 32301

Georgia

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
2 Sun Court, Suite 400
Peachtree Corners, Georgia 30092

Hawaii

Hawaii Commissioner of Securities
Business Registration Division
335 Merchant Street, Room 203
Honolulu, Hawaii 96813

Idaho

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
1305 12th Avenue Road
Nampa, Idaho 83686

Illinois

Illinois Attorney General Office
500 South Second Street
Springfield, Illinois 62701

Indiana

Indiana Securities Division
302 West Washington Street
Room E-111
Indianapolis, Indiana 46204

Iowa

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
505 5th Avenue, Suite 729
Des Moines, Iowa 50309

Kansas

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
2900 SW Wanamaker Drive, Suite 204
Topeka, Kansas 66614

Kentucky

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
315 High Street
Frankfort, Kentucky 40601

Louisiana

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
501 Louisiana Avenue
Baton Rouge, Louisiana 70802

Maine

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
45 Memorial Circle
Augusta, Maine 04330

Maryland

Maryland Securities Commissioner
200 Saint Paul Place
Baltimore, Maryland 21202

Massachusetts

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
84 State Street
Boston, Massachusetts 02109

Michigan

Michigan Department of Commerce
Corporations and Securities Bureau
Mailing: P.O. Box 30018
Lansing, MI 48909
Physical: 2401 N. Grand River Ave.
Lansing, Michigan 48906

Minnesota

Commissioner of Commerce
State of Minnesota
Department of Commerce
Registration Division
85 7th Place East Suite 280
Saint Paul, Minnesota 55101

Mississippi

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
7716 Old Canton Road, Suite C
Madison, Mississippi 39110

Missouri

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
221 Bolivar Street
Jefferson City, Missouri 65101

Montana

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
26 West Sixth Avenue, P.O. Box 1691
Helena, Montana 59624-1691

Navajo Nation

The Prentice-Hall Corporation System Inc.
c/o Lee R. Belone, Rural Address No. 40
P.O. Box 1969
Fort Defiance, NN 86504

Nebraska

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
233 South 13th Street, Suite 1900
Lincoln, Nebraska 68508

Nevada

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
112 North Curry Street
Carson, Nevada 89703

New Hampshire

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
10 Ferry Street, Suite 313
Concord, New Hampshire 03301

New Jersey

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
Princeton South Corporate Center, Suite 160
100 Charles Ewing Blvd.
Ewing, New Jersey 08628

New Mexico

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
1601 N. Turner St, Suite 420
Hobbs, New Mexico 88240

New York

Secretary of State
New York Department of State
One Commerce Plaza
99 Washington Avenue, 6th Floor
Albany, New York 12231-0001

North Carolina

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
2626 Glenwood Avenue, Suite 550
Raleigh, North Carolina 27608

North Dakota

Securities Commissioner
North Dakota Securities Department
600 East Boulevard Avenue
State Capitol, Fourteenth Floor, Dept. 414
Bismarck, North Dakota 58505-0510

Ohio

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
3366 Riverside Drive, Suite 103
Upper Arlington, Ohio 43221

Oklahoma

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
10300 Greenbriar Place
Oklahoma City, Oklahoma 73159

Oregon

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
1127 Broadway Street NE, Suite 310
Salem, Oregon 97301

Pennsylvania

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
5235 North Front Street
Harrisburg, Pennsylvania 17110

Rhode Island

Director of Business Regulation
1511 Pontiac Avenue
Cranston, Rhode Island 02920

South Carolina

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
100 Coastal Drive
Charleston, South Carolina 29492

South Dakota

Director of the Division of Insurance
Securities Regulation
Department of Labor and Regulation
124 South Euclid Avenue, 2nd Floor
Pierre, South Dakota 57501

Tennessee

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
2908 Poston Avenue
Nashville, Tennessee 37203

Texas

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
211 E 7th Street, Suite 620
Austin, Texas 78701-3218

Utah

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
15 West South Temple, Suite 600
Salt Lake City, Utah 84101

Vermont

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
100 North Main Street, Suite 2
Barre, Vermont 05641

Virginia

Clerk, State Corporation Commission
1300 East Main Street, First Floor
Richmond, Virginia 23219

Washington

Administrator of Securities
Department of Financial Institutions
150 Israel Rd. SW
Tumwater, WA 98501

West Virginia

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
808 Greenbrier Street
Charleston, West Virginia 25302

Wisconsin

Commissioner of Securities
Office of the Commissioner of Securities
4822 Madison Yards Way, North Tower
Madison, Wisconsin 53705
(608) 261-9555

Wyoming

Corporation Service Company, Inc.
The Prentice-Hall Corporation System Inc.
United States Corporation Company
1821 Logan Avenue
Cheyenne, Wyoming 82001

Exhibit B
Disclosures Regarding Americans with Disabilities Act

Disclosures Regarding Americans with Disabilities Act

ANNOUNCEMENT
DEPARTMENT OF JUSTICE
SETTLEMENT AGREEMENT
AMERICAN WITH DISABILITIES ACT

On July 2, 1997, Budget Rent A Car System, Inc. and the United States Department of Justice entered into a settlement agreement under Title III of the Americans with Disabilities Act of 1990. As part of that agreement, Budget is distributing this Announcement to its licensees and prospective licensees.

Budget has adopted the following policies and strongly urges its licensees to do the same:

- Some people have disabilities that prevent them from driving, such as blindness or epilepsy. They will be allowed to rent vehicles from Budget when accompanied by a licensed driver. The person with a disability will be considered the "renter" under these circumstances and will bear the primary financial responsibility for the rental. The renter must present a qualified method of payment and otherwise meet generally imposed credit qualification requirements. The driver must have a valid driver's license and otherwise meet generally imposed driver qualification requirements. Budget will treat the driver as an "additional driver" on the Rental Agreement. Budget will not require the renter to document that he or she has a disability and will not inquire into the nature of severity of the disability.

- People with disabilities who use service animals will have the same access to Budget's goods and services as other customers. They will not be denied access to rental cards or shuttle buses. They will not be separated from their service animals at any time. Budget representatives will not require people with disabilities to provide any type of identification or certification of an animal as having been trained as a service animal. Service animals may be used by people with different kinds of disabilities such as hearing, vision, and mobility impairments as well as seizure disorders.

- Budget shall waive any "additional driver" charges for one person accompanying a renter with a disability that would otherwise apply, and shall not impose any other surcharge on the renter in connection with actions required by this policy.

Copies of the settlement agreement are available from the United States or Budget.

Want more information? The Department of Justice operates a toll-free ADA Information Line to provide technical assistance to persons and businesses having rights and responsibilities under the ADA. Please call:

1-800-514-0301 (Voice)
1-800-514-0383 (TDD)

You can also access the Department's ADA website at:

http:/www.usdoj.gov/crt/ada/adahoml/htm or http://www.ada.gov/

Settlement Agreement Under the Americans with Disabilities Act of 1990 Between the United States of America and Avis, Inc. for Complaint DJ 202-48-7.

I. Background

1. This action was initiated by a complaint filed with the United States Department of Justice ("the Department") against Avis, Inc. ("Avis"). The complaint was investigated by the Department under the authority granted by section 308 (b) of the Americans with Disabilities Act of 1990 ("ADA"), 42 U.S.C. § 12188. The complainant alleged that Avis violated the ADA because it failed to provide renters hand controls for the full range of vehicles that are available to the general public.*

2. Avis has cooperated fully in the government's investigation and has demonstrated its strong commitment to provide its services to persons with disabilities without discrimination. The parties have agreed that this matter can be resolved without resort to litigation.

3. The parties to this settlement agreement ("Agreement") are the United States of America and Avis, Inc.

II. Title III Coverage

4. Avis is a public accommodation as defined in section 301(7)(e) of the ADA, 42 U.S.C. § 12181, and its implementing regulation, 28 C.F.R. § 36.104. In part, the ADA requires public accommodations to remove barriers to access for persons with disabilities where it is readily achievable for them to do so, 42 U.S.C. § 12182 (b) (2) (A) (iv) and 28 C.F.R. § 36.304; and to make reasonable modifications to its policies and practices as necessary to afford its goods and services to persons with disabilities, as long as doing so does not alter the nature of its goods and services, 42 U.S.C. § 12182 (b) (2) (A) (ii) and 28 C.F.R. § 36.302.

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*This action originally included two additional complaints. Complaint **DJ** 202-50-1 alleged that Avis would not substitute verifiable disability-related sources of income for verifiable employment in its cash qualification procedure, thus preventing persons from renting vehicles with Avis who, due to a disability, were unemployed and could not qualify for credit cards. The investigation of complaint **DJ** 202-50-1 was closed upon submission to the Department of a revised Avis form for cash qualification. On this form, persons with disabilities may identify one of the following sources of income in lieu of providing employment information: SSI (Supplemental Security Income); ssm (Supplemental Security Disability Income); Veteran's Administration Disability Benefits; or Employer's Disability Benefits.

Complaint **DJ** 202-42-8 alleged that Avis would not permit the renter of the vehicle and the driver of the vehicle to be different individuals, thus preventing persons from renting vehicles with Avis who, due to a disability, did not possess a valid driver's license. The investigation of complaint **DJ** 202-42-8 has been closed upon submission to the Department of Avis Form F190, the "Non-Licensed Renter Form." On this form, a person who does not possess a driver's license due to a disability may rent a vehicle if such person (i) has proven personal and financial responsibility in accordance with A vis qualification procedures (the" renter"), (ii) appears at the time of the rental with an individual possessing a valid driver's license (the "driver") and (iii) the driver will be the sole operator of the vehicle. The authorized driver also shall be exempt from any local additional driver requirement.

III. Actions to be taken by Avis

5. In order to make vehicle rental accessible to persons with disabilities, Avis agrees to do the following within thirty (30) days of date of this Agreement:

6. Upon request, Avis shall use its best efforts to provide a vehicle equipped with hand controls to any renter who has a disability and who is otherwise qualified to rent a vehicle from Avis. Appendix A summarizes current Avis policies with respect to (i) categories of vehicles equipped with hand controls, (ii) general notice requirements for making available vehicles equipped with hand controls, and (iii) specific notice requirements for making available vehicles equipped with hand controls at certain high volume locations and is hereby incorporated as part of this Agreement.

7. Upon request for a vehicle of specific size with a specific number of doors that is equipped with hand controls, Avis will use its best efforts to satisfy this request. In the event that a renter requests hand controls to be installed in a particular size of car and no such car is available, the renter will be upgraded at no charge to the next available size vehicle.

8. Avis will not impose any charge for providing or installing hand controls in its rental vehicles.

9. Avis will train an adequate number of mechanics or other employees in the proper installation of vehicle hand controls, and at least one such employee will be trained at any location at which a mechanic is employed. Likewise, similar instruction will be incorporated as part of the formal training undertaken by newly-hired mechanics and other appropriate employees.

10. When no person trained in the proper installation of hand controls is available at a particular location, Avis shall make appropriate alternative arrangements for the installation of hand controls at that location, and shall use its best efforts to satisfy the customer's request.

11. Avis shall inform all employees who have contact with the public of the availability of hand controls, notice requirements, and all other policies regarding reservations of vehicles equipped with hand controls as set forth in this Agreement.

IV. General Provisions

12. All prospective renters, upon request, shall be advised of Avis' rental policies as described in paragraph 6-11.

13. Avis shall notify all current Licensees of the rental policies described in paragraphs 6-11; and shall urge current Licensees to adopt such policies.

14. Avis shall require all Licensees entering into a new contract or renewing an existing contract on or after the effective date of this Agreement to adopt the changes in rental policies described above in paragraphs 6-11. Avis shall further require all such Licensees to adopt notice requirements consistent with those set forth in Appendix A.

15. Except as specifically provided in paragraphs 13 and 14 of this Agreement, nothing herein shall be construed to impose upon Avis any additional duties, obligations, or liabilities with respect to any act or

practice, or any alleged act or practice, of discrimination by any of its Licensees beyond those which otherwise might be applicable under Federal, State or local law.

V. Implementation

16. Under section 308 (b) (1) (B) of the ADA, 42 U.S.C. § 12188 (b) (1) (B), the Attorney General is authorized to bring a civil action under title III in any situation where a pattern or practice of discrimination is believed to exist or where a matter of general public importance is raised. In consideration of this Agreement as set forth above, the Attorney General agrees to refrain from undertaking further investigation or from filing civil suit under title III in this matter.

17. The Department may review compliance with this Agreement at any time. If the Department believes that this Agreement or provision thereof has been violated, it may institute a civil action in the federal district court for the District of Columbia, or any other appropriate federal district court, following written notice to Avis of the possible violation and a period of ten (10) days in which Avis has the opportunity to cure the alleged violation. The Attorney General is authorized to seek civil penalties pursuant to 42 D.S.C. § 12188 (b) (2) (C).

18. A violation of this Agreement shall be deemed a subsequent violation of the ADA. 42 D.S.C. § 12188 (b) (3) and 28 C.F.R. § 36.504(b).

19. This Agreement is a public document. A copy of this Agreement or any information contained herein may be made available to any person. Avis or the Department shall provide a copy of this Agreement to any person upon request.

20. This Agreement shall become effective as of the last signature below. The Agreement shall be binding and its successors in interest. The owners and operators have a duty to so notify all such successors in interest. The owners and operators of Avis have a duty to so notify all such successors in interest.

21. The Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or agents of either party, that is not contained in this written Agreement shall be enforceable. This Agreement is limited to the facts as set forth in paragraphs 1 through 4, and it does not purport to remedy any other potential violations of the ADA or any other federal law. This Agreement does not affect Avis' continuing responsibility to comply with all aspects of the ADA.

22. A signatory to this Agreement in a representative capacity for a partnership, corporation, or other such entity represents that he or she is authorized to bind such partnership, corporation, or other entity to this Agreement.

For the United States:

Deval L. Patrick
Assistant Attorney General for Civil Rights

By:
John L. Wodatch
Joan A. Magagna
Mary Lou Mobley
Public Access Section
Civil Rights Division
U.S. Department of Justice
P.O. Box 66738
Washington, D.C. 20035-6738
(202) 307-0663

For Avis, Inc.:

By:
John J. Lynch
Vice President
Avis, Inc.
900 Old Country Road
Garden City, New York 11530
(516) 222-3790

APPENDIX A

1. Hand controls will be provided for the following categories of vehicles. Vehicle groups:

a. Z (two-door compact)
b. B (four-door compact)
c. D (two-door full size)
d. E (four-door full size), and
e. H (luxury).

2. For Avis at all locations, Avis adopts the following notice provisions:

a. Avis will not require more than twenty-four (24) hours advance notice for reservations of vehicles equipped with hand controls for rental locations open until 11:00 p.m., seven days a week, as well as those with longer hours.

b. Avis will not require more than forty-eight (48) hours advance notice for reservations of vehicles equipped with hand controls for all other rental locations.

3. Notwithstanding paragraph 2, for the Avis locations listed below, Avis will not require more than eight (8) hours advance notice for reservations of vehicles with hand controls, provided that the request is received between 8:00 a.m. and 2:00 p.m., Monday through Friday:

a. JFK Airport
b. LGA Airport
c. Newark International Airport
d. Boston Logan Airport
e. Washington National Airport
f. Dulles International Airport Baltimore/Washington International
g. Airport Atlanta Hartsfield Airport
h. San Francisco International Airport
i. San Jose International Airport
k. Seattle-Tacoma International Airport
l. Phoenix Sky Harbor Airport
m. Orlando International Airport
n. Tampa International Airport
o. Miami International Airport
p. Palm Beach International Airport
q. O'Hare International Airport
r. Detroit Metro Airport
s. Houston Intercontinental Airport
t. Stapleton International Airport

4. The notice requirements described are subject to the availability of an Avis mechanic or other qualified employee who has been trained in hand controls.

5. Avis will use its best efforts to satisfy a request for a vehicle with hand controls which is received with less notice than is set forth in paragraphs 2 and 3.

6. A signatory to this Agreement in a representative capacity for a partnership, corporation, or other such entity represents that he or she is authorized to bind such partnership, corporation, or other entity to this Agreement.

For the United States:

Deval L. Patrick
Assistant Attorney General for Civil Rights

By:
John L. Wodatch
Joan A. Magagna
Mary Lou Mobley
Public Access Section
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For Avis, Inc.:

By:
John J. Lynch
Vice President
Avis, Inc.
900 Old Country Road
Garden City, New York
(516) 222-3790

SETTLEMENT AGREEMENT
UNDER THE AMERICANS WITH DISABILITIES ACT OF
BETWEEN THE UNITED STATES OF AMERICA AND
AVIS RENT A CAR, INC.
FOR COMPLAINT DJ 202-37-60

A. Background

1. This matter was initiated by a complaint filed with the United States Department of Justice (Department) against Avis Rent A Car, Inc. The complaint was investigated by the Department under the authority granted by section 308(b) of the Americans with Disabilities Act of 1990 (ADA), 42 U.S.C. §§12101 et seq. The complaint alleges that Avis violated the ADA by denying individuals who use wheelchairs access to the shuttle service that Avis operates between the Detroit Metro Airport terminal and Avis' rental car service center.

2. To avoid unnecessary and costly litigation, the parties have agreed to resolve this action as set forth below.

3. The parties to this Settlement Agreement (Agreement) are the United States of America and Avis Rent A Car, Inc. (Avis). "Avis" shall mean and refer to Avis Rent A Car, Inc., and its agents, employees, parents, subsidiaries, affiliates, assignees, and/or successors-in-interest.

4. Avis is a public accommodation, as defined in section 301(7) (e) of the ADA, 42 U.S.C. § 12181(7) (e), and it implementing regulation, 28 C.F.R. § 36.104. With respect to the shuttle bus system Avis operates at the Detroit Metro Airport (the "Detroit Airport"), Avis is also a private entity, as defined in section 301(6) of the ADA, 42 U.S.C. § 12181(6), and its implementing regulations, 28 C.F.R § 36.104 and 49 C.F.R.
§ 37.3, which is not primarily engaged in the business of transporting people.

5. Based on its investigation, the Department concluded that Avis operates its shuttle system at the Detroit Airport as a fixed route system, as such term is defined in section 301(4) of the ADA, 42 U.S.C. § 12181(4), and its implementing regulation, 49 C.F.R. § 37.3. The ADA imposes certain obligations on private operators of fixed route systems, as more particularly set forth in section 302 (b) (2) (B) of the ADA, 42 U.S.C. § 12182 (b) (2) (B), and its implementing regulation, 49 C.F.R. § 37.101.

6. In addition, as a public accommodation, Avis is subject to certain obligations set forth in title III of the ADA, 42 U.S.C. §§ 12181 through 12189, and the Department's regulation implementing title III, 28 C.F.R. Part 36, including, but not limited to, the obligation to remove architectural barriers to access in existing facilities and transportation barriers in existing vehicles, when such barrier removal is readily achievable. *See* section 302(b) (2) (A) of the ADA, 42 U.S.C. § 12182(b) (2) (A), and its implementing regulations, 28 C.F.R. § 36.304 and § 36.310(b).

7. By letter dated April 24, 1996 (the "Notice Letter"), the Department notified Avis that, based on its investigation and the information Avis provided in response to the Department's request, Avis was, in general, providing an acceptable level of service to individuals who use wheelchairs. However, in its letter, the Department also informed Avis that it had concluded that Avis was in violation of certain of the provisions of the ADA cited above relating to (i) the acquisition of accessible shuttle vehicles, (ii) the provision of curbside service to individuals who use wheelchairs, (iii) the existence of architectural barriers

that the Department believed should have been removed under Avis' obligation to engage in readily achievable barrier removal, and (iv) the provision of effective communication for individuals who are deaf or hard of hearing. Since that time, Avis and the Department have engaged in negotiations in an effort to resolve this matter without resort to litigation. During this period Avis has taken action to eliminate most of the violations identified by the Department in the Notice Letter by, for example, acquiring and deploying accessible shuttle vehicles and removing architectural barriers at the Detroit Airport and other Avis rental car facilities nationwide.

8. The original purpose of this Agreement was to set forth the agreement between the parties regarding the remaining violations at the Detroit Airport. However, in the course of negotiations, Avis determined that it would prefer to enter into a nationwide settlement in order to establish its obligation to acquire, modify, and deploy shuttle vehicles at its' corporately operated airport rental car facilities nationwide (the "Airport Facilities"), whether currently or hereafter operated by Avis. In addition, the parties desire to reach a comprehensive agreement regarding the actions Avis has taken and will take nationwide to establish policies and procedures for providing curb-side service to individuals with mobility impairments and/or those who are deaf or hard of hearing.

9. Avis does not admit that it is in violation of any of the provisions of the ADA with respect to the operation of its shuttle services at the Detroit Airport or any of its other Airport Facilities.

10. Therefore, in order to avoid further investigation and possible litigation, and in consideration of the mutual promises and covenants contained in this Agreement, the Department and Avis have entered into this Settlement Agreement.

B. Actions Regarding Shuttle Vehicles

11. In the Notice Letter the Department informed Avis that it had concluded that the shuttle system Avis operates at the Detroit Airport is a fixed route system, as such term is defined in section 301(4) of the ADA, 42 U.S.C. § 12181(4), and its implementing regulation, 49 C.F.R. § _37.3. The ADA imposes certain obligations on private operators of fixed route systems, as more particularly set forth in section 302(b) (2) (B) of the ADA, 42 U.S.C. § 12182(b) (2) (B), and its implementing regulation, 49 C.F.R. § 37.101. Based on its investigation and the information provided by Avis, the Department concluded that two GMC/RTS shuttle vehicles acquired by Avis in 1992 and 1994, respectively, and deployed at the Detroit Airport were required to be readily accessible to and usable by individuals who use wheelchairs, but were not. To remedy this alleged violation, the Department proposed that Avis make these vehicles accessible or replace them with new, accessible vehicles of the same capacity and design. As of the Effective Date of this Agreement (as hereafter defined), both of these vehicles have been refurbished and equipped with wheelchair lifts. Avis has also deployed an additional accessible shuttle vehicle of the same model at its Detroit Airport Facility. However, as set forth in paragraph 8 above, the parties have also agreed to address this .issue on a nationwide basis.

12. In order to resolve this matter, Avis and the Department have agreed to treat all shuttle systems at Avis' Airport Facilities, whether currently or hereafter operated by Avis, as fixed route systems, as defined in section 301{4) of the ADA, 42 U.S.C. § 12181{4), and its implementing regulation, 49 C.F.R. § 37.3. Avis does not concede that such systems are fixed route systems and the Department has not investigated the manner in which such shuttle systems other than the system at the Detroit Airport are operated, in order to make a determination as to the type of system being operated in each location.

13. As noted in paragraph 7 above, Avis has already taken actions to eliminate most of the violations alleged by the Department in the Notice Letter. Avis hereby represents and warrants to the Department that all shuttle vehicles that Avis has purchased or leased for use at any Airport Facility beginning on February 16, 1996, and continuing through the Effective Date of this Agreement, which have a capacity of over 16 passengers, including the driver (hereinafter, "Large Capacity Vehicles"), are accessible to individuals with disabilities including those who use wheelchairs. Avis agrees that, following the Effective Date of this Agreement, all Large Capacity Vehicles purchased or leased for use at any Airport Facility, whether the facility is currently operated by Avis or first operated by Avis after the Effective Date of this Agreement, shall also be accessible regardless of whether an accessible shuttle vehicle would otherwise be required by the ADA or its implementing regulations.

14. With respect to the shuttle systems at all Airport Facilities operated by Avis as of the Effective Date of this Agreement, except for the systems at Las Vegas and Los Angeles, Avis hereby agrees that, on or before December 31, 2000, all such systems will be in full compliance with the regulations governing the acquisition of shuttle vehicles for fixed route systems. The parties hereby agree that the shuttle systems at Las Vegas and Los Angeles, which were acquired by Avis after the Department began this investigation, must be in full compliance on or before December 31, 2003. For purposes of this Agreement, full compliance shall mean that all vehicles for which a solicitation for purchase or lease was made after August 25, 1990, for use at one of the Airport Facilities (whether currently or hereafter operated by Avis) and which have a capacity of over 16 passengers, including the driver, shall be readily accessible to and usable by individuals with disabilities, including individuals who use wheelchairs. *See* 49 C.F.R. §§ 37.101 (a) and (b). Avis agrees to meet this goal by either removing or refurbishing all non-complying vehicles currently part. of such shuttle systems. Avis further agrees that such removal and refurbishment shall be completed in accordance with the schedule set forth in the document entitled "Avis Shuttle Bus Listing" and dated 3/29/99, which is attached hereto as Exhibit A and hereby made a part of this Agreement. Following the date the shuttle system at any Airport Facility is brought into full compliance with the ADA, Avis may transfer one or more of the shuttle vehicles at that facility, as listed on Exhibit A, to other Airport Facilities so long as such transfer does not result in a reduction in the number of accessible vehicles at any Airport Facility.

15. With respect to the shuttle systems at all Airport Facilities acquired by Avis after the Effective Date of this Agreement, Avis hereby agrees that all such systems will be in full compliance with the regulations governing the acquisition of shuttle vehicles for fixed route systems within two (2) years of the date of acquisition. Avis agrees to meet this goal by either removing or refurbishing all non-complying vehicles currently part of such shuttle systems.

16. Avis further agrees that, on or before December 31, 2000, the shuttle systems at all Airport Facilities operated by Avis on the Effective Date of this Agreement will each contain at least one accessible shuttle vehicle, regardless of whether an accessible shuttle vehicle is required by the ADA or its implementing regulations. The shuttle system at Miami International Airport shall be exempt from the requirements set forth in this paragraph because a height-restricted tunnel along the shuttle route precludes the use of lift-equipped vehicles. Avis agrees that the deployment of such accessible vehicles shall be completed in accordance with the schedule attached hereto as Exhibit A. Avis further agrees that, within sixty (60) days of its acquisition of any new Airport Facility with a shuttle system, whether that system could be considered a fixed route or demand responsive system, the shuttle system at that facility shall contain at least one accessible shuttle vehicle regardless of whether an accessible shuttle vehicle would otherwise be required by the ADA or its implementing regulations. Avis agrees that from and after the date

it is required by this paragraph to deploy an accessible vehicle in the fleet at a given Airport Facility, it will ensure that at least one accessible shuttle vehicle will be permanently deployed and fully operational at that location at all times. This obligation is binding upon Avis and its successors and assigns for as long as any shuttle system, whether fixed route, demand responsive, or of any other nature, is operated at that Airport Facility.

17. Avis hereby represents and warrants to the Department that the information set forth in Exhibit A is true, complete, and correct as of the Effective Date of this Agreement. Any breach of this representation and warranty shall constitute a breach of this Agreement and the Department, at its sole option, may exercise its remedies under this Agreement, including the remedies set forth in paragraph 28.

C. Curbside Service

18. In order to provide equivalent service to it customers at Detroit Airport with disabilities, including those who use wheelchairs, Avis currently provides curbside pick-up and drop off services using regular Avis fleet vehicles. Avis hereby agrees to transport such customers to and from its rental car service center in either (i) a van equipped with a wheelchair lift, or (ii) an accessible shuttle vehicle from its Detroit fleet. Any vehicle used to comply with the requirements of this paragraph shall meet the Accessibility Specifications for Transportation Vehicles set forth in 49 C.F.R. Part 38, Subpart B. The service provided pursuant to this paragraph must meet the equivalent service standard set forth in 49 C.F.R. § 37.105. Avis may meet the equivalency requirement by means such as sharing or pooling accessible vehicles among entities with similar obligations, or by contracting with third-party transportation service providers, as long as Avis ensures the provision of equivalent service.

19. In order to clarify the procedures used by Avis at Detroit Airport to provide equivalent service to individuals with disabilities, including those who use wheelchairs, Avis has adopted the policies and procedures set forth in the Statement of Policies and Procedures for the Provision of Equivalent Service to Individuals Who Use Wheelchairs (Policy Statement), attached hereto as Exhibit B and hereby made a part hereof. The Policy Statement was adopted by Avis and made effective as of May 10, 1996. Avis hereby reaffirms that it has adopted the Policy Statement and that it is in full force and effect.

20. Avis has determined that it wishes to adopt the policies and procedures applicable to its facilities at the Detroit Airport, as set forth in the Policy Statement, to all its Airport Facilities nationwide, whether currently or hereafter operated by Avis. Within sixty (60) days of the Effective Date of this Agreement, Avis agrees to adopt a policy statement for each Airport Facility it currently operates, which shall be identical in form and substance to the Policy Statement for the Detroit Airport (Exhibit B), except for any minor modifications necessary to address local conditions at a particular facility. Avis also agrees that, within sixty (60) days after it begins serving customers at any new Airport Facility, it will adopt such a policy statement for that facility.

21. Avis shall inform all employees who have contact with the public of the modification in policies and procedures described above and shall disseminate copies of the Policy Statement to all such employees. Employees at the Detroit Airport shall receive copies of the Policy Statement within fifteen (15) days of the Effective Date of this Agreement. Employees at all other Airport Facilities shall receive copies of the appropriate policy statement on or before the date Avis is require to adopt it. Further, Avis shall remind all employees who have contact with the public of the policies and procedures set forth in the applicable policy statement on an annual basis for the five years following the latter of (i) the Effective Date of this Agreement, or (ii) the date the Airport Facility was acquired. Avis shall incorporate the new policies and

procedures into all appropriate training manuals and programs for employees.

22. All prospective renters, upon request, shall be advised of Avis' policies and procedures as set forth in the Policy Statement. A copy of the applicable policy statement shall be made available at each airport rental car service center to all prospective renters, upon request, for a period of one year following the latter of sixty (60) days after (i) the Effective Date-of this Agreement, or (ii) the date the Airport Facility was acquired.

23. Avis shall notify all current licensees of the u.s. Avis Rent A Car system of the modification in policies and procedures described above, shall provide such licensees with a copy of the Policy Statement, and shall encourage current licensees to adopt such policies and procedures.

24. Avis shall require all contract or renewing an existing Effective date of this Agreement and procedures described above.

D. Architectural Barriers

25. As Attachment A to the Notice Letter, the Department provided Avis with a list of physical barriers to access at Avis' Detroit Airport Facility. In response, Avis informed the Department that access improvements to its Detroit Airport facilities were planned as part of its nationwide program of barrier removal. At the Department's request, Avis agreed to accelerate barrier removal at the Detroit Airport and has provide evidence that barrier removal was completed as of December 16, 1998. Although Avis has informed the Department, that it has engaged in substantial barrier removal efforts at its corporately-operated sites nationwide, this Agreement addresses barrier removal at Avis' Detroit Airport Facility only.

E. Effective Communication

26. Avis currently provides a direct telephone connection between the Airport terminal and its service center that customers, including its customers who use wheelchairs, may use to request delivery of their cars and to otherwise transact business with Avis; however no direct TDD service is provided. Avis acknowledges that, pursuant to 42 U.S.C. § 12182 (b) (2) (A) (iii), 28 C.F.R. § 36.303 (c), it has the obligation to ensure effective communication with individuals with disabilities. The Department has informed Avis that its present method of communicating with the public at the Airport terminal does not ensure effective communication with individuals who are deaf, hard of hearing, or otherwise unable to communicate by telephone. Avis hereby agrees to develop and implement a system for providing effective communication with its customers at the Detroit Airport. The system must be in operation by the date that is six months from the Effective Date of this Agreement. At a minimum, Avis shall install appropriate signage directing individuals to the location of airport TDD's and ensure that TDD's and trained personnel are available to respond to calls from the airport terminal to its Detroit rental car facility. Any proposed system must receive the prior written approval of the Department, which approval shall not be unreasonably withheld or delayed.

F. Implementation and Enforcement of the Settlement Agreement

27. The Attorney General is authorized, pursuant to section 308(b) (1) (B) of the ADA, to bring a civil action to enforce. Title III of the ADA in any situation where the Attorney General believes a pattern or practice of discrimination exists or a matter of general public importance is raised. In consideration of the terms of this Agreement, the Attorney General agrees to refrain from filing a civil suit under title III

with respect to the specific matters agreed to herein.

28. The Department may review compliance with this Agreement at any time. If the Department believes that this Agreement or any portion of it has been violated, it will so notify Avis in writing and it will attempt to resolve the issue or issues in good faith. If the Department is unable to reach a satisfactory resolution of the issue or issues raised within thirty (30) days of the date it provides notice to Avis, it may elect to either:

(i) institute a civil action in federal district court seeking to enforce the terms of this Agreement. If the United States demonstrates in such a proceeding that Avis has failed to comply with any portion of this Agreement, Avis shall be liable to the United States for a civil penalty in an amount of $50,000.00 or such other amount as the court may determine is appropriate. If the United States demonstrates that any individual has been aggrieved by the violation, Avis shall compensate each such individual in an amount of no less than $ 5,000. The United States may also seek other appropriate relief as authorized by the ADA; or

(ii) notify Avis that the Agreement is no longer operative and reopen its investigation of Department of Justice Complaint # 202-37-60 and/or commence litigation under title III of the ADA in federal district court.

29. The parties agree that in the event the Department seeks enforcement of this Agreement in federal district court or initiates litigation under title III in federal district court, the United States Court for the District of Columbia shall have personal and subject matter jurisdiction over such litigation, in all respects.

30. Failure by the Department to enforce this entire Agreement or any provision thereof with regard to any deadline or any other provision herein shall not be construed as a waiver of its right to do so with regard to other deadlines and provisions of this Agreement.

31. This Agreement is a public document. A copy of this document or any information contained herein may be made available to any person. Avis or the Department shall provide a copy of this Agreement to any person upon request.

32. This Agreement shall become effective as of the date of the last signature below (the "Effective Date") and shall expire on the date that is seven (7) years from the Effective Date. This Agreement shall be binding on Avis and its successors and assigns. The owners and operators of Avis have a duty to so notify all such successors in interest.

33. This Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or agents of either party, that is not contained in this written Agreement shall be enforceable. This Agreement does not purport to remedy any other violations of the ADA or any other federal law other than those specifically addressed herein. This Agreement does not affect Avis' continuing responsibility to comply with all aspects of the ADA.

34. A signatory to this document in a representative capacity for a partnership, corporation, or other such entity represents that he or she is authorized to bind such partnership, corporation, or other entity to this Agreement.

For the United States:
Bill Lann Lee
Acting Assistant Attorney General for Civil Rights

By:
John L. Wodatch, Chief
L. Irene Bowen, Deputy Chief
Anne Marie Pecht, Attorney Disability Rights Section
Civil Rights Division
U.S. Department of Justice
P.O. Box 66738
Washington, DC 20035-6738
(202) 307-2891

For Avis Rent A Car. Inc:

By: F. Robert Salerno
President and Chief Operating Officer
Avis Rent A Car System, Inc.
900 Old Country Road
Garden City, New York 11530
(516) 222-3325

Exhibit C
FTC Consent Order Regarding Budget Rent-A-Car System, Inc.
(See attached)

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

COMMISSIONERS: Robert Pitofsky, Chairman
Mary L. Azcuenaga
Janet D. Steiger
Roscoe B. Starek, III
Christine A. Varney

In the Matter of	)	DOCKET NO. C-3674
	)	
BUDGET RENT A CAR SYSTEMS, INC.,	)	
a corporation.	)	

The Federal Trade Commission having initiated an investigation of certain acts and practices of the respondent named in the caption hereof, and the respondent having been furnished thereafter with a copy of a draft of complaint which the Seattle Regional Office proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge respondent with violation of the Federal Trade Commission Act; and

The respondent, its general counsel, and counsel for the Commission having thereafter executed an agreement containing a consent order, an admission by the respondent of all the jurisdictional facts set forth in the aforesaid draft of complaint, a statement that the signing of said agreement is for settlement purposes only and does not constitute an admission by respondent that the law has been violated as alleged in such complaint, or that the facts as alleged in such complaint, other than jurisdictional facts, are true and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the respondent has violated the said Act, and that a complaint should issue stating its charges in that respect, and having thereupon accepted the executed consent agreement and placed such agreement on the public record for a period of sixty (60) days, now in further conformity with the procedure prescribed in section 2.34 of its Rules, the Commission hereby issues its complaint, makes the following jurisdictional findings and enters the following order:

1. Respondent Budget Rent a Car Systems, Inc., is a Delaware corporation with its principal office and place of business located at 4225 Naperville Road, Lisle, Illinois 60532-3662.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the respondent, and the proceeding is in the public interest.

ORDER

Definitions

For purposes of this order:

A. "**Turnback**" means any preset price, premium, bonus, or formula that could result in respondent receiving more than the vehicle's fair market value upon repurchase by the vehicle's original vender, financer, or their designee.

B. "**Fair market value**" means the vehicle's price as listed in an industry-wide and generally accepted publication or directory of used car values, or the resale price received in a commercially reasonable sale.

C. "**LDW**" means any option that respondent offers that limits or eliminates a renter's liability to respondent for loss of or damage to the respondent's vehicle during the pendency of the rental agreement.

D. "**Insurance**" means the renter's own standard vehicle insurance, and any alternative, supplemental, or secondary coverage the renter possesses that provides coverage for rented vehicles including, but not limited to, the coverage currently furnished by many credit card companies.

I.

IT IS ORDERED that respondent, its successors and assigns, and its officers, agents, representatives, and employees, directly or through any partnership, corporation, subsidiary, division, or other device, in connection with the promoting, offering for rental, or rental of any vehicle, in or for any rental location where it seeks loss of turnback or turnback value in any form for vehicles rented in that location, in or affecting commerce, as "**commerce**" is defined in the Federal Trade Commission Act, does forthwith cease and desist from:

A. Failing to disclose, clearly and prominently, in connection with any representation relating to the renter's liability for loss of or damage to a rental vehicle, including any representation about LDW, that in the event of loss of or damage to a vehicle for which LDW was declined, respondent may charge the renter between $x and $y (specify range of dollar amounts Budget may seek) more than the cost of repairs or the fair market value of the vehicle, that many insurance companies will not pay this charge, and that the renter will have to pay it. This paragraph applies specifically to, but is not limited to, Budget's rental contracts and to any representation relating to the price or terms of LDW made through respondent's inputs in the "**company-specific location**" part of third-party, computerized reservation systems, such as "**Apollo**", "**PARS**", "**Sabre**", or "**System One**".

Provided, however, that if respondent uses a "**short-form**" rental contract or other document or electronic form of agreement that makes it impractical to place the required disclosure within the document or form, respondent shall devise other means to ensure that each renter receives the substance of the disclosure before entering into the rental agreement. The other means could include, but are not limited to, a separate disclosure document to be signed or initialed by the renter.

B. Failing to post at each Budget rental location a sign or placard clearly and prominently containing the following language:

> If you decline LDW and the rental car is damaged or stolen, we may charge you between $x and $y (specify range of dollar amounts Budget may seek) more than the cost of repairs or the fair market value of the vehicle. Many insurance companies will not pay this. If yours does not, you will have to pay it.

The sign or placard shall be of a size, and posted in a manner, reasonably calculated to elicit prospective renters' attention.

C. Failing to disclose in a clear and prominent manner in any communication seeking payment of any charge for loss of or damage to a rental vehicle, any part of the charge that is attributable to loss of turnback including, but not limited to, instances where the vehicle is totaled or stolen and respondent is seeking compensation based in whole or part on any turnback amount. This disclosure shall include an explanation of what loss of turnback means and how it was calculated.

II.

IT IS FURTHER ORDERED that respondent, its successors and assigns, and its officers, agents, representatives, and employees, directly or through any partnership, corporation, subsidiary, division, or other device, in connection with the promoting, offering for rental, or rental of any vehicle, in or for any rental location where it seeks loss of turnback or turnback value in any form for vehicles rented in that location, in or affecting commerce, as "**commerce**" is defined in the Federal Trade Commission Act, does forthwith cease and desist from misrepresenting, in any manner, directly or by implication:

1. the obligation of the renter to make any payment as the result of the loss of or damage to a rental vehicle; and

2. the value of a vehicle that has been lost or damaged.

III.

IT IS FURTHER ORDERED that no provision of this order is intended to preempt any state law, regulation, or administrative interpretation that may limit or prevent respondent from collecting loss of turnback from a renter.

IV.

IT IS FURTHER ORDERED that respondent shall pay into an interest-bearing escrow account designated by the Commission, under the control of the Commission's designated agent, the sum of $75,000 on or before five days from the date of service of this order. This shall fully satisfy all monetary claims asserted by the Commission in the complaint filed herein against this respondent and shall be used to provide redress to consumers who made a payment to respondent and to pay any attendant expenses of administration. if the Commission determines, in its sole discretion, that redress to consumers is wholly or partially impracticable, any funds not so used shall be deposited into the United States Treasury. No portion of respondent's payment shall be deemed a payment of any fine, penalty, or punitive assessment. Respondent shall be notified as to how funds are disbursed but shall have no right to contest the manner of distribution chosen by the Commission.

V.

IT IS FURTHER ORDERED that respondent shall, for three years from the date of service upon it of this order, distribute, or cause to be distributed, a copy of this order to all present and future division, regional, branch, and subrogation managers who have management responsibilities relating to the collection of collision or theft damages from renters.

VI.

IT IS FURTHER ORDERED that respondent shall, for three years from the date of service of this order, maintain and upon request make available to the Federal Trade Commission for inspection and copying all documents relating to compliance with this order.

VII.

IT IS FURTHER ORDERED that respondent shall, for 10 years from the date of service of this order, notify the FTC in writing at least 30 days prior to the effective date of any proposed change in its corporate structure, such as dissolution, assignment, or sale resulting in the emergence of successor corporations, the creation or dissolution of subsidiaries, or any other changes in the corporation that may affect compliance obligations arising out of this Order.

VIII.

IT IS FURTHER ORDERED that respondent shall, within 60 days from the date of service of this order, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with this Order.

IX.

IT IS FURTHER ORDERED that this order will terminate on June 17, 2016, or twenty years from the most recent date that the United States or the Federal trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; provided, however, that the filing of such a complaint will not affect the duration of:

A. Any paragraph in this order that terminates in less than twenty years; and

B. This order if the complaint is filed after the order has terminated pursuant to this paragraph.

Provided further, that if the complaint is dismissed or a federal court rules that the respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this paragraph as though the complaint was never filed, except that the order will not terminate between the date the complaint is filed and the later of the deadline for appealing the dismissal or ruling and the date the dismissal or ruling is upheld on appeal.

By the Commission.

Donald S. Clark
Secretary

SEAL

ISSUED: June 17, 1996

UNITED STATES OF AMERCA
FEDERAL TRADE COMMISSION

COMMISSIONERS: **Deborah Platt Majoras, Chairman**
Pamela Jones Harbour
Jon Leibowitz
William E. Kovacic
J. Thomas Rosch

In the Matter of	
	DOCKET No. C-4212
BUDGET RENT A CAR SYSTEM, INC.,	**DECISION AND ORDER**
a corporation	

The Federal Trade Commission having initiated an investigation of certain acts and practices of Budget Rent A Car System, Inc. (hereinafter referred to as "Respondent'), and Respondent having been furnished thereafter with a copy of the draft of Complaint which the Western Region proposed to present to the Commission for its consideration and which, if issued by the Commission, would charge Respondent with violations of the Federal Trade Commission Act, as amended, 15 U.S.C. 45; and

Respondent, its attorneys, and counsel for the Commission having thereafter executed an agreement containing a consent order ("Consent Agreement"), containing an admission by the Respondent of all the jurisdictional facts set forth in the aforesaid draft of Complaint, a statement that the signing of said Consent Agreement is for settlement purposes only and does not constitute an admission by Respondent that the law has been violated as alleged in such Complaint, or that the facts as alleged in such Complaint, other than jurisdictional facts, are true and waivers and other provisions as required by the Commission's Rules; and

The Commission having thereafter considered the matter and having determined that it had reason to believe that the Respondent has violated the said Act, and that Complaint should issue stating its charges in that respect, and having thereupon accepted the executed Consent Agreement and placed such Consent Agreement on the public record for a period of thirty (30) days for the receipt and consideration of comments, now in further conformity with the procedure prescribed in Commission Rule 2.34, 16 C.F.R. 2.34, the Commission hereby makes the following jurisdictional findings and issues the following Order:

1. Respondent Budget Rent A Car System, Inc. is a corporation organized, existing, and doing business under and by virtue of the laws of the State of Delaware, with its office and principal place of business located at 6 Sylvan Way, Parsippany, New Jersey.

2. The Federal Trade Commission has jurisdiction of the subject matter of this proceeding and of the Respondent, and the proceeding is in the public interest.

ORDER

DEFINITIONS

For purposes of this order, the following definitions shall apply:

1. Unless otherwise specified, "Respondent" shall mean Budget Rent A Car System, Inc., a corporation, its successors and assigns, and its officers, agents, representatives, and employees.

2. "Clearly and conspicuously" shall mean as follows:

   a. In an advertisement communicated through an electronic medium (such as television, video, radio and interactive media such as the Internet and online services), the disclosure shall be presented simultaneously in both the audio and visual portions of the advertisement. Provided, however, that in any advertisement presented solely through visual or audio means, the disclosure may be made through the same means in which the ad is presented. The audio disclosure shall be delivered in a volume and cadence sufficient for an ordinary consumer to hear and comprehend it. The visual disclosure shall be of a size and shade, and shall appear on the screen for a duration, sufficient for an ordinary consumer to read and comprehend it.

   b. In a print advertisement, promotional material (including, but not limited to counter signs), or instructional manual, the disclosure shall be in a type size and location sufficiently noticeable for an ordinary consumer to read and comprehend it, in print that contrasts with the background against which it appears.

The disclosure shall be in understandable language and syntax. Nothing contrary to, inconsistent with, or in mitigation of the disclosure shall e used in any advertisement or promotional material.

3. "Commerce" shall mean commerce as defined in Section 4 of the Federal Trade Commission Act, 15 U.S.C. 44.

4. "Fuel-related charge, fee, or cost" shall mean any charge, fee, or cost imposed by Respondent on consumers in connection with the use of fuel or gasoline.

5. "Fuel-related option" shall mean any option, program, or a alternative offered by Respondent in connection with how consumers will pay for fuel or gasoline or the method by which Respondent will calculate fuel-related changes, fees, or costs.

6. "Renter" shall mean any person in any manner obligated under a contract for the lease or hire of a passenger vehicle will be rented but before the renter signs the rental contract.

7. "At the time of rental transaction" shall mean the time after which a renter arrives at the location from which the vehicle will be rented but before the renter signs the rental contract.

I.

IT IS ORDERED that Respondent, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, marketing, promotion, offering for rent, or renting of any vehicle, shall not misrepresent, in any manner, expressly or by implication:

A. the renters who return their vehicle with a full gas tank will not incur any fuel-related charges;

B. Any fuel-related charge, fee, or cost, or related requirement; or

C. Any charge, fee, or cost, or material term or condition, relating to the rental of any vehicle.

II.

IT IS FURTHER ORDERED that Respondent, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, marketing, promotion, offering for rent, or renting of any vehicle, shall disclose clearly and conspicuously, at the time of rental transaction,

A. any fuel-related charges, fees, or costs, including any fuel-related charges, fees, or costs which a renter who drives the vehicle less than any specified amount may incur;

B. any requirements related to fuel-related charges, fees, or costs, including any fuel-related requirements which a renter who drives the vehicle less than any specified amount may need to satisfy; and

C. the manner, if any, in which a renter can avoid such fuel-related charges, fees, or costs, or related requirements.

III.

IT IS FURTHER ORDERED that Respondent, directly or through any corporation, subsidiary, division, or other device, in connection with the advertising, marketing, promotion, offering for rent, or renting of any vehicle, shall not make, expressly or by implication, any representation about the benefits, costs, or parameters of any fuel-related option, unless it discloses clearly and conspicuously, and in close proximity to the representation, all material terms and conditions relating to the fuel option.

IV.

IT IS FURTHER ORDERED that Respondent Budget Rent A Car System, Inc. and its successors and assigns, for five (5) years after the last date of dissemination of any representation covered by this order, shall maintain and upon request make available to the Federal Trade Commission for inspection and copying:

A. All advertisements and promotional materials containing the representation:

B. All materials that were relied upon in disseminating the representations; and

C. All tests, reports, studies, surveys, demonstrations, or other evidence in its possession or control that contradict, qualify, or call into question the representation, or the basis relied upon for the representation, including complaints and other communications with consumers or with governmental or consumer protection organizations.

V.

IT IS FURTHER ORDERED that Respondent Budget Rent A Car System, Inc. and its successors and assigns, for a period of three (3) years, shall deliver a copy of this order to all current and future principals, officers, directors, and managers, and to all current and future employees, agents, and representatives having responsibilities with respect to the subject matter of this order, and shall secure from each such person a signed and dated statement acknowledging receipt of the order. Respondent shall deliver this order to current personnel within forty-five (45) days after the date of service of this order, and to future personnel within forty-five (45) days after the person assumes such position or responsibilities.

VI.

IT IS FURTHER ORDERED that Respondent Budget Rent A Car System, Inc. and its successors and assigns shall notify the Commission at least thirty (30) days prior to any change in the corporation(s) that may affect compliance obligations arising under this order, including but not limited to a dissolution, assignment, sale, merger, or other action that would result in the emergence of a successor corporation; the creation or dissolution of a subsidiary, parent, or affiliate that engages in any acts or practices subject to this order; the proposed filing of a bankruptcy petition; or a change in the corporate name or address. *Provided, however,* that with respect to any proposed change in the corporation about which Respondent learns less than thirty (30) days prior to the date such action is to take place, Respondent shall notify the Commission as soon as is practicable after obtaining such knowledge. All notices required by this Part shall be sent by certified mail to the Associate Director, Division of Enforcement, Bureau of Consumer Protection, Federal Trade Commission, Washington, D.C. 20580.

VII.

IT IS FURTHER ORDERED that Respondent Budget Rent A Car System, Inc. and its successors and assigns shall, within sixty (60) days after the date of service of this order, and at such other times as the Federal Trade Commission may require, file with the Commission a report, in writing, setting forth in detail the manner and form in which it has complied with this order.

VIII.

This order will terminate on January 2, 2028, or twenty (20) years from the most recent date that the United States or the Federal Trade Commission files a complaint (with or without an accompanying consent decree) in federal court alleging any violation of the order, whichever comes later; *provided; however*, that the filing of such a complaint will not affect the duration of:

A. Any Part in this order that terminates in less than twenty (20) years;

B. This order's application to any Respondent that is not named as a defendant in such complaint; and

C. This order if such complaint is filed after the order has terminated pursuant to this Part

Provided, further, that if such complaint is dismissed or a federal court rules that the Respondent did not violate any provision of the order, and the dismissal or ruling is either not appealed or upheld on appeal, then the order will terminate according to this Part as thought the complaint had never been filed, except that the order will not terminate between the date such complaint is filed and the later of the deadline for appealing such dismissal or ruling and the date such dismissal or ruling is upheld on appeal.

By the Commission,

Donald S. Clark
Secretary

ISSUED: January 2, 2008

Exhibit D
Confidentiality Agreement

This Confidentiality Agreement is made and entered into as of _____ , 20_ between

Payless Car Rental System, Inc., ("PAYLESS") and_____ , a ("PROSPECTIVE LICENSEE").

WHEREAS, PROSPECTIVE LICENSEE desires to evaluate the purchase of a Franchise from PAYLESS on the terms and conditions of PAYLESS' License Agreement; and

WHEREAS, in connection with this evaluation, PROSPECTIVE LICENSEE desires to review PAYLESS' Manual, which may consist of several component parts ("MANUAL") which MANUAL contains, and is being maintained as, confidential information and trade secrets of PAYLESS; and

WHEREAS, PAYLESS will permit inspection of its MANUAL prior to the execution of a License Agreement only on the terms and conditions of this Confidentiality Agreement;

NOW, THEREFORE, in consideration of being given access to the MANUAL, PROSPECTIVE LICENSEE hereby agrees as follows:

1. All information contained in the MANUAL (the "Confidential Information") shall be used by PROSPECTIVE LICENSEE solely for the purpose of evaluating whether or not to enter into a License Agreement with PAYLESS, and for no other purpose.

2. PROSPECTIVE LICENSEE shall not disclose the Confidential Information to any person or entity other than Permitted Parties, as defined below.

3. Confidential Information does not include any item of information, which is either: (a) known to PROSPECTIVE LICENSEE prior to its receipt of such information from PAYLESS; (b) known to the public prior to PROSPECTIVE LICENSEE'S receipt of such information from PAYLESS; (c) after such receipt, becomes available to the public generally other than by contravention of this Agreement, any Permitted Party's Confidentiality Agreement, or any other duty to or agreement with PAYLESS; or (d) is obtained by PROSPECTIVE LICENSEE from a source with the independent right to disclose it.

4. Upon completion of the evaluation process, PROSPECTIVE LICENSEE shall return to PAYLESS all copies of the MANUAL and all other tangible embodiments containing any Confidential Information, including any notes or analyses made by PROSPECTIVE LICENSEE or any Permitted Party.

5. A breach of any provision of this Agreement will cause PAYLESS irreparable injury. PAYLESS will be entitled to injunctive relief without bond to enjoin any actual or threatened conduct in violation of this Agreement. If PAYLESS is successful in obtaining enforcement of this Agreement, PAYLESS shall also be entitled to recover from PROSPECTIVE LICENSEE any and all attorney's fees, court costs and other expenses incurred by PAYLESS in connection with such enforcement.

6. "Permitted Parties" shall mean:

a. Officers, directors and employees of PROSPECTIVE LICENSEE who have previously executed a Confidentiality Agreement in favor of PAYLESS; and

b. Attorneys, agents, consultants, advisors or other independent contractors of PROSPECTIVE LICENSEE, but only if such party:

(i) Has previously executed a Confidentiality Agreement in favor of PAYLESS; and

(ii) Has previously required all individuals related to it who will have access to the Confidentiality Information to execute a Confidentiality Agreement in favor of PAYLESS.

All such Confidentiality Agreements shall be in a form satisfactory of PAYLESS, and a person or entity shall not be a Permitted Party until and unless the Confidentiality Agreement executed by the party has been delivered, duly executed, to PAYLESS.

7. This Agreement is intended to be a contract governed and construed under the internal laws of the State of New Jersey. Jurisdiction and venue for any dispute arising out of or related to this Agreement shall be in the federal or state courts sitting in New Jersey, and the parties hereto irrevocably consent to the jurisdiction and venue of such courts.

8. The failure of PAYLESS to exercise any right hereunder against Prospective Franchisee or any other party shall not be construed as a waiver or a novation. If any portion of this Agreement is determined to be illegal, invalid, or unenforceable under any present or future law by a final judgment of any court of competent jurisdiction, the remainder of this Agreement will not be influenced thereby. It is the intention of the parties hereto that if any such portion is so held illegal, invalid, or unenforceable, that such portion be replaced by terms as similar to such portion as is possible to be legal, valid, and enforceable.

9. This Agreement is the entire agreement between the parties as to its subject matter. Any change to this Agreement must be signed by the PROSPECTIVE LICENSEE and acknowledged in writing by PAYLESS.

PROSPECTIVE LICENSEE

By:_____

Its:_____

Accepted and Acknowledged:

PAYLESS CAR RENTAL SYSTEM, INC.

By:_____
Its: _____

Exhibit E
List of Franchisees

FRANCHISEES AS OF DECEMBER 31, 2025

ADDRESS	CITY	STATE	ZIP	PHONE NUMBER	LICENSEE OWNER
3355 ADMIRAL BOLAND WAY	SAN DIEGO	CA	92101	619-296-4966	GEORGE KHOULI
2700 1ST STREET	BRADENTON	FL	34208	941-741-4900	MARK VOLLENDORF
2300 N AIRPORT BLVD	SPRINGFIELD	MO	65802	417-450-4545	JEFF NEUENSCHWANDER
2801 32ND AVE NW	FARGO	ND	58102	701-478-9890	BERNIE NESS
4090 MAIN AVE	FARGO	ND	58103	701-478-9889	BERNIE NESS
926 WEST HIGH STREET	EBENSBURG	PA	15931	814-471-1014	ROBERT GARDILL
2121 BEDFORD STREET	JOHNSTOWN	PA	15904	814-266-2115	ROBERT GARDILL
2 TERMINAL DRIVE	MIDDLETOWN	PA	17057	717-616-8372	SOLOMON CRAMER
2075 BYBERRY ROAD	PHILADELPHIA	PA	19116	215-676-6764	SAM DEANGELIS
6975 NORWITCH DRIVE	PHILADELPHIA	PA	19153	215-492-5500	SAM DEANGELIS
2493 FOX HILL ROAD	STATE COLLEGE	PA	16803	814-237-9750	SOLOMON CRAMER

*If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

Exhibit F
Franchisees Who Have Left the System

EXHIBIT F

FRANCHISEES WHO HAVE LEFT THE SYSTEM
AS OF DECEMBER 31, 2025

PENNSYLVANIA
SOLOMON CRAMER*
1998 W HARRISBURG PIKE
MIDDLETOWN, PA 17057
(717) 944-0484
(1 Location)

*indicates franchisee with open and operating locations
**indicates franchisee no longer in contact with ABG – reacquired and/or transferred locations

Exhibit G
Financial Statements of Avis Budget Group, Inc.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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www.deloitte.com

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Avis Budget Group, Inc. and subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2025, and the related notes and the schedule listed in the Index at Item 15 (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

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

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by

communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Vehicles - Depreciation Expense - United States Risk Vehicles - Refer to Notes 2 and 8 to the financial statements

Critical Audit Matter Description

The Company records rental vehicles at cost, net of accumulated depreciation. The initial cost of the vehicles is recorded net of incentives and allowances from manufacturers. Rental vehicles acquired by the Company outside of the manufacturer repurchase and guaranteed depreciation programs are referred to as risk vehicles and the carrying values of these risk vehicles are depreciated based upon the vehicles' estimated residual values at their expected dates of disposition. The estimation of residual values for risk vehicles requires the Company to make assumptions regarding factors which include, but are not limited to, the anticipated age of the vehicles and market conditions for used vehicles at the time of disposal. The Company regularly evaluates estimated residual values and adjusts vehicle depreciation rates as appropriate. Any adjustments to depreciation are made prospectively.

Given the volume of risk vehicles in the United States and the significant estimation uncertainty and judgments made by management to calculate the estimated residual values of these risk vehicles, auditing the estimated residual values of the United States risk vehicles and related vehicle depreciation expense required extensive audit effort to develop an independent expectation of residual values and depreciation expense, and a high degree of auditor judgment was required when performing audit procedures and evaluating the results of those procedures. The significant estimation uncertainty was primarily due to management's assumptions regarding the impact of future consumer demand and general economic conditions on expected pricing of used vehicles. Additionally, auditing the calculation of the estimated residual values for United States risk vehicles was challenging due to the volume of data inputs utilized in management's calculation, including third-party data, historical sales data, and data specific to the Company's current fleet.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures to assess the reasonableness of the estimated residual values and vehicle depreciation expense related to the United States risk vehicles included the following, among others:

- We evaluated the appropriateness and consistency of the Company’s methods, significant assumptions and judgments to calculate the estimated residual values of risk vehicles and the expected dates of disposition.

- We tested the effectiveness of controls over vehicle depreciation expense related to risk vehicles and management’s review of the significant assumptions and judgments to calculate the estimated residual values of risk vehicles, including those over the Company’s monitoring of residual values and used vehicle market conditions.

- We assessed the reasonableness of the estimated residual values of risk vehicles by performing the following procedures on a selection of risk vehicles:

  - We tested the underlying third-party data and historical data that served as the basis for the Company’s calculation of the estimated residual values to evaluate the reasonableness of the inputs.

- We tested significant assumptions and judgments used in the Company's calculation by developing an independent expectation of residual values and compared them to the estimated residual values calculated by the Company. Our independent expectation was calculated using our professional judgment by reference to third-party data, information produced by the Company, and inquiries of management.

- We searched for contradictory evidence associated with the significant assumptions and judgments made by management based on our knowledge of the industry and review of third-party industry data.

- We developed an independent expectation of depreciation expense based on, but not limited to, the vehicles' age and results of our residual value testing and compared it to the amount recorded by the Company as depreciation expense.

Self-Insurance Reserves - Public Liability and Property Damage Claims - United States - Refer to Note 2 to the financial statements

Critical Audit Matter Description

The Company is self-insured for public liability and property damage claims. These self-insurance reserves represent an estimate for both reported claims not yet paid and claims incurred but not yet reported. The estimated reserve requirements for such claims are calculated on an undiscounted basis using actuarial methods and various assumptions which include, but are not limited to, historical loss experience and projected loss development factors. The required liability is subject to adjustment in the future based upon changes in claims experience, including changes in the number of incidents for which the Company is ultimately liable and changes in the cost per incident.

Given the volume of public liability and property damage claims in the United States and the subjectivity of estimating the related self-insurance reserves for reported claims not yet paid and claims incurred but not yet reported due to uncertain exposure and projected loss development, performing audit procedures to evaluate whether these self-insurance reserves were appropriately recorded as of December 31, 2025 required a significant degree of auditor judgment and an increased extent of effort, including the need to involve our actuarial specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to United States public liability and property damage self-insurance reserves included the following, among others:

- We tested the effectiveness of controls over management's review of significant assumptions, key inputs and methods used to calculate the estimate of the reported claims not yet paid and claims incurred but not yet reported.

- We tested the underlying data that served as the basis for the Company's actuarial analysis, including historical claims, to test the reasonableness of the inputs to the actuarial estimate.
- With the assistance of our actuarial specialists, we developed an independent estimate of the self-insurance reserves, including assessment of loss data and claim development factors, and compared our estimate to management's estimate. In addition, we performed the following:

  - Evaluated the reasonableness of the methodologies used in management's estimate based on actuarial methods followed in the insurance industry associated with such liabilities.

  - Evaluated the reasonableness of the assumptions used in management's estimate by comparing prior-year assumptions of expected development and ultimate loss to actuals incurred during the current year to identify potential bias in the determination of these liabilities.

Impairment of Long-Lived Assets – United States Electric Vehicles – Refer to Notes 2 and 8 to the financial statements

Critical Audit Matter Description

The Company reviews long-lived assets for impairment when events or changes in circumstances indicate the carrying value of these assets may exceed their current fair values. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the estimated undiscounted future cash flows expected to be generated by the asset. Assets are grouped at the lowest level of identifiable cash flows. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying amount of the asset exceeds the fair value of the asset. In the current year, as a result of the Interpace Ventures transaction, the Company changed their fleet strategy for their United States electric vehicles, which shortened the useful life of the impacted vehicles. As a result, the Company performed a recoverability test by comparing the sum of undiscounted cash flows expected to result from the use and eventual disposition of the impacted vehicles, to their carrying value and concluded, that for certain vehicles, the carrying value exceeded the sum of undiscounted cash flows expected to result from the use and eventual disposition of those vehicles. For purposes of the recoverability test, the electric vehicles were aggregated into asset groups based on make, model and year of the impacted vehicles. The test was performed as of December 31, 2025. The Company used a market approach to determine the fair value of the impacted vehicles, utilizing prices for similar assets in active markets (Level 2). During the year ended December 31, 2025, the Company recorded a non-cash impairment charge.

Given the volume of electric vehicles in the United States and the significant assumptions made by management to evaluate the impacted vehicles for impairment, we performed audit procedures requiring a high degree of auditor judgment and extensive audit effort, to (1) evaluate whether management appropriately identified events or changes in circumstances indicating that the carrying amounts of the impacted vehicle assets may not be recoverable; (2) evaluate management's determination of asset groups at the lowest level of identifiable cash flows; (3) evaluate management's recoverability test by comparing the sum of undiscounted cash flows expected to result from the use and eventual disposition of the impacted vehicles to their carrying value and, when applicable, (4) evaluate the fair value estimates for the impacted vehicles.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to impairment of long-lived assets of United States electric vehicles included the following, among others:

- We tested the effectiveness of controls over (1) management's identification of events or changes in circumstances that indicate that the carrying amount of the impacted vehicles may not be recoverable, including management's review of forecasted future cash flows, and (2) management's review of the methodology in determining the fair value estimate of the impacted vehicles.

- We evaluated whether management appropriately identified events or changes in circumstances that indicated that the carrying amounts of the impacted vehicle assets may not be recoverable.

- We evaluated management's determination of asset groups at the lowest level of identifiable cash flows.

- We tested management's recoverability test by comparing the sum of undiscounted cash flows expected to result from the use and eventual disposition of the impacted vehicles to their carrying value by performing the following:

  - Tested the mathematical accuracy of management's analysis.

  - Compared relevant information to historical data.

  - Assessed management's assumptions used when determining the expected rental revenue, operating expenses and residual values expected at the time of disposition of the impacted vehicles as part of their recoverability test.

- We tested the fair value estimates for the impacted vehicles.

- We evaluated the reasonableness of the valuation methodology applied and fair value determined for the impacted vehicles by testing the methodology applied and measurable inputs used, and the mathematical accuracy of the calculation.

/s/ DELOITTE & TOUCHE LLP
New York, New York
February 19, 2026

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

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

	Year Ended December 31,		
	2025	**2024**	**2023**
Revenues	$ 11,652	$ 11,789	$ 12,008
Expenses			
Operating	5,857	6,014	5,675
Vehicle depreciation and lease charges, net	3,015	2,976	1,739
Selling, general and administrative	1,447	1,352	1,408
Vehicle interest, net	918	941	736
Non-vehicle related depreciation and amortization	231	237	216
Interest expense related to corporate debt, net:			
Interest expense	422	358	296
Early extinguishment of debt	6	19	5
Long-lived asset impairment and other related charges	518	2,470	—
Restructuring and other related charges	131	37	11
Transaction-related costs, net	18	3	5
Other (income) expense, net	18	9	3
Total expenses	12,581	14,416	10,094
Income (loss) before income taxes	(929)	(2,627)	1,914
Provision for (benefit from) income taxes	66	(810)	279
Net income (loss)	(995)	(1,817)	1,635
Less: Net income (loss) attributable to non-controlling interests	(106)	4	3
Net income (loss) attributable to Avis Budget Group, Inc.	$ (889)	$ (1,821)	$ 1,632
Earnings (loss) per share			
Basic	$ (25.25)	$ (51.23)	$ 42.57
Diluted	$ (25.25)	$ (51.23)	$ 42.08

See Notes to Consolidated Financial Statements.

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

	Year Ended December 31,		
	2025	**2024**	**2023**
Net income (loss)	$ (995)	$ (1,817)	$ 1,635
Less: Net income (loss) attributable to non-controlling interests	(106)	4	3
Net income (loss) attributable to Avis Budget Group, Inc.	(889)	(1,821)	1,632
Other comprehensive income (loss), net of tax			
Currency translation adjustments:			
Currency translation adjustments, net of tax of $43, $(19) and $7, respectively	77	(122)	27
Cash flow hedges:			
Net unrealized holding gains (losses), net of tax of $1, $(5), and $(2), respectively	(2)	15	5
Reclassification of cash flow hedges to earnings, net of tax of $5, $7, and $5, respectively	(15)	(21)	(13)
Minimum pension liability adjustment:			
Pension and post-retirement benefits, net of tax of $(3), $(4), and $6, respectively	9	10	(18)
Reclassification of pension and post-retirement benefits to earnings, net of tax of $(1), $(1), and $(1), respectively	3	4	4
	72	(114)	5
Total comprehensive income (loss) attributable to Avis Budget Group, Inc.	$ (817)	$ (1,935)	$ 1,637

See Notes to Consolidated Financial Statements.

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

	As of December 31,	
	2025	2024
Assets		
Current assets:		
Cash and cash equivalents	$ 519	$ 534
Receivables (net of allowance for doubtful accounts of $78 and $96, respectively)	878	838
Other current assets	696	662
Total current assets	2,093	2,034
Property and equipment, net	748	697
Operating lease right-of-use assets	3,239	3,057
Deferred income taxes	2,105	1,786
Goodwill	1,129	1,071
Other intangibles, net	589	601
Other non-current assets	403	422
Total assets exclusive of assets under vehicle programs	10,306	9,668
Assets under vehicle programs:		
Program cash	94	60
Vehicles, net	18,720	17,619
Receivables from vehicle manufacturers and other	540	386
Investment in Avis Budget Rental Car Funding (AESOP) LLC—related party	1,597	1,308
	20,951	19,373
Total assets	$ 31,257	$ 29,041
Liabilities, redeemable non-controlling interests and stockholders' equity		
Current liabilities:		
Accounts payable and other current liabilities	$ 2,865	$ 2,700
Short-term debt and current portion of long-term debt	24	20
Total current liabilities	2,889	2,720
Long-term debt	6,049	5,373
Long-term operating lease liabilities	2,614	2,484
Other non-current liabilities	495	470
Total liabilities exclusive of liabilities under vehicle programs	12,047	11,047
Liabilities under vehicle programs:		
Debt	4,792	3,453
Debt due to Avis Budget Rental Car Funding (AESOP) LLC—related party	14,396	14,083
Deferred income taxes	2,677	2,442
Other	387	333
	22,252	20,311
Commitments and contingencies (Note 15)		
Redeemable non-controlling interests	74	—
Stockholders' equity:		
Preferred stock, $0.01 par value—authorized 10 shares; none issued and outstanding, in each period	—	—
Common stock, $0.01 par value—authorized 250 shares; issued 137 shares, in each period	1	1
Additional paid-in capital	6,622	6,620
Retained earnings	1,139	2,029
Accumulated other comprehensive loss	(138)	(210)
Treasury stock, at cost—102 shares, in each period	(10,753)	(10,767)
Stockholders' equity attributable to Avis Budget Group, Inc.	(3,129)	(2,327)
Non-controlling interests	13	10
Total stockholders' equity	(3,116)	(2,317)
Total liabilities, redeemable non-controlling interests and stockholders' equity	$ 31,257	$ 29,041

See Notes to Consolidated Financial Statements.

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

	Year Ended December 31,		
	2025	2024	2023
Operating activities			
Net income (loss)	$ (995)	$ (1,817)	$ 1,635
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Vehicle depreciation	2,657	2,658	2,228
Amortization of right-of-use assets	1,081	1,114	1,006
(Gain) loss on sale of vehicles, net	238	167	(656)
Vehicle related reserves	351	496	348
Non-vehicle related depreciation and amortization	231	237	216
Amortization of debt financing fees	52	46	40
Early extinguishment of debt costs	6	21	5
Long-lived asset impairment and other related charges	518	2,470	—
Deferred income taxes	(24)	(905)	191
Stock-based compensation	19	19	30
Net change in assets and liabilities:			
Receivables	60	51	(43)
Income taxes	(31)	45	(81)
Accounts payable and other current liabilities	110	63	(72)
Operating lease liabilities	(1,082)	(1,097)	(1,002)
Other, net	105	(50)	(17)
Net cash provided by operating activities	3,296	3,518	3,828
Investing activities			
Property and equipment additions	(218)	(202)	(273)
Proceeds received on asset sales	2	3	3
Net assets acquired (net of cash acquired)	—	(3)	(65)
Other, net	(9)	12	6
Net cash used in investing activities exclusive of vehicle programs	(225)	(190)	(329)
Vehicle programs:			
Investment in vehicles	(15,056)	(9,860)	(15,185)
Proceeds received on disposition of vehicles	10,406	7,394	8,403
Investment in debt securities of Avis Budget Rental Car Funding (AESOP) LLC —related party	(1,072)	(798)	(541)
Proceeds from debt securities of Avis Budget Rental Car Funding (AESOP) LLC —related party	783	701	306
	(4,939)	(2,563)	(7,017)
Net cash used in investing activities	(5,164)	(2,753)	(7,346)

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

	Year Ended December 31,		
	2025	**2024**	**2023**
Financing activities			
Proceeds from borrowings (original maturities greater than three months)	$ 1,580	$ 1,569	$ 936
Payments on borrowings (original maturities greater than three months)	(1,111)	(939)	(818)
Debt financing fees	(17)	(28)	(22)
Repurchases of common stock	(7)	(70)	(951)
Contributions from non-controlling interests	183	—	—
Dividends paid	—	—	(355)
Net cash provided by (used in) financing activities exclusive of vehicle programs	628	532	(1,210)
Vehicle programs:			
Proceeds from borrowings	25,973	21,335	23,980
Payments on borrowings	(24,714)	(22,604)	(19,220)
Debt financing fees	(29)	(44)	(44)
	1,230	(1,313)	4,716
Net cash provided by (used in) financing activities	1,858	(781)	3,506
Effect of changes in exchange rates on cash and cash equivalents, program and restricted cash	31	(31)	14
Net increase (decrease) in cash and cash equivalents, program and restricted cash	21	(47)	2
Cash and cash equivalents, program and restricted cash, beginning of period	597	644	642
Cash and cash equivalents, program and restricted cash, end of period	$ 618	$ 597	$ 644
Supplemental disclosure			
Interest payments	$ 1,297	$ 1,273	$ 988
Income tax payments, net of refunds	$ 121	$ 50	$ 169

See Notes to Consolidated Financial Statements.

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

	Common Stock		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Treasury Stock		Stockholders' Equity Attributable to Avis Budget Group, Inc.	Non-controlling Interests	Total Stockholders' Equity
	Shares	Amount				Shares	Amount			
Balance as of January 1, 2023	137.1	$ 1	$ 6,666	$ 2,579	$ (101)	(97.6)	$ (9,848)	$ (703)	$ 3	$ (700)
Comprehensive income (loss):										
Net income (loss)	—	—	—	1,632	—	—	—	1,632	3	1,635
Other comprehensive income (loss)	—	—	—	—	5	—	—	5	—	5
Total comprehensive income (loss)				1,632	5			1,637	3	1,640
Net activity related to restricted stock units	—	—	(32)	(2)	—	0.3	3	(31)	—	(31)
Repurchases of common stock [a]	—	—	—	—	—	(4.3)	(897)	(897)	—	(897)
Dividends paid ($10.00 per share)	—	—	—	(355)	—	—	—	(355)	—	(355)
Balance as of December 31, 2023	137.1	$ 1	$ 6,634	$ 3,854	$ (96)	(101.6)	$ (10,742)	$ (349)	$ 6	$ (343)
Comprehensive income (loss):										
Net income (loss)	—	—	—	(1,821)	—	—	—	(1,821)	4	(1,817)
Other comprehensive income (loss)	—	—	—	—	(114)	—	—	(114)	—	(114)
Total comprehensive income (loss)				(1,821)	(114)			(1,935)	4	(1,931)
Net activity related to restricted stock units	—	—	(14)	(4)	—	0.2	21	3	—	3
Repurchases of common stock [a]	—	—	—	—	—	(0.6)	(46)	(46)	—	(46)
Balance as of December 31, 2024	137.1	$ 1	$ 6,620	$ 2,029	$ (210)	(102.0)	$ (10,767)	$ (2,327)	$ 10	$ (2,317)
Comprehensive income (loss):										
Net income (loss)	—	—	—	(889)	—	—	—	(889)	3	(886)
Other comprehensive income (loss)	—	—	—	—	72	—	—	72	—	72
Total comprehensive income (loss)				(889)	72			(817)	3	(814)
Net activity related to restricted stock units	—	—	2	(1)	—	0.1	14	15	—	15
Balance as of December 31, 2025	137.1	$ 1	$ 6,622	$ 1,139	$ (138)	(101.9)	$ (10,753)	$ (3,129)	$ 13	$ (3,116)

[a] Amount includes excise taxes due under the Inflation Reduction Act of 2022.

See Notes to Consolidated Financial Statements.

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

1. Basis of Presentation

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

We operate the following reportable business segments:

- **Americas -** consisting primarily of (i) vehicle rental operations in North America, South America, Central America and the Caribbean, (ii) car sharing operations in certain of these markets, and (iii) licensees in the areas in which we do not operate directly.

- **International -** consisting primarily of (i) vehicle rental operations in Europe, the Middle East, Africa, Asia and Australasia, (ii) car sharing operations in certain of these markets, and (iii) licensees in the areas in which we do not operate directly.

We have completed the business acquisitions discussed in Note 6 – Acquisitions to these Consolidated Financial Statements. The operating results of the acquired businesses are included in the accompanying Consolidated Financial Statements from the dates of acquisition.

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

2. Summary of Significant Accounting Policies

Principles of Consolidation

The Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and include the accounts of our Company and all entities in which we have a direct or indirect controlling financial interest and variable interest entities for which we have determined we are the primary beneficiary. We consolidate joint venture activities when we have a controlling interest and record non-controlling interests within stockholders' equity and the statement of comprehensive income equal to the percentage of ownership interest retained in such entities by the respective non-controlling party. Intercompany transactions have been eliminated in consolidation.

Use of Estimates and Assumptions

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

Revenue Recognition

We derive revenues primarily by providing vehicle rentals and other related products and mobility services to commercial and leisure customers, as well as through licensing of our rental brands. Other related products and mobility services include sales of collision and loss damage waivers, under which we agree to relieve a customer from financial responsibility arising from vehicle damage incurred during the rental; additional/supplemental liability insurance or personal accident/effects insurance products which provide

customers with additional protections for personal or third-party losses incurred; and products for driving convenience such as fuel service options, roadside assistance services, electronic toll collection services, additional driver options, and one-way rentals. We also receive payment from customers for certain operating expenses that we incur, including airport concession fees that are paid by us in exchange for the right to operate at airports and other locations, as well as vehicle licensing fees. In addition, we collect membership fees in connection with our car sharing business.

We combine all lease and non-lease components of our vehicle rental contracts for which the timing and pattern of transfer are the same and the lease component meets the classification of an operating lease. Vehicle rentals and other related products and mobility services are recognized evenly over the period of rental, which is on average approximately five days (See Note 3 – Leases).

Licensing revenues principally consist of royalties paid by our licensees and are recorded as the licensees' revenues are earned (over the rental period). We renew license agreements in the normal course of business and occasionally terminate, purchase or sell license agreements. In connection with ongoing fees that we receive from our licensees pursuant to license agreements, we are required to provide certain services, such as training, marketing and the operation of reservation systems.

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

Revenues are recognized under Leases (Topic 842) with the exception of royalty fee revenue derived from our licensees and revenue related to our customer loyalty program, which were $202 million, $246 million, and $187 million for the years ended December 31, 2025, 2024 and 2023, respectively.

The following table presents our revenues disaggregated by geography:

	Year Ended December 31,		
	2025	2024	2023
Americas	$ 8,900	$ 9,111	$ 9,347
Europe, Middle East and Africa	2,117	2,045	2,014
Asia and Australasia	635	633	647
Total revenues	$ 11,652	$ 11,789	$ 12,008

The following table presents our revenues disaggregated by brand:

	Year Ended December 31,		
	2025	2024	2023
Avis	$ 6,603	$ 6,775	$ 6,779
Budget	4,325	4,271	4,478
Other [(a)]	724	743	751
Total revenues	$ 11,652	$ 11,789	$ 12,008

(a) Other includes Zipcar and other operating brands.

Deferred Revenue

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

The following table presents changes in deferred revenue associated with our customer loyalty program:

	2025	2024
Balance as of January 1	$ 50	$ 67
Revenue deferred	59	61
Revenue recognized	(54)	(78)
Balance as of December 31 [(a)]	$ 55	$ 50

[(a)] As of December 31, 2025 and 2024, $22 million and $27 million was included in accounts payable and other current liabilities, respectively, and $33 million and $23 million in other non-current liabilities, respectively. Non-current amounts are expected to be recognized as revenue within two to three years.

Currency Translation

Assets and liabilities of foreign operations are translated at the rate of exchange in effect on the balance sheet date; income and expenses are translated at the prevailing monthly average rate of exchange. The related translation adjustments are reflected in accumulated other comprehensive income (loss) in the stockholders' equity section of the Consolidated Balance Sheets and in the Consolidated Statements of Comprehensive Income (See Note 16 – Stockholders' Equity). We have designated our euro-denominated Notes as a hedge of our investment in euro-denominated foreign operations and, accordingly, record the effective portion of gains or losses on this net investment hedge in accumulated other comprehensive income (loss) as part of currency translation adjustments.

Cash and Cash Equivalents, Program Cash and Restricted Cash

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

	As of December 31,	
	2025	2024
Cash and cash equivalents	$ 519	$ 534
Program cash	94	60
Restricted cash [(a)]	5	3
Total cash and cash equivalents, program and restricted cash	$ 618	$ 597

[(a)] Included within other current assets.

Property and Equipment

Property and equipment (including leasehold improvements) are stated at cost, net of accumulated depreciation and amortization. Depreciation (non-vehicle related) is computed utilizing the straight-line method over the estimated useful lives of the related assets. Leasehold improvements are amortized over the shorter of the term of the lease or the estimated useful lives of the improvements. Useful lives are as follows:

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

We capitalize the costs of software developed for internal use when the preliminary project stage is completed and management (i) commits to funding the project and (ii) believes it is probable that the project will be completed and the software will be used to perform the function intended. The software developed or obtained for internal use is amortized on a straight-line basis commencing when such software is ready for its intended use. The net carrying value of software developed or obtained for internal use was $99 million and $126 million as of December 31, 2025 and 2024, respectively.

Goodwill and Other Intangible Assets

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

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

There was no impairment to goodwill or other intangible assets during the years ended December 31, 2025 or 2023. During our annual impairment assessment performed as of October 1, 2024, we determined that the carrying value of our Zipcar trademark, which is an unamortized intangible asset included within our Americas reportable segment, exceeded its fair value. We determined the fair value of the Zipcar trademark using the relief-from-royalty method (Level 3), which is a form of the income approach. This method applies a royalty rate to projected income to quantify the benefit of owning the intangible asset rather than paying a royalty for use of the asset. The significant assumptions used in the assessment of the fair value of the trademark included future revenues, a discount rate and a royalty rate. As a result, we recognized an impairment of $28 million within long-lived asset impairment and other related charges in the Consolidated Statement of Operations for the year ended December 31, 2024. There was no impairment to goodwill for the year ended December 31, 2024.

Impairment of Long-Lived Assets

We review long-lived assets for impairment when events or changes in circumstances indicate the carrying value of these assets may exceed their current fair values. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the estimated undiscounted future cash flows expected to be generated by the asset. Assets are grouped at the lowest level of identifiable cash flows. If the carrying amount of an asset exceeds its estimated future cash flows, an impairment charge is recognized for the amount by which the carrying amount of the asset exceeds the fair value of the assets.

During the fourth quarter of 2025, in conjunction with the Interpace Ventures transaction mentioned below under *Variable Interest Entities ("VIE") and Non-Controlling Interests*, we reviewed our fleet strategy, specific to certain United States EV rental car vehicles, and as a result shortened the useful life associated with such vehicles. We considered this change in strategy to be a triggering event that indicated the carrying amount of these assets may not be recoverable. As a result, we performed a recoverability test by comparing the sum of undiscounted cash flows expected to result from the use and eventual disposition of the impacted vehicles to their carrying value and concluded, that for certain vehicles, the carrying value exceeded the sum of undiscounted cash flows expected to result from the use and eventual disposition of those vehicles. For purposes of the recoverability test, the vehicles were aggregated into asset groups based on make, model, and year of the vehicles. The test was performed as of December 31, 2025, and we used a market approach to determine the value of the impacted vehicles, utilizing prices for similar assets in active markets (Level 2). During the year ended December 31, 2025, we recorded a $518 million non-cash impairment within long-lived asset impairment and other related charges in the Consolidated Statement of Operations within our Americas reportable segment.

During the fourth quarter of 2024, we changed our fleet strategy, specific to United States and Canadian rental car vehicles, to accelerate certain fleet rotations in order to decrease the age of our fleet for competitive reasons, and accordingly, we shortened the useful life associated with such vehicles. We considered this change in strategy to be a triggering event that indicated the carrying amount of these assets may not be recoverable. As a result, we performed a recoverability test by comparing the sum of undiscounted cash flows expected to result from the use and eventual disposition of the impacted vehicles to their carrying value and concluded, that for certain vehicles, the carrying value exceeded the sum of undiscounted cash flows expected to result from the use and eventual disposition of those vehicles. For purposes of the recoverability test, the vehicles were aggregated into asset groups based on make, model and year of the vehicles. The test was performed as of November 30, 2024, and we used a market approach to determine the value of the impacted vehicles, utilizing prices for similar assets in active markets (Level 2). During the year ended December 31, 2024, we recorded a $2.3 billion non-cash impairment within long-lived asset impairment and other related charges in the Consolidated Statement of Operations within our Americas reportable segment.

There was no impairment to long-lived assets during the year ended December 31, 2023.

In the future, if events or market conditions affect the estimated fair value to the extent that a long-lived asset is impaired, we will adjust the carrying value of these long-lived assets in the period in which the impairment occurs.

Vehicles

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

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

The estimation of residual values requires us to make assumptions regarding the age and mileage of the car at the time of disposal, as well as expected used vehicle auction market conditions. We regularly evaluate estimated residual values and adjust depreciation rates as appropriate. Differences between actual residual values and those estimated result in a gain or loss on disposal and are recorded as part of vehicle depreciation at the time of sale. Vehicle-related interest expense amounts are net of vehicle-related interest income of $13 million, $12 million, and $34 million for 2025, 2024 and 2023, respectively.

We classify vehicles as held for sale in the period in which they are available for immediate sale in their present condition and the sale is probable. Vehicles held for sale are separately presented at the lower of the carrying amount or fair value less costs to sell in our Consolidated Balance Sheets and are no longer depreciated. We reassess their fair value each reporting period until disposed.

As of December 31, 2024, in connection with the change to our fleet strategy described above, we wrote down the carrying value of certain vehicles held for sale within our Americas reportable segment to fair value (Level 2). For the year ended December 31, 2024, we recorded a charge of $180 million, which is included within long-lived asset impairment and other related charges in the Consolidated Statement of Operations. We completed the sale of a majority of these vehicles primarily through our standard disposition channels during 2025. There were no similar charges during the years ended December 31, 2025 or 2023. To the extent there are further changes in market conditions or the performance of our long-lived assets, there is a possibility that we could incur additional related costs in the future.

Advertising Expenses

Advertising and digital marketing costs are generally expensed in the period incurred and are recorded within selling, general and administrative expenses in our Consolidated Statements of Operations. During 2025, 2024 and 2023, advertising costs were $94 million, $77 million, and $86 million, respectively. In addition, during 2025, 2024 and 2023, digital marketing costs were $95 million, $90 million, and $86 million, respectively.

Taxes

We account for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. The effect of a change in tax rates on deferred tax assets and liabilities is recognized in income in the period that includes the enactment date. As a result of the provisions of the Tax Cuts and Jobs Act, we account for Global Intangible Low-Taxed Income ("GILTI") as a component of current period income tax expense in the year incurred. The GILTI has been replaced and renamed the Net Controlled Foreign Corporation Tested Income ("NCTI") under the One Big Beautiful Bill Act ("OBBBA") during 2025 and became effective January 1, 2026.

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

Fair Value Measurements

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

The fair value of our financial instruments is generally determined by reference to market values resulting from trading on a national securities exchange or in an over-the-counter market (Level 1 inputs). In some cases where quoted market prices are not available, prices are derived by considering the yield of the benchmark security that was issued to initially price the instruments and adjusting this rate by the credit

spread that market participants would demand for the instruments as of the measurement date (Level 2 inputs). In situations where long-term borrowings are part of a conduit facility backed by short-term floating rate debt, we have determined that its carrying value approximates the fair value of this debt (Level 2 inputs). The carrying amounts of cash and cash equivalents, available-for-sale securities, receivables, program cash, and accounts payable and other current liabilities approximate fair value due to the short-term maturities of these assets and liabilities.

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

Derivative Instruments

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

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

Currency Transactions

Currency gains and losses resulting from foreign currency transactions are generally included in operating expenses within the Consolidated Statements of Operations; however, the net gain or loss of currency transactions on intercompany loans and the unrealized gain or loss on intercompany loan hedges are included within interest expense related to corporate debt, net.

Self-Insurance Reserves

The Consolidated Balance Sheets include $508 million and $451 million of liabilities associated with retained risks of liability to third parties as of December 31, 2025 and 2024, respectively. Such liabilities relate primarily to public liability and third-party property damage claims, as well as claims arising from the sale of ancillary insurance products including, but not limited to, additional/supplemental liability, personal effects protection and personal accident insurance. These obligations represent an estimate for both reported claims not yet paid and claims incurred but not yet reported. The estimated reserve requirements for such claims are recorded on an undiscounted basis utilizing actuarial methodologies and various assumptions which include, but are not limited to, our historical loss experience and projected loss development factors. The required liability is also subject to adjustment in the future based upon changes in claims experience, including changes in the number of incidents for which we are ultimately liable and changes in the cost per incident. For the year ended December 31, 2024, we recorded an unprecedented adjustment to our self-insurance reserves for allocated loss adjustment expense. These amounts are included within accounts payable and other current liabilities and other non-current liabilities.

The Consolidated Balance Sheets also include liabilities of $46 million and $50 million as of December 31, 2025 and 2024, respectively, related to workers' compensation, health and welfare and other employee benefit programs. The liabilities represent an estimate for both reported claims not yet paid and claims incurred but not yet reported, utilizing actuarial methodologies similar to those described above. These amounts are included within accounts payable and other current liabilities and other non-current liabilities.

Stock-Based Compensation

Stock-based compensation cost is measured at the grant date, based on the fair value of the award, and is recognized as expense on a straight-line basis over the vesting period. Our policy is to record compensation expense for stock options, and restricted stock units that are time- and performance-based, for the portion of the award that vests. Compensation expense related to market-based restricted stock units is recognized provided that the requisite service is rendered, regardless of when, if ever, the market condition is satisfied. We estimate the fair value of restricted stock units using the market price of our common stock on the date of grant. We estimate the fair value of stock-based and cash unit awards containing a market condition using a Monte Carlo simulation model. Key inputs and assumptions used in the Monte Carlo simulation model include the stock price of the award on the grant date, the expected term, the risk-free interest rate over the expected term, the expected annual dividend yield and the expected stock price volatility. The expected volatility is based on a combination of the historical and implied volatility of our publicly traded, near-the-money stock options, and the valuation period is based on the vesting period of the awards. The risk-free interest rate is derived from the U.S. Treasury yield curve in effect at the time of grant and, since we do not currently pay or plan to pay a recurring dividend on our common stock, the expected dividend yield was zero.

Business Combinations

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

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

Transaction-related Costs, net

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

Investments

We account for investments for which we have the ability to exercise significant influence, but do not have a controlling interest, using the equity method of accounting and record our proportional share of net income or loss within operating expenses in the Consolidated Statements of Operations. We assess equity method investments for impairment whenever events or changes in circumstances indicate that the carrying amounts of such investments may not be recoverable. Any difference between the carrying value of the equity method investment and its estimated fair value is recognized as an impairment charge if the loss in value is deemed other than temporary. As of December 31, 2025 and 2024, we had investments with a carrying value of $130 million and $100 million, respectively, recorded within other non-current assets on the Consolidated Balance Sheets.

Aggregate realized gains and losses on equity method investments are recorded within operating expenses on the Consolidated Statements of Operations. During 2025, 2024 and 2023, we recorded net gains from our equity method investments of $21 million, $16 million, and $12 million, respectively. In July 2024, we

received a $7 million dividend, and in December 2025, we purchased additional shares for $1 million, relating to our equity method investment in our Greece licensee. See Note 17 – Related Party Transactions for our equity method investment in our former subsidiary.

Divestitures

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

Variable Interest Entities ("VIE") and Non-Controlling Interests

We review our investments to determine if they are VIEs. A VIE is an entity in which either (i) the equity investors as a group lack the power through voting or similar rights to direct the activities of such entity that most significantly impact such entity's economic performance or (ii) the equity investment at risk is insufficient to finance that entity's activities without additional subordinated financial support. Entities that are determined to be VIEs are consolidated if we are the primary beneficiary of the entity. The primary beneficiary possesses the power to direct the activities of the VIE that most significantly impact its economic performance and has the obligation to absorb losses or the right to receive benefits from the VIE that are significant to it. We will reconsider our original assessment of a VIE upon the occurrence of certain events such as contributions and redemptions, either by us, or third parties, or amendments to an entity's governing documents. On an ongoing basis, we reconsider whether we are deemed to be a VIE's primary beneficiary. We account for VIEs where we are not the primary beneficiary under the equity method.

Our former subsidiary, Avis Mobility Ventures LLC ("AMV"), is a VIE. We lack the ability to direct the significant activities of AMV and are not its primary beneficiary. As such, we account for AMV under the equity method. See Note 17 – Related Party Transactions for our VIE investment in our former subsidiary.

Interpace Ventures Transaction

On September 30, 2025, we received a contribution of $12 million from a non-controlling interest party (Class A Member) in exchange for approximately 17% in a new joint venture establishing Interpace Ventures LLC ("Interpace Ventures"). On December 30, 2025, we completed the joint venture transaction and Interpace Ventures subsequently funded its wholly-owned subsidiary, Interpace Funding LLC ("Interpace Funding"), with the total contribution from both its Class A members, the third-party investors in the amount of $183 million, and the Company, as the Class B member. Interpace Funding was established to acquire, own, operate, manage, lease, and sell vehicles. This transaction was undertaken as part of our efforts to monetize a portion of our available tax credits. Additionally, in conjunction with this transaction, we reviewed our fleet strategy, specific to certain United States EV rental car vehicles, and as a result shortened the useful life associated with such vehicles. See Note 2 – Summary of Significant Accounting Policies – Impairment of Long-Lived Assets to our Consolidated Financial Statements.

We consolidate joint venture activities when we have a controlling financial interest. We determined that Interpace Ventures and its related subsidiaries are VIEs and that we are the primary beneficiary. In accordance with Accounting Standards Codification Topic 810-10, all entities created as a result of the Interpace Ventures transaction have been consolidated. Based on the substance of the transaction, the non-controlling interests are presented as temporary equity.

The Company has determined the allocation of economics between the controlling party and third-party investors should follow the hypothetical liquidation at book value ("HLBV") method of accounting, based on governing provisions in each respective limited liability company agreement, instead of respective ownership percentages. Under the HLBV method, the amounts of income and loss attributable to the non-controlling interest reflects changes in the amount the owners would hypothetically receive at each balance sheet date under the respective liquidation provisions, assuming the net assets of these entities were liquidated at the recorded amounts, after taking into account any capital transactions, such as contributions and distributions, between the entities and the owners.

As specified in the respective limited liability company agreements, the Class A members' interests are redeemable based upon events that are not solely within our control. As such, the non-controlling interests were classified as redeemable non-controlling interests of $74 million and presented outside of permanent equity on the Consolidated Balance Sheets as of December 31, 2025. See Note 16 – Stockholders' Equity for the components of redeemable non-controlling interests.

Nonmarketable Equity Securities

We classify investments without readily determinable fair values that are not accounted for under the equity method as nonmarketable equity securities. The accounting guidance requires nonmarketable equity securities to be recorded at cost and adjusted to fair value at each reporting period. We apply the measurement alternative, which allows these investments to be recorded at cost, less impairment, if any, and subsequently adjust for observable price changes of identical or similar investments of the same issuer. Any changes in value are recorded within operating expenses. As of December 31, 2025 and 2024, our nonmarketable equity securities within non-current assets on our Consolidated Balance Sheets were not material and no material adjustments were made to the carrying values of these securities during the years ended December 31, 2025, 2024 or 2023.

Adoption of New Accounting Pronouncements

Improvements to Income Tax Disclosures

On January 1, 2025, as the result of a new accounting pronouncement, we adopted ASU 2023-09, "Improvements to Income Tax Disclosures," which amends Topic 740 primarily through enhanced income tax disclosures, improving transparency into the factors affecting income tax expense. The adoption of this accounting pronouncement has resulted in incremental disclosures within Note 9 – Income Taxes.

Recently Issued Accounting Pronouncements

Disaggregation of Income Statement Expenses

In November 2024, the FASB issued ASU 2024-03, "Disaggregation of Income Statement Expenses," which amends Topic 220 primarily through requiring disclosures, in the notes to financial statements, about certain costs and expenses. The amendments are effective for annual periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027, with early adoption permitted on a prospective or retrospective basis. ASU 2024-03 becomes effective for us on January 1, 2027. We are currently evaluating the impact of the adoption of this accounting pronouncement on our Consolidated Financial Statements.

Targeted Improvements to the Accounting for Internal-Use Software

In September 2025, the FASB issued ASU 2025-06, "Targeted Improvements to the Accounting for Internal-Use Software," which amends Topic 350 primarily to modernize the accounting for software costs. The amendments are effective for annual periods beginning after December 15, 2027, and interim periods within those annual periods. Early adoption is permitted as of the beginning of an annual period. A prospective, modified or retrospective transition approach is permitted. ASU 2025-06 becomes effective for us on an interim basis beginning on January 1, 2028. We are currently evaluating the impact of the adoption of this accounting pronouncement on our Consolidated Financial Statements.

Hedge Accounting Improvements

In November 2025, the FASB issued ASU 2025-09, "Hedge Accounting Improvements," which clarifies certain aspects of the guidance on hedge accounting and addresses several incremental hedge accounting issues arising from the global reference rate reform initiative. The amendments are effective for annual reporting periods beginning after December 15, 2026, and interim periods within those annual reporting periods, with early adoption permitted on a prospective basis. ASU 2025-09 becomes effective for us on an interim basis beginning on January 1, 2027. We are currently evaluating the impact of the adoption of this accounting pronouncement on our Consolidated Financial Statements.

Narrow-Scope Improvements

In December 2025, the FASB issued ASU 2025-11, "Narrow-Scope Improvements," which clarifies interim disclosure requirements and the applicability of Topic 270. The amendments are effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted on a prospective or retrospective basis. ASU 2025-11 becomes effective for us on an interim basis beginning on January 1, 2028. We are currently evaluating the impact of the adoption of this accounting pronouncement on our Consolidated Financial Statements.

3. Leases

Lessor

The following table presents our lease revenues disaggregated by geography:

	Year Ended December 31,		
	2025	2024	2023
Americas	$ 8,809	$ 8,970	$ 9,261
Europe, Middle East and Africa	2,025	1,958	1,932
Asia and Australasia	616	615	628
Total lease revenues	$ 11,450	$ 11,543	$ 11,821

The following table presents our lease revenues disaggregated by brand:

	Year Ended December 31,		
	2025	2024	2023
Avis	$ 6,478	$ 6,609	$ 6,660
Budget	4,272	4,220	4,425
Other [(a)]	700	714	736
Total lease revenues	$ 11,450	$ 11,543	$ 11,821

[(a)] Other includes Zipcar and other operating brands.

Lessee

We have operating and finance leases for rental locations, corporate offices, vehicle rental fleet and equipment. Many of our operating leases for rental locations contain concession agreements with various airport authorities that allow us to conduct our vehicle rental operations on site. In general, concession fees for airport locations are based on a percentage of total commissionable revenue as defined by each airport authority, some of which are subject to minimum annual guaranteed amounts. Concession fees other than minimum annual guaranteed amounts are not included in the measurement of operating lease right-of-use assets and operating lease liabilities and are recorded as variable lease expense as incurred. Our operating leases for rental locations often also require us to pay or reimburse operating expenses.

We lease a portion of our vehicles under operating leases. As of December 31, 2025, we have no guarantees of residual values for vehicles under operating leases at the end of their respective lease terms. As of December 31, 2024, we had guaranteed up to $30 million of residual values for vehicles under operating leases at the end of their respective lease terms. We believe that, based on current market conditions, the net proceeds from the sale of these vehicles at the end of their lease terms will equal or exceed their net book values and therefore have not recorded a liability related to guaranteed residual values.

The components of lease expense are as follows:

	Year Ended December 31,		
	2025	2024	2023
Property leases			
Operating lease expense	$ 957	$ 935	$ 860
Variable lease expense	338	343	402
Sublease income	(6)	(6)	(6)
Total property lease expense [a]	$ 1,289	$ 1,272	$ 1,256
Vehicle leases			
Finance lease expense:			
Amortization of right-of-use assets [b]	$ 18	$ 27	$ 28
Interest on lease liabilities [c]	6	7	6
Operating lease expense [b]	120	151	167
Total vehicle lease expense	$ 144	$ 185	$ 201

(a) Primarily included in operating expenses.
(b) Included in vehicle depreciation and lease charges, net.
(c) Included in vehicle interest, net.

Supplemental balance sheet information related to leases is as follows:

	As of December 31,	
	2025	2024
Property leases		
Operating lease right-of-use assets	$ 3,239	$ 3,057
Short-term operating lease liabilities [a]	$ 680	$ 628
Long-term operating lease liabilities	2,614	2,484
Operating lease liabilities	$ 3,294	$ 3,112
Weighted average remaining lease term	7.6 years	8.0 years
Weighted average discount rate	5.35%	4.98%
Vehicle finance leases		
Vehicle finance lease right-of-use assets, gross	$ 209	$ 228
Accumulated amortization	(37)	(43)
Vehicle finance lease right-of-use assets, net [b]	$ 172	$ 185
Short-term vehicle finance lease liabilities	$ 79	$ 75
Long-term vehicle finance lease liabilities	51	68
Vehicle finance lease liabilities [c]	$ 130	$ 143
Weighted average remaining lease term	1.4 years	2.1 years
Weighted average discount rate	3.81%	5.07%
Vehicle operating leases		
Vehicle operating lease right-of-use assets [d]	$ 42	$ 73
Short-term vehicle operating lease liabilities	$ 35	$ 58
Long-term vehicle operating lease liabilities	7	15
Vehicle operating lease liabilities [e]	$ 42	$ 73
Weighted average remaining lease term	1.2 years	1.3 years
Weighted average discount rate	4.54%	5.20%

(a) Included in accounts payable and other current liabilities.
(b) Included in vehicles, net within assets under vehicle programs.
(c) Included in debt within liabilities under vehicle programs.
(d) Included in receivables from vehicle manufacturers and other within assets under vehicle programs.
(e) Included in other within liabilities under vehicle programs.

Supplemental cash flow information related to leases is as follows:

	Year Ended December 31,		
	2025	2024	2023
Cash payments for lease liabilities within operating activities:			
Property operating leases	$ 963	$ 947	$ 838
Vehicle finance leases	6	7	6
Vehicle operating leases	119	151	167
Cash payments for lease liabilities within financing activities:			
Vehicle finance leases	$ 103	$ 105	$ 105
Non-cash activities - increase in right-of-use assets in exchange for lease liabilities:			
Property operating leases	$ 1,086	$ 1,404	$ 1,079
Vehicle finance leases	74	102	118
Vehicle operating leases	81	112	191

Maturities of lease liabilities as of December 31, 2025 are as follows:

	Property Operating Leases	Vehicle Finance Leases	Vehicle Operating Leases
Within 1 year	$ 830	$ 79	$ 36
Between 1 and 2 years	654	8	5
Between 2 and 3 years	543	29	1
Between 3 and 4 years	434	—	1
Between 4 and 5 years	298	14	—
Thereafter	1,248	—	—
Total lease payments	4,007	130	43
Less: Imputed interest	(713)	—	(1)
Total	$ 3,294	$ 130	$ 42

4. Earnings Per Share

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

	Year Ended December 31,		
	2025	2024	2023
Net income (loss) attributable to Avis Budget Group, Inc. for basic and diluted EPS	$ (889)	$ (1,821)	$ 1,632
Basic weighted average shares outstanding	35.2	35.5	38.3
Non-vested stock	—	—	0.5
Diluted weighted average shares outstanding	35.2	35.5	38.8
Earnings (loss) per share			
Basic	$ (25.25)	$ (51.23)	$ 42.57
Diluted	$ (25.25)	$ (51.23)	$ 42.08

Diluted EPS was computed using the treasury stock method for non-vested stock. In computing diluted loss per share for the years ended December 31, 2025 and 2024, respectively, our number of diluted weighted average shares outstanding excludes the effect of non-vested stock as the effect would have been anti-dilutive. This occurs when a net loss is reported and the effect of using dilutive shares would be anti-dilutive.

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

	As of December 31,		
	2025	2024	2023
Non-vested stock [(a)]	0.3	0.4	0.1

[(a)] The weighted average grant date fair value for anti-dilutive non-vested stock for 2025, 2024 and 2023 was $101.43, $134.69 and $198.92, respectively.

5. Restructuring and Other Related Charges

In 2024, we initiated a global restructuring plan to further right size our operations ("Global Rightsizing"). The costs associated with this initiative are primarily related to the operational scaling of processes, locations, and lines of business. We expect further restructuring expense of approximately $35 million related to this initiative to be incurred in 2026.

In 2022, we initiated a restructuring plan to focus on consolidating our global operations by designing new processes and implementing new systems ("Cost Optimization"). In 2019, we initiated a restructuring plan to exit our operations in Brazil by closing rental facilities, disposing of assets and terminating personnel ("Brazil"). These initiatives are complete.

The following tables summarize the changes to our restructuring-related liabilities and identify the amounts recorded within our reportable segments for restructuring charges and corresponding payments and utilizations:

	Personnel Related	Facility Related	Other	Total
Balance as of January 1, 2023	$ 4	$ —	$ —	$ 4
Restructuring expense:				
Cost Optimization	8	—	2	10
Brazil	—	—	1	1
Restructuring payment/utilization:				
Cost Optimization	(8)	—	(2)	(10)
Brazil	—	—	(1)	(1)
Balance as of December 31, 2023	$ 4	$ —	$ —	$ 4
Restructuring expense:				
Global Rightsizing [(a)]	19	—	17	36
Cost Optimization	—	—	1	1
Restructuring payment/utilization:				
Global Rightsizing [(a)]	(12)	—	(8)	(20)
Cost Optimization	(1)	—	(3)	(4)
Balance as of December 31, 2024	$ 10	$ —	$ 7	$ 17
Restructuring expense:				
Global Rightsizing [(a)]	49	10	58	117
Restructuring payment/utilization:				
Global Rightsizing [(a)]	(39)	(7)	(36)	(82)
Cost Optimization	(1)	—	—	(1)
Balance as of December 31, 2025	$ 19	$ 3	$ 29	$ 51

[(a)] Other includes the disposition of vehicles.

	Americas	International	Total
Balance as of January 1, 2023	$ 1	$ 3	$ 4
Restructuring expense:			
Cost Optimization	7	3	10
Brazil	1	—	1
Restructuring payment/utilization:			
Cost Optimization	(6)	(4)	(10)
Brazil	(1)	—	(1)
Balance as of December 31, 2023	2	2	4
Restructuring expense:			
Global Rightsizing	19	17	36
Cost Optimization	1	—	1
Restructuring payment/utilization:			
Global Rightsizing	(12)	(8)	(20)
Cost Optimization	(1)	(3)	(4)
Balance as of December 31, 2024	9	8	17
Restructuring expense:			
Global Rightsizing	12	105	117
Restructuring payment/utilization:			
Global Rightsizing	(20)	(62)	(82)
Cost Optimization	(1)	—	(1)
Balance as of December 31, 2025	$ —	$ 51	$ 51

Other Related Charges

Officer Separation Costs

In February 2025, we announced that Joseph A. Ferraro, President and Chief Executive Officer, would transition to a Board Advisor role effective June 30, 2025. In connection with Mr. Ferraro's departure, we recorded other related charges of approximately $14 million for the year ended December 31, 2025.

6. Acquisitions

McNicoll Vehicle Hire

In September 2023, we completed the acquisition of McNicoll Vehicle Hire, a vehicle rental company in Scotland specializing in van and car rentals, for approximately $17 million, net of acquired cash. The investment enabled us to expand our footprint of vehicle rental services in Scotland. The excess of the purchase price over preliminary fair value of net assets acquired was allocated to goodwill, which was assigned to our International reportable segment. In connection with this acquisition, approximately $10 million was recorded to goodwill, $4 million was recorded to trade names, and $1 million was recorded to customer relationships. The trade names and customer relationships will be amortized over a weighted average useful life of approximately 10 years. The goodwill was not deductible for tax purposes. In 2024, we finalized our accounting for this acquisition. As a result, we recorded an additional $2 million to the goodwill connected to this acquisition during the year ended December 31, 2024, which represents the additional excess of the purchase price over the fair value of the identifiable net assets acquired.

Licensees

In June 2023, we completed the acquisition of a licensee in North America for approximately $14 million, plus approximately $20 million for acquired fleet. In October 2023, we completed the acquisition of a second licensee in North America for approximately $10 million, plus approximately $4 million for acquired fleet. These investments were in-line with our strategy to re-acquire licensees when advantageous to expand our footprint of Company-operated locations. The acquired fleet for each acquisition was financed under our existing financing arrangements. In connection with these acquisitions in June 2023 and October 2023, approximately $14 million and $10 million, respectively, was recorded to other intangibles related to license agreements, which are being amortized over weighted average useful lives of approximately five years and three years, respectively. Differences between the preliminary allocation of purchase prices and the final allocations for these acquisitions were not material.

7. Intangible Assets

Intangible assets consisted of:

	As of December 31, 2025			As of December 31, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Amortized Intangible Assets						
License agreements [a]	$ 296	$ 243	$ 53	$ 306	$ 244	$ 62
Customer relationships [b]	257	240	17	244	221	23
Other [c]	56	51	5	52	47	5
Total	$ 609	$ 534	$ 75	$ 602	$ 512	$ 90
Unamortized Intangible Assets						
Goodwill	$ 1,129			$ 1,071		
Trademarks	$ 514			$ 511		

(a) Primarily amortized over a period ranging from 0 to 40 years with a weighted average life of 16 years.
(b) Primarily amortized over a period ranging from 3 to 20 years with a weighted average life of 12 years.
(c) Primarily amortized over a period ranging from 3 to 10 years with a weighted average life of 9 years.

During 2024, we recorded an impairment related to our unamortized Zipcar trademark of $28 million. See Note 2 – Summary of Significant Accounting Policies.

Amortization expense relating to all intangible assets was as follows:

	Year Ended December 31,		
	2025	2024	2023
License agreements	$ 14	$ 17	$ 14
Customer relationships	8	9	9
Other	1	4	6
Total	$ 23	$ 30	$ 29

Based on our amortizable intangible assets as of December 31, 2025, we expect amortization expense of approximately $22 million for 2026, $16 million for 2027, $11 million for 2028, $8 million for 2029 and $8 million for 2030, excluding effects of currency exchange rates.

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

	Americas	International	Total Company
Goodwill as of January 1, 2024	$ 2,138	$ 1,079	$ 3,217
Accumulated impairment losses as of January 1, 2024	(1,587)	(531)	(2,118)
Goodwill as of January 1, 2024	551	548	1,099
Acquisitions	—	2	2
Currency translation adjustments and other	(3)	(27)	(30)
Goodwill as of December 31, 2024	548	523	1,071
Currency translation adjustments and other	2	56	58
Goodwill as of December 31, 2025	$ 550	$ 579	$ 1,129

8. Vehicle Rental Activities

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

	As of December 31,	
	2025	2024
Rental vehicles [a]	$ 21,011	$ 20,094
Less: Accumulated depreciation	(2,859)	(3,143)
	18,152	16,951
Vehicles held for sale [a]	432	594
Vehicles, net investment in lease [b]	136	74
Vehicles, net	$ 18,720	$ 17,619

[a] For the year ended December 31, 2025, reflects long-lived asset impairment and other related charges, which reduced the carrying value of our rental vehicles to fair value. For the year ended December 31, 2024, reflects long-lived asset impairment and other related charges, which reduced the carrying value of our rental vehicles and vehicles held for sale to fair value. See Note 2 – Summary of Significant Accounting Policies.

[b] See Note 17 – Related Party Transactions.

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

	Year Ended December 31,		
	2025	2024	2023
Depreciation expense	$ 2,657	$ 2,658	$ 2,228
Lease charges	120	151	167
(Gain) loss on sale of vehicles, net [a]	238	167	(656)
Vehicle depreciation and lease charges, net	$ 3,015	$ 2,976	$ 1,739

[a] For the year ended December 31, 2025, includes other fleet charges of $390 million related to the disposal of certain fleet in our Americas reportable segment.

As of December 31, 2025, 2024 and 2023, we had payables related to vehicle purchases included in liabilities under vehicle programs - other of $284 million, $203 million and $287 million, respectively, and receivables related to vehicle sales included in assets under vehicle programs - receivables from vehicle manufacturers and other of $473 million, $287 million and $237 million, respectively.

9. Income Taxes

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

	Year Ended December 31,		
	2025	2024	2023
Current:			
Federal	$ —	$ 14	$ —
State	15	11	45
Foreign	75	70	43
Current income tax provision	90	95	88
Deferred:			
Federal	37	(644)	77
State	(32)	(211)	47
Foreign	(29)	(50)	67
Deferred income tax provision (benefit)	(24)	(905)	191
Provision for (benefit from) income taxes	$ 66	$ (810)	$ 279

Income (loss) before income taxes is comprised of the following:

	Year Ended December 31,		
	2025	2024	2023
United States (U.S.)	$ (1,082)	$ (2,642)	$ 1,418
Foreign	153	15	496
Income (loss) before income taxes	$ (929)	$ (2,627)	$ 1,914

Deferred income tax assets, net is comprised of the following:

	As of December 31,	
	2025	2024
Deferred income tax assets:		
Net tax loss carryforwards	$ 1,853	$ 983
Long-term operating lease liabilities	840	807
Tax credits	119	405
Deferred interest expense	85	358
Accrued liabilities and deferred revenue	202	157
Depreciation and amortization	30	24
Provision for doubtful accounts	14	19
Other	26	28
Valuation allowance [(a)]	(127)	(83)
Deferred income tax assets	3,042	2,698
Deferred income tax liabilities:		
Operating lease right-of-use assets	826	793
Depreciation and amortization	62	74
Prepaid expenses	36	32
Other	13	13
Deferred income tax liabilities	937	912
Deferred income tax assets, net	$ 2,105	$ 1,786

[(a)] The valuation allowance as of December 31, 2025 relates to tax loss carryforwards and certain deferred tax assets of $123 million and $4 million, respectively. The valuation allowance as of December 31, 2024 relates to tax loss carryforwards and certain deferred tax assets of $80 million and $3 million, respectively. The valuation allowances will be reduced when and if we determine it is more likely than not that the related deferred income tax assets will be realized.

Deferred income tax liabilities under vehicle programs is comprised of the following:

	As of December 31,	
	2025	2024
Deferred income tax assets:		
Depreciation and amortization	$ 73	$ 73
Other	10	20
Deferred income tax assets	83	93
Deferred income tax liabilities:		
Depreciation and amortization	2,749	2,513
Other	11	22
Deferred income tax liabilities	2,760	2,535
Deferred income tax liabilities under vehicle programs, net	$ 2,677	$ 2,442

As of December 31, 2025, we had U.S. federal net operating loss carryforwards of approximately $6.7 billion. The net operating loss carryforwards have an indefinite utilization period pursuant to the Tax Act. Such net operating loss carryforwards are primarily related to accelerated depreciation of our U.S. vehicles. Currently, we do not record valuation allowances on the majority of our U.S. federal tax loss carryforwards as there are adequate deferred tax liabilities that could be realized within the carryforward period. As of December 31, 2025, we had foreign net operating loss carryforwards of approximately $1.3 billion, the majority of which has an indefinite utilization period.

As of December 31, 2025, we had indefinitely reinvested certain undistributed earnings of foreign subsidiaries for which we have not recognized deferred taxes. Estimating the amount of potential tax is not practicable because of the complexity and variety of assumptions necessary to compute the tax.

The reconciliation between the provision for (benefit from) income taxes at the U.S. federal statutory tax rate and our provision for (benefit from) income taxes and effective tax rate is as follows:

	Year Ended December 31, 2025	
	Amount	%
Provision for (benefit from) income taxes at U.S. federal statutory tax rate	$ (195)	21.0 %
State and local income taxes, net of federal tax [a]	(13)	1.4
Foreign tax effects	18	(2.0)
Tax credits [b]	263	(28.3)
Effect of cross-border tax laws	(12)	1.3
Nontaxable or nondeductible items	9	(1.0)
Changes in valuation allowances	(1)	0.1
Changes in unrecognized tax benefits	(5)	0.6
Other adjustments	2	(0.2)
Provision for (benefit from) income taxes and effective tax rate	$ 66	(7.1)%

[a] Primarily California, Florida, Michigan and New York.

[b] For the year ended December 31, 2025, certain previously recognized federal tax credits were reversed, with a corresponding restoration of the related asset basis. In addition, we are monetizing a portion of our available tax credits. See Note 2 – Summary of Significant Accounting Policies – Variable Interest Entities ("VIE") and Non-Controlling Interests for more information related to the Interpace Ventures transaction.

The reconciliation between the U.S. federal statutory tax rate and our effective tax rate for the years ended December 31, 2024 and 2023 previously disclosed in our Consolidated Financial Statements prior to the adoption of ASU 2023-09, "Improvements to Income Tax Disclosures," is as follows:

	Year Ended December 31,	
	2024	2023
U.S. federal statutory tax rate	21.0 %	21.0 %
Adjustments to reconcile to our effective tax rate:		
State and local income taxes, net of federal tax benefits	6.0	4.0
Changes in valuation allowances	0.2	—
Statutory rate differences between foreign and U.S.	(0.9)	2.8
Tax credits	3.6	(11.7)
Stock-based compensation	0.1	(1.1)
Other nontaxable or nondeductible items	(0.2)	0.7
Other adjustments	1.0	(1.1)
Effective tax rate	30.8 %	14.6 %

The Organisation for Economic Cooperation and Development ("OECD") published a proposal for the establishment of a global minimum tax rate of 15% (the "Pillar Two rule"), effective as of fiscal 2024. On January 5, 2026, the OECD released a comprehensive Side-by-Side package with respect to Pillar Two. This new guidance introduces new safe harbors and simplifications for U.S. and other multinational companies which would limit or prevent other countries from imposing tax on the U.S. profits of American companies. We are closely monitoring developments of the Pillar Two rule as the OECD continues to refine its technical guidance and member states implement tax laws and regulations based on Pillar Two proposals. Pillar Two did not have a material impact on our Consolidated Financial Statements for the year ended December 31, 2025.

In July 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted, making permanent key provisions of the Tax Cuts and Jobs Act, including full expensing on qualified property, and modifications to the business interest expense limitation. As a result of this enactment, our deferred tax balances as December 31, 2025 reflect the new law, resulting in the deferral a significant portion of current federal tax over future periods. As our income tax provision includes both current and deferred components, the overall net impact to our Consolidated Statements of Operations is not significant. We are continuing to monitor additional provisions of the OBBBA that become effective through 2027 for potential future impact.

The following is a reconciliation of the gross amount of our unrecognized tax benefits:

	2025	2024	2023
Balance as of January 1	$ 58	$ 63	$ 53
Additions for tax positions related to current year	3	4	5
Additions for tax positions related to prior years	—	—	5
Reductions for tax positions related to prior years	(3)	(2)	—
Settlements	(15)	—	—
Statute of limitations	(6)	(4)	(2)
Currency translation adjustments	3	(3)	2
Balance as of December 31	$ 40	$ 58	$ 63

We are subject to taxation in the U.S. and various foreign jurisdictions. As of December 31, 2025, the 2007 through 2024 tax years generally remain subject to examination by the federal tax authorities. The 2012 through 2024 tax years generally remain subject to examination by various state and local tax authorities. In significant foreign jurisdictions, the 2017 through 2024 tax years generally remain subject to examination by their respective tax authorities.

Substantially all of the gross amount of unrecognized tax benefits as of December 31, 2025, 2024 and 2023, if recognized, would affect our provision for (benefit from) income taxes. As of December 31, 2025, our unrecognized tax benefits were offset by tax loss carryforwards and other deferred tax assets in the amount of $29 million.

The following table presents our unrecognized tax benefits:

	As of December 31,	
	2025	2024
Unrecognized tax benefits in current income taxes payable [(a)]	$ —	$ 17
Unrecognized tax benefits in non-current income taxes payable	14	17
Accrued interest payable on potential tax liabilities [(b)]	1	47

(a) Pursuant to the agreements governing the disposition of certain subsidiaries in 2006, we were entitled to indemnification for certain predisposition tax contingencies. As of December 31, 2024, liabilities for unrecognized tax benefits associated with these tax contingencies were included in current income taxes payable within accounts payable and other current liabilities on our Consolidated Balance Sheets.

(b) We recognize potential interest expense related to unrecognized tax benefits within interest expense related to corporate debt, net on the accompanying Consolidated Statements of Operations. Penalties incurred during the years ended December 31, 2025, 2024 and 2023, were not significant and were recognized in the provision for (benefit from) income taxes.

Income tax payments, net of refunds is comprised of the following:

	Year Ended December 31, 2025
Federal	$ 14
State and local	
California	17
Illinois	(8)
Other state and local	2
Foreign	
Australia	68
Canada	6
New Zealand	6
Other foreign	16
Income tax payments, net of refunds	$ 121

10. Other Current Assets

Other current assets consisted of:

	As of December 31,	
	2025	2024
Prepaid expenses	$ 248	$ 239
Sales and use taxes	246	187
Other	202	236
Other current assets	$ 696	$ 662

11. Property and Equipment, net

Property and equipment, net consisted of:

	As of December 31,	
	2025	2024
Land	$ 63	$ 61
Buildings and leasehold improvements	704	616
Capitalized software	943	981
Furniture, fixtures and equipment	509	484
Projects in process	134	92
Buses and support vehicles	94	94
	2,447	2,328
Less: Accumulated depreciation and amortization	(1,699)	(1,631)
Property and equipment, net	$ 748	$ 697

Depreciation and amortization expense relating to property and equipment during 2025, 2024 and 2023 was $208 million, $207 million, and $187 million, respectively (including $92 million, $102 million, and $101 million, respectively, of amortization expense relating to capitalized software). As of December 31, 2025 and 2024, we had payables related to property and equipment included in accounts payable and other current liabilities of $1 million and $10 million, respectively.

12. Accounts Payable and Other Current Liabilities

Accounts payable and other current liabilities consisted of:

	As of December 31,	
	2025	2024
Short-term operating lease liabilities	$ 680	$ 628
Accounts payable	453	450
Accrued sales and use taxes	391	305
Accrued advertising and marketing	246	258
Public liability and property damage insurance liabilities – current	284	245
Accrued interest	149	180
Deferred lease revenues – current	155	149
Accrued payroll and related	165	126
Other	342	359
Accounts payable and other current liabilities	$ 2,865	$ 2,700

13. Long-term Corporate Debt and Borrowing Arrangements

Long-term debt and other borrowing arrangements consisted of:

	Maturity Date	As of December 31,	
		2025	2024
5.750% Senior Notes	July 2027	$ 645	$ 740
4.750% Senior Notes	April 2028	500	500
7.000% euro-denominated Senior Notes	February 2029	705	621
5.375% Senior Notes	March 2029	600	600
8.250% Senior Notes	January 2030	700	700
7.250% euro-denominated Senior Notes	July 2030	705	622
8.000% Senior Notes	February 2031	498	497
8.375% Senior Notes	June 2032	600	—
Floating Rate Term Loan [(a)]	July 2032	1,131	1,153
Other [(b)]		45	20
Deferred financing fees		(56)	(60)
Total		6,073	5,393
Less: Short-term debt and current portion of long-term debt		24	20
Long-term debt		$ 6,049	$ 5,373

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

(b) Primarily includes finance leases, which are secured by liens on the related assets. These borrowings have weighted average interest rates which range from 5.35% to 5.61% as of December 31, 2025.

Term Loan

Floating Rate Term Loan due 2032. In February 2020, we amended our floating rate term loan and extended its maturity term to 2027. In July 2025, we amended our floating rate term loan, extending its maturity date from August 2027 to July 2032 and increasing the interest rate to SOFR plus 2.50%. As of December 31, 2025, the loan bears interest at one-month SOFR plus 2.50%, for an aggregate rate of 6.22%. We have entered into a swap to hedge $750 million of interest rate exposure related to the floating rate term loan at an aggregate rate of 4.01%.

Floating Rate Term Loan due 2025. In February 2025, we borrowed $500 million under a floating rate term loan due December 2025, which was part of our senior revolving credit facilities. The proceeds were primarily used to pay down fleet indebtedness. In June 2025, we fully repaid our outstanding borrowings under the floating rate term loan due 2025.

Floating Rate Term Loan due 2029. In March 2022, we borrowed $750 million under a floating rate term loan due March 2029, at a price of 97% of the aggregate principal amount, with interest paid monthly. In December 2023, we repaid approximately $200 million of our outstanding balance using the proceeds from the issuance of our 8.000% Senior Notes due February 2031. In October 2024, we fully repaid the outstanding borrowings under our floating rate term loan due 2029 using the proceeds from the issuance of our 8.250% Senior Notes due January 2030.

Senior Notes

5.750% Senior Notes due 2027. In July 2019, we issued $400 million of 5.750% Senior Notes due July 2027, at par, with interest payable semi-annually. We used the net proceeds from the offering to redeem $400 million principal amount of our 5.500% Senior Notes due April 2023. In August 2020, we issued $350 million of additional 5.750% Senior Notes due July 2027, at 92% of face value, under the indenture governing our existing 5.750% Senior Notes. We used the proceeds from this offering to redeem the outstanding $100 million in aggregate principal amount of our 5.500% Senior Notes due 2023, with the remainder being used for general corporate purposes. In June 2025, we redeemed $100 million of our outstanding 5.750% Senior Notes due July 2027.

4.750% Senior Notes due 2028. In March 2021, we issued $500 million of 4.750% Senior Notes due April 2028, at par, with interest paid semi-annually. We have the right to redeem these notes in whole or in part at any time on or after April 1, 2024 at specified redemption prices plus accrued interest. Net proceeds, together with cash on hand, were used to redeem all of the outstanding 6.375% Senior Notes due 2024 for $356 million plus accrued interest and a portion of our outstanding 5.250% Senior Notes due 2025 for $142 million plus accrued interest.

7.000% euro-denominated Senior Notes due February 2029. In February 2024, we issued €600 million of 7.000% euro-denominated Senior Notes due February 2029, at par, with interest payable semi-annually. We have the right to redeem these notes in whole or in part at any time prior to February 28, 2026 at their principal amount plus accrued interest and a make-whole premium, or at any time on or after February 28, 2026 at a specified redemption price plus accrued interest. Net proceeds from the offering were used primarily to redeem all of our outstanding 4.750% euro-denominated Senior Notes due January 2026 plus accrued interest, with the remainder being used for general corporate purposes.

5.375% Senior Notes due 2029. In March 2021, we issued $600 million of 5.375% Senior Notes due March 2029, at par, with interest paid semi-annually. We have the right to redeem these notes in whole or in part at any time on or after March 1, 2024 at specified redemption prices plus accrued interest. Net proceeds, together with cash on hand, were used to redeem all of the outstanding 10.500% Senior Secured Notes due 2025 for $599 million plus accrued interest.

8.250% Senior Notes due January 2030. In September 2024, we issued $700 million of 8.250% Senior Notes due January 2030, at par, with interest payable semi-annually. We have the right to redeem these notes in whole or in part, at any time prior to September 15, 2026 at the principal amount plus accrued interest and a make-whole premium, or at any time on or after September 15, 2026 at a specified redemption price plus accrued interest. Net proceeds from the offering were used to repay the outstanding borrowings under our floating rate term loan due 2029, with the remainder being used to repay maturing vehicle-backed debt and for general corporate purposes.

7.250% euro-denominated Senior Notes due July 2030. In July 2023, we issued €400 million of 7.250% euro-denominated Senior Notes due July 2030, at par, with interest payable semi-annually. We have the right to redeem these notes in whole or in part at any time on or after July 2026 at a specified redemption price plus accrued interest. Net proceeds from the offering were used primarily to redeem all of the €300 million of our outstanding 4.125% euro-denominated Senior Notes due 2024 plus accrued interest. In May 2024, we issued €200 million of additional 7.250% euro-denominated Senior Notes due July 2030, at 100.25% of face value, under the indenture governing our existing 7.250% euro-denominated Senior Notes. Net proceeds from this offering were used for general corporate purposes.

8.000% Senior Notes due February 2031. In November 2023, we issued $500 million of 8.000% Senior Notes due February 2031, at 99.3% of face value, with interest payable semi-annually. We have the right to redeem these notes in whole or in part at any time on or after November 2026 at a specified redemption price plus accrued interest. Net proceeds were used to fully redeem our 4.500% euro-denominated Senior Notes due 2025 and a portion of our outstanding balance on our Term Loan due 2029, with the remainder being used for general corporate purposes.

8.375% Senior Notes due June 2032. In May 2025, we issued $600 million of 8.375% Senior Notes due June 2032, at par, with interest payable semi-annually. We have the right to redeem these notes in whole or in part at any time prior to June 15, 2028 at the principal amount plus accrued interest and a make whole premium, or at any time on or after June 15, 2028 at a specified redemption price plus accrued interest. Net proceeds were used to repay our floating rate term loan due 2025 and a portion of our 5.750% Senior Notes due July 2027, with the remaining proceeds being used to repay outstanding fleet debt and for general corporate purposes.

4.750% euro-denominated Senior Notes due 2026. In October 2018, we issued €350 million of 4.750% euro-denominated Senior Notes due 2026, at par, with interest payable semi-annually. We had the right to redeem these notes in whole or in part on or after September 30, 2021 at specified redemption prices plus accrued interest. Net proceeds from the offering were used to redeem our 5.125% Senior Notes due June 2022 for $410 million plus accrued interest. In April 2024, we redeemed these notes using the proceeds from our 7.000% euro-denominated Senior Notes due February 2029.

In connection with the debt amendments and repayments for the years ended December 31, 2025 and 2024, we recorded $6 million and $19 million, respectively, in early extinguishment of debt costs.

The 5.750% Senior Notes, the 4.750% Senior Notes, the 5.375% Senior Notes, the 8.250% Senior Notes, the 8.000% Senior Notes, and the 8.375% Senior Notes are senior unsecured obligations of our Avis Budget Car Rental, LLC ("ABCR") subsidiary, are guaranteed by us and certain of our domestic subsidiaries and rank equally in right of payment with all of our existing and future senior unsecured indebtedness.

The 7.000% euro-denominated Senior Notes and the 7.250% euro-denominated Senior Notes are unsecured obligations of our Avis Budget Finance plc subsidiary, are guaranteed on a senior basis by us and certain of our domestic subsidiaries and rank equally with all of our existing senior unsecured debt.

Debt Maturities

The following table provides contractual maturities of our corporate debt as of December 31, 2025:

Year	Amount
2026 [a]	$ 24
2027	668
2028	522
2029	1,322
2030	1,421
Thereafter	2,172
	$ 6,129

[a] These short-term borrowings have weighted average interest rates which range from 5.52% to 5.73% as of December 31, 2025.

Committed Credit Facilities And Available Funding Arrangements

As of December 31, 2025, the committed corporate credit facilities available to us and/or our subsidiaries were as follows:

	Total Capacity	Outstanding Borrowings	Letters of Credit Issued	Available Capacity
Senior revolving credit facility maturing 2028 [a]	$ 2,000	$ —	$ 1,701	$ 299

[a] The senior revolving credit facility bears interest at one-month SOFR plus 2.00% and is part of our senior credit facilities, which include the floating rate term loan and the senior revolving credit facility, and which are secured by pledges of capital stock of certain of our subsidiaries, and liens on substantially all of our intellectual property and certain other real and personal property.

Uncommitted Standby Letter of Credit Facilities. We have other uncommitted standby letter of credit facilities ("SBLC facilities") with an additional letter of credit capacity of up to $466 million. As of December 31, 2025, letters of credit totaling $466 million have been issued on our SBLC facilities, which results in no remaining available capacity.

Debt Covenants

The agreements governing our indebtedness contain restrictive covenants, including restrictions on dividends paid to us by certain of our subsidiaries, the incurrence of additional indebtedness and/or liens by us and certain of our subsidiaries, acquisitions, mergers, liquidations, and sale and leaseback transactions. Our senior credit facility also contains a maximum leverage ratio requirement. As of December 31, 2025, we were in compliance with the financial covenants governing our indebtedness.

14. Debt Under Vehicle Programs and Borrowing Arrangements

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

	As of December 31,	
	2025	2024
Americas – Debt due to Avis Budget Rental Car Funding [a]	$ 14,447	$ 14,143
Americas – Debt borrowings [b]	2,202	1,160
International – Debt borrowings	2,480	2,159
International – Finance leases	130	143
Other	—	8
Deferred financing fees [c]	(71)	(77)
Total	$ 19,188	$ 17,536

[a] Includes approximately $826 million and $751 million of Class R notes as of December 31, 2025 and December 31, 2024, respectively, which are held by us.
[b] Includes our Repurchase Facilities as of December 31, 2025 and 2024, and $965 million associated with the Interpace Ventures transaction as of December 31, 2025. See Note 2 – Summary of Significant Accounting Policies.
[c] Deferred financing fees related to Debt due to Avis Budget Rental Car Funding as of December 31, 2025 and December 31, 2024 were $51 million and $60 million, respectively.

Americas

Debt due to Avis Budget Rental Car Funding. Avis Budget Rental Car Funding, an unconsolidated bankruptcy remote qualifying special purpose limited liability company, issues privately placed notes to investors as well as to banks and bank-sponsored conduit entities. Avis Budget Rental Car Funding uses the proceeds from its note issuances to make loans to our wholly-owned subsidiary, AESOP Leasing LP ("AESOP Leasing"), on a continuing basis. AESOP Leasing is required to use the proceeds of such loans to acquire or finance the acquisition of vehicles used in our rental car operations. By issuing debt through the Avis Budget Rental Car Funding program, we pay a lower rate of interest than if we had issued debt directly to third parties. Avis Budget Rental Car Funding is not consolidated, as we are not the "primary beneficiary" of Avis Budget Rental Car Funding. We determined that we are not the primary beneficiary because we do not have the obligation to absorb the potential losses or receive the benefits of Avis Budget Rental Car Funding's activities since our only significant source of variability in the earnings, losses or cash flows of Avis Budget Rental Car Funding is exposure to our own creditworthiness, due to our loan from Avis Budget Rental Car Funding. Because Avis Budget Rental Car Funding is not consolidated, AESOP Leasing's loan obligations to Avis Budget Rental Car Funding are reflected as related party debt on our Consolidated Balance Sheets. We also have an asset within Assets under vehicle programs on our Consolidated Balance Sheets which represents securities issued to us by Avis Budget Rental Car Funding. AESOP Leasing is consolidated, as we are the "primary beneficiary" of AESOP Leasing; as a result, the vehicles purchased by AESOP Leasing remain on our Consolidated Balance Sheets. We determined we are the primary beneficiary of AESOP Leasing, as we have the ability to direct its activities, an obligation to absorb a majority of its expected losses and the right to receive the benefits of AESOP Leasing's activities. AESOP Leasing's vehicles and related assets, which as of December 31, 2025, approximate $16.2 billion and some of which are subject to manufacturer repurchase and guaranteed depreciation agreements, collateralize the debt issued by Avis Budget Rental Car Funding. The assets and liabilities of AESOP Leasing are presented on our Consolidated Balance Sheets within assets under vehicle programs and liabilities under vehicle programs, respectively. The assets of AESOP Leasing, included within assets under vehicle programs (excluding the investment in Avis Budget Rental Car Funding (AESOP) LLC—related party) are restricted. Such assets may be used only to repay the respective AESOP Leasing liabilities, included within Liabilities under vehicle programs, and to purchase new vehicles, although if certain collateral coverage requirements are met, AESOP Leasing may pay dividends from excess cash. The creditors of AESOP Leasing and Avis Budget Rental Car Funding have no recourse to our general credit. We periodically provide Avis Budget Rental Car Funding with non-contractually required support, in the form of equity and loans, to serve as additional collateral for the debt issued by Avis Budget Rental Car Funding.

The business activities of Avis Budget Rental Car Funding are limited primarily to issuing indebtedness and using the proceeds thereof to make loans to AESOP Leasing for the purpose of acquiring or financing the acquisition of vehicles to be leased to our rental car subsidiaries and pledging its assets to secure the indebtedness. Because Avis Budget Rental Car Funding is not consolidated by us, its results of operations and cash flows are not reflected within our financial statements.

The following table provides a summary of debt issued by Avis Budget Rental Car Funding during the years ended December 31, 2025 and 2024:

Issuance Date	Maturity Date	Weighted Average Interest Rate	Amount Issued
January 2025 [a]	August 2027	7.31 %	$ 41
January 2025 [a]	April 2028	7.59 %	75
January 2025 [a]	June 2028	7.31 %	75
January 2025 [a]	December 2028	7.37 %	72
January 2025 [a]	February 2029	7.52 %	95
May 2025	August 2028	4.94 %	250
May 2025	August 2030	5.26 %	400
September 2025	February 2029	4.27 %	250
September 2025	February 2031	4.52 %	450
		5.33 %	$ 1,708
January 2024	June 2029	5.51 %	$ 1,200
February 2024	April 2026	6.24 %	53
February 2024	April 2028	6.23 %	52
February 2024	October 2026	6.18 %	37
March 2024	October 2027	5.26 %	400
March 2024	December 2029	5.35 %	700
December 2024 [b]	February 2026	9.56 %	88
December 2024 [b]	April 2026	9.56 %	75
December 2024 [b]	October 2026	9.61 %	53
December 2024 [b]	February 2027	9.65 %	61
December 2024 [b]	April 2027	9.66 %	65
December 2024 [b]	October 2027	9.67 %	55
		6.04 %	$ 2,839

[a] During January 2025, Avis Budget Rental Car Funding issued additional notes under several previously outstanding series of debt. In April 2025 and June 2025, these notes were amended and restated.

[b] During December 2024, Avis Budget Rental Car Funding issued additional notes under several previously outstanding series of debt. In March 2025, these notes were amended and restated with weighted average interest rates of 8.52%, 8.46%, 7.26%, 7.32%, 7.35% and 7.43%, respectively.

We used the proceeds from these borrowings to fund the repayment of maturing vehicle-backed debt and the acquisition of rental cars in the United States. In connection with the issuance of alternative funding asset-backed securities by Interpace Funding in conjunction with the Interpace Ventures transaction, we repaid an aggregate amount of $965 million of notes issued by Avis Budget Rental Car Funding (AESOP) LLC pursuant to certain asset-backed variable financing facilities (see Note 2 – Summary of Significant Accounting Policies). Borrowings under the Avis Budget Rental Car Funding program primarily represent fixed rate notes and had a weighted average interest rate of 5.29% and 5.04% as of December 31, 2025 and 2024, respectively.

Debt borrowings. We finance the acquisition of vehicles used in our Canadian rental operations through a consolidated, bankruptcy remote special-purpose entity, which issues privately placed notes to investors and bank-sponsored conduits. We finance the acquisition of fleet for our truck rental operations in the United States through a combination of debt facilities and leases. In addition, we issued $965 million of alternative funding asset-backed securities by Interpace Funding in conjunction with the Interpace Ventures transaction (see Note 2 – Summary of Significant Accounting Policies). Further, throughout 2024 and 2025, we entered into several repurchase agreements (the "Repurchase Facilities") pursuant to which we may sell certain of our Class D notes issued by our wholly-owned subsidiary, Avis Budget Rental Car Funding (AESOP) LLC, to the Repurchase Facility's respective counterparty and repurchase such notes at a later date and subject to certain conditions set forth in the applicable Repurchase Facility. Transactions under the Repurchase Facilities may be extended at our sole discretion and the interest rate for such Repurchase Facility is simultaneously repriced in connection with such extensions.

The following table provides a summary of the Repurchase Facilities as of December 31, 2025:

Maturity Date	Interest Rate	Tenor	Amount Outstanding
January 2026	5.63 %	1 month	$ 11
February 2026	4.98 %	3 months	40
March 2026	4.79 %	3 months	26
March 2026	4.79 %	3 months	40
May 2026	5.68 %	6 months	98
			$ 215

In January 2026, we extended the first repurchase facility to February 2026 and simultaneously repriced the interest rate.

As of December 31, 2025, we had $319 million of securities pledged as collateral for the Repurchase Facilities, included within investment in Avis Budget Rental Car Funding (AESOP) LLC—related party on our Consolidated Balance Sheets.

As of December 31, 2024, $116 million was outstanding under a Repurchase Facility, which had an interest rate of 6.64%. As of December 31, 2024, we had $195 million of securities pledged as collateral for the Repurchase Facility, included within investment in Avis Budget Rental Car Funding (AESOP) LLC—related party on our Consolidated Balance Sheets.

These debt borrowings represent a mix of fixed and floating rate debt and had a weighted average interest rate of 5.27% and 5.78% as of December 31, 2025 and 2024, respectively.

International

Debt borrowings. In EMEA we operate a European rental fleet securitization program which is used to finance fleet purchases for certain of our European operations. In February 2024, we amended our European rental fleet securitization program to increase its capacity from €1.7 billion to €1.9 billion, to add £200 million to our capacity within the program, and to extend the maturity of the program from 2024 to 2026. The International borrowings primarily represent floating rate notes and had a weighted average interest rate of 4.05% and 5.07% as of December 31, 2025 and 2024, respectively.

Finance leases. We obtain a portion of our International vehicles under finance lease arrangements. For the years ended December 31, 2025 and 2024, the weighted average interest rate on these borrowings was 3.81% and 5.07%, respectively. All finance leases are on a fixed repayment basis and interest rates are fixed at the contract date.

Debt Maturities

The following table provides the contractual maturities of our debt under vehicle programs, including related party debt due to Avis Budget Rental Car Funding, as of December 31, 2025:

	Debt under Vehicle Programs [a]
2026 [b]	$ 6,289
2027 [c]	5,855
2028 [d]	3,598
2029 [e]	2,698
2030	793
Thereafter	26
	$ 19,259

[a] Vehicle-backed debt primarily represents asset-backed securities.
[b] Includes $2.7 billion of bank and bank-sponsored facilities. These short-term borrowings have a weighted average interest rate of 4.25% as of December 31, 2025.
[c] Includes $2.6 billion of bank and bank-sponsored facilities.
[d] Includes $0.4 billion of bank and bank-sponsored facilities.
[e] Includes $0.1 billion of bank and bank-sponsored facilities.

Committed Credit Facilities And Available Funding Arrangements

The following table presents available funding under our debt arrangements related to our vehicle programs, including related party debt due to Avis Budget Rental Car Funding, as of December 31, 2025:

	Total Capacity [a]	Outstanding Borrowings [b]	Available Capacity
Americas – Debt due to Avis Budget Rental Car Funding	$ 15,417	$ 14,447	$ 970
Americas – Debt borrowings	2,558	2,202	356
International – Debt borrowings	3,235	2,480	755
International – Finance leases	142	130	12
Total	$ 21,352	$ 19,259	$ 2,093

[a] Capacity is subject to maintaining sufficient assets to collateralize debt. The total capacity for Americas — Debt due to Avis Budget Rental Car Funding includes increases from our asset-backed variable funding financing facilities. These facilities were most recently amended and extended in December 2025.
[b] The outstanding debt is collateralized by vehicles and related assets of $14.7 billion for Americas - Debt due to Avis Budget Rental Car Funding; $2.5 billion for Americas - Debt borrowings; $3.2 billion for International - Debt borrowings; and $0.2 billion for International - Finance leases.

Debt Covenants

The agreements under our vehicle-backed funding programs contain restrictive covenants, including restrictions on dividends paid to us by certain of our subsidiaries and restrictions on indebtedness, mergers, liens, liquidations and sale and leaseback transactions, and in some cases also require compliance with certain financial requirements. As of December 31, 2025, we are not aware of any instances of non-compliance with any of the financial or restrictive covenants contained in the debt agreements under our vehicle-backed funding programs.

15. Commitments and Contingencies

Contingencies

In 2006, we completed the spin-offs of our Realogy and Wyndham subsidiaries (now known as Anywhere Real Estate, Inc., and Wyndham Hotels and Resorts, Inc. and Travel + Leisure Co., respectively). We do not believe that the impact of any resolution of pre-existing contingent liabilities in connection with the spin-offs should result in a material liability to us in relation to our consolidated financial position or liquidity, as Anywhere Real Estate, Inc., Wyndham Hotels and Resorts, Inc. and Travel + Leisure Co. have agreed to assume responsibility for these liabilities.

We are also involved in litigation that is primarily related to the businesses of our former subsidiaries, including Realogy and Wyndham. We are entitled to indemnification from such entities for any liability resulting from such litigation.

In September 2014, Dawn Valli et al. v. Avis Budget Group Inc., et al. was filed in U.S. District Court for the District of New Jersey. The plaintiffs seek to represent a purported nationwide class of certain renters of vehicles from our Avis and Budget subsidiaries from September 30, 2008 through the present. The plaintiffs seek damages in connection with claims relating to alleged misrepresentations and omissions concerning charging customers for traffic infractions and related administrative fees. In October 2023, plaintiffs' motion for class certification was denied as to their proposed nationwide class and granted as to a subclass, created at the Court's discretion, of Avis Preferred and Budget Fastbreak members. In February 2026, plaintiffs agreed to limit the class to the period from September 30, 2008 through April 2016. We have been named as a defendant in other purported consumer class action lawsuits, including a class action filed against us in New Jersey seeking damages in connection with a breach of contract claim, which the Company intends to vigorously defend.

In 2025, two shareholders filed derivative suits in the United States District Court for the District of New Jersey alleging that the Company's directors and officers breached their fiduciary duties in connection with the Company's fleet strategy in 2024. The Company is named as a nominal defendant. On October 23, 2025, plaintiffs agreed to dismiss their cases without prejudice, and subsequently sought court approval to do so. The court ordered that notice of the voluntary dismissals be provided to Avis shareholders, and the Company anticipates that notice will be disseminated in February 2026.

In September 2025, we received a net pro rata settlement distribution of approximately $114 million in connection with the Company's participation in a class action settlement in the In re Automotive Parts Antitrust Litigation, No. 2:12-md-02311 (E.D. Mich.), which is included within operating expenses in the Consolidated Statements of Operations.

We are currently involved, and in the future may be involved, in claims and/or legal proceedings, including class actions, and governmental inquiries that are incidental to our vehicle rental and car sharing operations, including, among others, contract and licensee disputes, competition matters, employment and wage-and-hour claims, insurance and liability claims, intellectual property claims, business practice disputes and other regulatory, environmental, commercial and tax matters. In addition, we are a defendant in a number of legal proceedings for personal injury arising from the operation of our vehicles.

Litigation is inherently unpredictable and, although we believe that our accruals are adequate and/or that we have valid defenses in these matters, unfavorable resolutions could occur. We estimate that the potential exposure resulting from adverse outcomes of current legal proceedings in which it is reasonably possible that a loss may be incurred could, in the aggregate, be up to approximately $40 million in excess of amounts accrued as of December 31, 2025. We do not believe that the impact should result in a material liability to us in relation to our consolidated financial condition or results of operations.

Commitments to Purchase Vehicles

We maintain agreements with vehicle manufacturers under which we have agreed to purchase approximately $6.8 billion of vehicles from manufacturers over the next 12 months, a $0.5 billion increase compared to December 31, 2024, financed primarily through the issuance of vehicle-backed debt and cash received upon the disposition of vehicles. Certain of these commitments are subject to the vehicle manufacturers satisfying their obligations under their respective repurchase and guaranteed depreciation agreements.

Other Purchase Commitments

In the normal course of business, we make various commitments to purchase other goods or services from specific suppliers, including those related to marketing, advertising, computer services and capital expenditures. As of December 31, 2025, we had approximately $272 million of purchase obligations, which extend through 2029.

Concentrations

Concentrations of credit risk as of December 31, 2025 include risks related to our repurchase and guaranteed depreciation agreements with domestic and foreign automobile manufacturers, and primarily with respect to receivables for program cars that have been disposed of, but for which we have not yet received payment from the manufacturers.

Asset Retirement Obligations

We maintain a liability for asset retirement obligations. An asset retirement obligation is a legal obligation to perform certain activities in connection with the retirement, disposal or abandonment of assets. Our asset retirement obligations, which are measured at discounted fair values, are primarily related to the removal of underground fuel storage tanks at our rental facilities. The Consolidated Balance Sheets include liabilities for asset retirement obligations of $26 million and $25 million as of December 31, 2025 and 2024, respectively.

Standard Guarantees/Indemnifications

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

16. Stockholders' Equity

Cash Dividend Payments

During 2025 and 2024, we did not declare or pay any cash dividends. In December 2023, we paid a special cash dividend of $10.00 per share to all holders of our common stock as of December 15, 2023, totaling $355 million. Our ability to pay dividends to holders of our common stock is limited by our senior credit facility, the indentures governing our senior notes and our vehicle financing programs.

Share Repurchases

Our Board of Directors has authorized the repurchase of up to approximately $8.1 billion of our common stock under a plan originally approved in 2013 and subsequently expanded, most recently in February 2023 (the "Stock Repurchase Program"). During the year ended December 31, 2025, we did not repurchase shares of common stock under the Stock Repurchase Program. During the years ended December 31, 2024 and 2023, we repurchased approximately 4.9 million shares of common stock under the Stock Repurchase Program at a cost of approximately $935 million (excluding excise taxes due under the Inflation Reduction Act of 2022). As of December 31, 2025, approximately $757 million of authorization remained available to repurchase common stock under the Stock Repurchase Program.

Accumulated Other Comprehensive Income (Loss)

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

	Currency Translation Adjustments	Net Unrealized Gains (Losses) on Cash Flow Hedges [a]	Minimum Pension Liability Adjustment [b]	Accumulated Other Comprehensive Income (Loss)
Balance as of January 1, 2023	$ (30)	$ 45	$ (116)	$ (101)
Other comprehensive income (loss) before reclassifications	27	5	(18)	14
Gross (gains) losses reclassified		(18)	5	(13)
Tax on (gains) losses reclassified		5	(1)	4
(Gains) losses reclassified from accumulated other comprehensive income (loss), net of tax	—	(13)	4	(9)
Net current-period other comprehensive income (loss)	27	(8)	(14)	5
Balance as of December 31, 2023	(3)	37	(130)	(96)
Other comprehensive income (loss) before reclassifications	(122)	15	10	(97)
Gross (gains) losses reclassified		(28)	5	(23)
Tax on (gains) losses reclassified		7	(1)	6
(Gains) losses reclassified from accumulated other comprehensive income (loss), net of tax	—	(21)	4	(17)
Net current-period other comprehensive income (loss)	(122)	(6)	14	(114)
Balance as of December 31, 2024	(125)	31	(116)	(210)
Other comprehensive income (loss) before reclassifications	77	(2)	9	84
Gross (gains) losses reclassified		(20)	4	(16)
Tax on (gains) losses reclassified		5	(1)	4
(Gains) losses reclassified from accumulated other comprehensive income (loss), net of tax	—	(15)	3	(12)
Net current-period other comprehensive income (loss)	77	(17)	12	72
Balance as of December 31, 2025	$ (48)	$ 14	$ (104)	$ (138)

All components of accumulated other comprehensive income (loss) are net of tax, except currency translation adjustments, which exclude income taxes related to indefinite investments in foreign subsidiaries (see Note 9 – Income Taxes) and include a $24 million gain, net of tax, as of December 31, 2025 related to our hedge of our investment in euro-denominated foreign operations (See Note 20 – Financial Instruments).

[a] Amounts reclassified to interest expense.

[b] Amounts reclassified to selling, general and administrative expenses.

Redeemable Non-controlling Interests

The following table presents changes in our redeemable non-controlling interests:

	2025
Balance as of January 1	$ —
Net income (loss) [a]	(109)
Contributions	183
Balance as of December 31	$ 74

[a] Represents the allocation of net income (loss) to the redeemable non-controlling interest holders under the HLBV method. See Note 2 – Summary of Significant Accounting Policies - Variable Interest Entities ("VIE") and Non-Controlling Interests.

17. Related Party Transactions

Avis Mobility Ventures LLC

Avis Mobility Ventures LLC ("AMV") is our former subsidiary. We ceased to have a controlling interest in AMV in 2022, and as a result we deconsolidated AMV from our financial statements. Our proportional share of AMV's income or loss is included within other (income) expense, net in our Consolidated Statements of Operations. In June 2024, we settled approximately $12 million in receivables from AMV related to services we provided. In November 2025, we made a capital contribution of approximately $9 million to AMV. As of December 31, 2025, we own approximately 35% of AMV. We continue to provide vehicles, related fleet services, and certain administrative services to AMV to support their operations. The following tables provide amounts reported within our financial statements related to our equity method investment in AMV and these services.

The components of other (income) expense, net are summarized below:

	Year Ended December 31,		
	2025	2024	2023
(Income) expense for services to AMV, net	$ 11	$ 2	$ (22)
(Income) loss on equity method investment in AMV, net	7	7	25
Other (income) expense, net	$ 18	$ 9	$ 3

The following table provides amounts reported within our Consolidated Balance Sheets related to AMV:

	As of December 31,	
	2025	2024
Receivables from AMV [a]	$ 6	$ 3
Equity method investment in AMV [b]	30	28
Vehicles, net investment in lease with AMV [c]	136	74

[a] Included within other current assets.
[b] Included within other non-current assets.
[c] Included within vehicles, net. See Note 8 – Vehicle Rental Activities.

SRS Mobility Ventures, LLC

SRS Mobility Ventures, LLC is an affiliate of our largest shareholder, SRS Investment Management, LLC. SRS Mobility Ventures, LLC obtained a controlling interest in AMV in 2022. In August and October 2023, SRS Mobility Ventures, LLC made capital contributions to AMV, increasing their ownership to approximately 65%. In June 2024, SRS Mobility Ventures, LLC made a capital contribution of approximately $22 million to AMV. SRS Mobility Ventures, LLC's ownership percentage remained at approximately 65% following these transactions. In November 2025, SRS Mobility Ventures, LLC made a capital contribution of approximately $16 million to AMV. As of December 31, 2025, they own approximately 65% of AMV.

18. Stock-Based Compensation

Our Amended and Restated Equity and Incentive Plan provides for the grant of options, stock appreciation rights, restricted stock, restricted stock units ("RSUs") and other stock- or cash-based awards to employees, directors and other individuals who perform services for us and our subsidiaries. The maximum number of shares reserved for grant of awards under the plan is 22.5 million, with 2.9 million shares available as of December 31, 2025. We typically settle stock-based awards with treasury shares.

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

Stock Unit Awards

Stock unit awards entitle the holder to receive shares of common stock upon vesting on a one-to-one basis, and certain performance-based RSUs vest based upon the level of performance attained.

As part of our declaration and payment of a special cash dividend in December 2023, we granted additional RSUs to our award holders with unvested shares as a dividend equivalent, which has been deferred until, and will not be paid unless, the shares of stock underlying the award vest.

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

	Number of Shares	Weighted Average Grant Date Fair Value	Weighted Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (in millions)
Time-based RSUs				
Outstanding as of January 1, 2025	306	$ 143.25		
Granted [a]	289	66.01		
Vested [b]	(133)	158.92		
Forfeited	(43)	107.99		
Outstanding and expected to vest as of December 31, 2025 [c]	419	$ 88.53	1	$ 54
Performance-based RSUs				
Outstanding as of January 1, 2025	315	$ 159.62		
Granted [a]	433	64.10		
Vested [b]	(63)	192.76		
Forfeited	(129)	131.74		
Outstanding as of December 31, 2025	556	$ 87.91	1.4	$ 71
Outstanding and expected to vest as of December 31, 2025 [c]	106	$ 64.84	1.4	$ 14

[a] Reflects the maximum number of stock units assuming achievement of all time- and performance-vesting criteria and does not include those for non-employee directors, which are discussed separately below. The weighted-average fair value of time- and performance-based RSUs granted in 2024 was $109.80 and $112.34, respectively, and the weighted-average fair value of time-and performance-based RSUs granted in 2023 was $204.17 and $204.13, respectively.

[b] The total fair value of time- and performance-based RSUs vested during 2025 and 2024 was $33 million and $32 million, respectively. The total fair value of time-, performance-, and market-based RSUs vested during 2023 was $21 million.

[c] Aggregate unrecognized compensation expense related to time- and performance-based RSUs amounted to $24 million and will be recognized over a weighted average vesting period of 1.1 years.

Non-employee Directors Deferred Compensation Plan

We grant stock awards on an annual basis to non-employee directors representing between 50% and 100% of a director's annual compensation and such awards could be deferred under the Non-employee Directors Deferred Compensation Plan. During 2025, 2024 and 2023, we granted approximately 6,600, 4,400, and 4,000 awards, respectively, to non-employee directors. In October 2025, this plan was terminated.

Stock-Compensation Expense

During 2025, 2024 and 2023, we recorded stock-based compensation expense of $19 million ($14 million, net of tax), $19 million ($14 million, net of tax), and $30 million ($21 million, net of tax), respectively.

19. Employee Benefit Plans

Defined Contribution Savings Plans

We sponsor several defined contribution savings plans in the United States and certain foreign subsidiaries that provide certain of our eligible employees an opportunity to accumulate funds for retirement. We match portions of the contributions of participating employees on the basis specified by the plans. Our contributions to these plans were $32 million, $31 million, and $29 million during 2025, 2024 and 2023, respectively.

Defined Benefit Pension Plans

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

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

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

	Year Ended December 31,		
	2025	2024	2023
Service cost [(a)]	$ 3	$ 3	$ 3
Interest cost [(b)]	28	28	27
Expected return on plan assets [(b)]	(32)	(32)	(30)
Amortization of unrecognized amounts [(b)]	5	5	5
Net periodic cost (benefit)	$ 4	$ 4	$ 5

(a) Primarily included in operating expenses.
(b) Included in selling, general and administrative expenses.

We use a measurement date of December 31st for our pension plans. The funded status of the pension plans were as follows:

	As of December 31,	
	2025	2024
Change in Benefit Obligation		
Benefit obligation at end of prior year	$ 565	$ 620
Service cost	3	3
Interest cost	28	28
Actuarial (gain) loss	(13)	(43)
Plan amendments	(2)	(1)
Currency translation adjustments	29	(11)
Net benefits paid	(31)	(31)
Benefit obligation at end of current year	$ 579	$ 565
Change in Plan Assets		
Fair value of assets at end of prior year	$ 510	$ 540
Actual return on plan assets	30	3
Employer contributions	6	4
Currency translation adjustments	21	(6)
Net benefits paid	(31)	(31)
Fair value of assets at end of current year	$ 536	$ 510

Amounts recognized in the statement of financial position consist of the following:

	As of December 31,	
	2025	2024
Funded Status		
Classification of net balance sheet assets (liabilities):		
Non-current assets	$ 47	$ 39
Current liabilities	(5)	(4)
Non-current liabilities	(85)	(90)
Net funded status	$ (43)	$ (55)

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

	For the Year Ended December 31,		
	2025	2024	2023
U.S. Pension Benefit Plans			
Discount rate:			
Net periodic benefit cost	5.51 %	4.96 %	5.18 %
Benefit obligation	5.23 %	5.51 %	4.96 %
Long-term rate of return on plan assets	6.00 %	6.25 %	6.25 %
Non-U.S. Pension Benefit Plans			
Discount rate:			
Net periodic benefit cost	5.01 %	4.40 %	4.79 %
Benefit obligation	5.22 %	5.01 %	4.40 %
Long-term rate of return on plan assets	6.63 %	5.97 %	5.59 %

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

Our expected rate of return on plan assets of 6.00% and 6.63% for the U.S. plans and non-U.S. plans, respectively, used to determine pension obligations and pension costs, are long-term rates based on historic plan asset returns in individual jurisdictions, over varying long-term periods combined with current market expectations and broad asset mix considerations.

As of December 31, 2025 and 2024, plans with projected benefit obligations in excess of plan assets had projected benefit obligations of $212 million and $330 million, respectively, and plan assets of $123 million and $236 million, respectively. As of December 31, 2025 and 2024, plans with accumulated benefit obligations in excess of plan assets had accumulated benefit obligations of $211 million and $327 million, respectively, and plan assets of $124 million and $236 million, respectively. The accumulated benefit obligation for all plans was $575 million and $561 million as of December 31, 2025 and 2024, respectively. We expect to contribute approximately $10 million to the plans in 2026.

Our defined benefit pension plans' assets in the U.S. are invested in collective investment trusts in 2025 and primarily in mutual funds in prior years, while our assets in foreign subsidiaries are primarily invested in mutual funds. These may change in value due to various risks, such as interest rate and credit risk and overall market volatility. Due to the level of risk associated with investment securities, it is reasonably possible that changes in the values of the pension plans' investment securities will occur in the near term and that such changes would materially affect the amounts reported in our financial statements.

The defined benefit pension plans' investment goals and objectives are managed by us or Company-appointed and member-appointed trustees with consultation from independent investment advisors. While the objectives may vary slightly by country and jurisdiction, collectively we seek to produce returns on pension plan investments, which are based on levels of liquidity and investment risk that we believe are prudent and reasonable, given prevailing capital market conditions. The pension plans' assets are managed in the long-term interests of the participants and the beneficiaries of the plans. A suitable strategic asset allocation benchmark is determined for each plan to maintain a diversified portfolio, taking into account government requirements, if any, regarding unnecessary investment risk and protection of pension plans' assets. We believe that diversification of the pension plans' assets is an important investment strategy to provide reasonable assurance that no single security or class of securities will have a disproportionate impact on the pension plans. As such, we allocate assets among traditional equity, fixed income (government issued securities, corporate bonds and short-term cash investments) and other investment strategies. Furthermore, assets are viewed as liability hedging assets or growth assets. Investment grade fixed income assets that mirror key characteristics of the pension liability and are anticipated to respond to market forces in a similar fashion to the pension liability are deemed to be liability hedging assets. Growth assets are all other assets within the portfolio that are anticipated to provide return above that of the pension liability.

The growth component's purpose is to provide a total return that will help preserve the purchasing power of the assets. The pension plans hold various mutual funds and collective investment trusts that invest in equity securities and are diversified among funds that invest in large cap, small cap, growth, value, international stocks as well as funds that are intended to "track" an index, such as the S&P 500, and sub-investment grade fixed income. The growth investments in the portfolios will represent a greater assumption of market volatility and risk as well as provide higher anticipated total return over the long term. The growth component is expected to approximate 15%-25% of the plans' assets.

The purpose of the liability hedging component is to provide a deflation hedge, to reduce the overall volatility of the pension plans' assets in relation to the liability and to produce current income. The pension plans hold mutual funds and collective investment trusts that invest in securities issued by governments, government agencies and corporations. The liability hedging component is expected to approximate 60%-70% of the plans' assets.

The purpose of the alternative investment component is to provide diversification and risk reduction through less correlated investment strategies with the goal of enhanced returns and downside protection. Alternative strategies are not used if they are designed solely to enhance return and/or employ significant leverage.

Diversification of asset categories, investment styles and managers is central to managing investment risk. We diversify our pension plans' assets of various foreign subsidiaries in alternative investments. Our pension plans' assets in the U.S. are not invested in alternatives. The alternative investment component is expected to approximate 5%-15% of the plans' assets.

The following table presents the defined benefit pension plans' assets measured at fair value:

	As of December 31, 2025			
Asset Class	**Level 1**	**Level 2**	**Level 3 [a]**	**Total**
Cash equivalents and short-term investments	$ 4	$ 16	$ —	$ 20
U.S. equities	—	11	—	11
Non-U.S. equities	6	15	—	21
Government bonds	11	50	—	61
Corporate bonds	4	41	—	45
Other assets	—	80	59	139
Other assets measured at net asset value [b]	—	—	—	239
Total assets	$ 25	$ 213	$ 59	$ 536

	As of December 31, 2024			
Asset Class	**Level 1**	**Level 2**	**Level 3 [a]**	**Total**
Cash equivalents and short-term investments	$ 8	$ 12	$ —	$ 20
U.S. equities	49	10	—	59
Non-U.S. equities	29	15	—	44
Government bonds	9	48	—	57
Corporate bonds	159	39	—	198
Other assets	—	73	59	132
Total assets	$ 254	$ 197	$ 59	$ 510

[a] For the years ended December 31, 2025 and 2024, we purchased and classified investments of $4 million and $2 million, respectively, as Level 3.

[b] Includes assets invested in collective investment trusts, which have been measured at fair value using the net asset value per share practical expedient and have not been classified in the fair value hierarchy.

We estimate that future benefit payments from plan assets will be $36 million, $36 million, $37 million, $39 million, $39 million and $209 million for 2026, 2027, 2028, 2029, 2030 and 2031 to 2035, respectively.

Multiemployer Plans

We contribute to a number of multiemployer plans under the terms of collective-bargaining agreements that cover a portion of our employees. The risks of participating in these multiemployer plans are different from single-employer plans in the following aspects: (i) assets contributed to the multiemployer plan by one employer may be used to provide benefits to employees of other participating employers; (ii) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers; (iii) if we elect to stop participating in a multiemployer plan, we may be required to contribute to such plan an amount based on the under-funded status of the plan; and (iv) we have no involvement in the management of the multiemployer plans' investments. For the years ended December 31, 2025, 2024, and 2023, we contributed $15 million, $10 million, and $10 million, respectively, to multiemployer plans.

20. Financial Instruments

Risk Management

Currency Risk. We use currency exchange contracts to manage our exposure to changes in currency exchange rates associated with certain of our non-U.S.-dollar denominated receivables and forecasted royalties, forecasted earnings of non-U.S. subsidiaries and forecasted non-U.S. dollar denominated acquisitions. We primarily hedge a portion of our current-year currency exposure to the Australian, Canadian and New Zealand dollars, the euro and the British pound sterling. The majority of forward contracts do not qualify for hedge accounting treatment. The fluctuations in the value of these forward contracts do, however, largely offset the impact of changes in the value of the underlying risk they economically hedge. We have designated our euro-denominated notes as a hedge of our investment in euro-denominated foreign operations.

The estimated net amount of existing gains or losses we expect to reclassify from accumulated other comprehensive income (loss) to earnings for cash flow and net investment hedges over the next 12 months is not material.

Interest Rate Risk. We use various hedging strategies including interest rate swaps and interest rate caps to create what we deem an appropriate mix of fixed and floating rate assets and liabilities. We use interest rate swaps and interest rate caps to manage the risk related to our floating rate corporate debt and our floating rate vehicle-backed debt. We record the changes in the fair value of our cash flow hedges to other comprehensive income (loss), net of tax, and subsequently reclassify these amounts into earnings in the period during which the hedged transaction affects earnings and is presented in the same income statement line item as the earnings effect of the hedged item. We record the gains or losses related to freestanding derivatives, which are not designated as a hedge for accounting purposes, currently in earnings and are presented in the same line of the income statement expected for the hedged item. We estimate that approximately $14 million of gain currently recorded in accumulated other comprehensive income (loss) will be recognized in earnings over the next 12 months.

Commodity Risk. We periodically enter into derivative commodity contracts to manage our exposure to changes in the price of fuel. These instruments were designated as freestanding derivatives and the changes in fair value are recorded in earnings and are presented in the same line of the income statement expected for the hedged item.

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

There were no significant concentrations of credit risk with any individual counterparty or groups of counterparties as of December 31, 2025 or 2024, other than (i) risks related to our repurchase and guaranteed depreciation agreements with domestic and foreign automobile manufacturers, and primarily with respect to receivables for program cars that were disposed of, but for which we have not yet received payment from the manufacturers (see Note 2 – Summary of Significant Accounting Policies), (ii) receivables from Realogy and Wyndham related to certain contingent, income tax and other corporate liabilities assumed by Realogy and Wyndham in connection with their disposition, and (iii) risks related to leases which have been assumed by Realogy but of which we are a guarantor. Concentrations of credit risk associated with trade receivables are considered minimal due to our diverse customer base. We do not normally require collateral or other security to support credit sales.

Fair Value

Derivative instruments and hedging activities

As described above, derivative assets and liabilities consist principally of currency exchange contracts, interest rate swaps, interest rate caps and commodity contracts. We held derivative instruments with absolute notional values as follows:

	As of December 31,	
	2025	2024
Foreign exchange contracts	$ 1,578	$ 1,704
Interest rate caps [a]	11,390	12,014
Interest rate swaps	750	750

[a] Represents $7.1 billion of interest rate caps sold and approximately $4.3 billion of interest rate caps purchased as of December 31, 2025 and $8.9 billion of interest rate caps sold and approximately $3.1 billion of interest rate caps purchased as of December 31, 2024. These amounts exclude $3.3 billion and $5.8 billion of interest rate caps purchased by our Avis Budget Rental Car Funding subsidiary as of December 31, 2025 and 2024, respectively, as it is not consolidated by us.

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

	As of December 31, 2025		As of December 31, 2024	
	Fair Value, Asset Derivatives	Fair Value, Liability Derivatives	Fair Value, Asset Derivatives	Fair Value, Liability Derivatives
Derivatives designated as hedging instruments				
Interest rate swaps [a]	$ 17	$ —	$ 41	$ —
Derivatives not designated as hedging instruments				
Foreign exchange contracts [b]	4	4	5	10
Interest rate caps [c]	1	1	3	12
Total	$ 22	$ 5	$ 49	$ 22

Amounts in this table exclude derivatives issued by Avis Budget Rental Car Funding, as it is not consolidated by us; however, certain amounts related to the derivatives held by Avis Budget Rental Car Funding are included within accumulated other comprehensive income (loss), as discussed in Note 16 – Stockholders' Equity.

[a] Included in other non-current assets or other non-current liabilities.

[b] Included in other current assets or other current liabilities.

[c] Included in assets under vehicle programs or liabilities under vehicle programs.

The effects of financial instruments recognized in our Consolidated Financial Statements are as follows:

	Year Ended December 31,		
	2025	2024	2023
Financial instruments designated as hedging instruments [a]			
Interest rate swaps [b]	$ (17)	$ (6)	$ (8)
Euro-denominated notes [c]	(124)	55	(21)
Financial instruments not designated as hedging instruments [d]			
Foreign exchange contracts [e]	26	(47)	(12)
Interest rate caps [f]	—	—	(1)
Total	$ (115)	$ 2	$ (42)

(a) Recognized, net of tax, as a component of accumulated other comprehensive income (loss) within stockholders' equity.
(b) Classified as a net unrealized gain (loss) on cash flow hedges in accumulated other comprehensive income (loss). Refer to Note 16 – Stockholders' Equity for amounts reclassified from accumulated other comprehensive income (loss) into earnings.
(c) Classified as a net investment hedge within currency translation adjustments in accumulated other comprehensive income (loss).
(d) Gains (losses) related to derivative instruments are expected to be largely offset by (losses) gains on the underlying exposures being hedged.
(e) For the year ended December 31, 2025, included a $28 million gain in interest expense and a $2 million loss in operating expenses. For the year ended December 31, 2024, included a $47 million loss in interest expense. For the year ended December 31, 2023, included a $14 million loss in interest expense and a $2 million gain in operating expenses.
(f) Primarily included in vehicle interest, net.

Debt Instruments

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

	As of December 31, 2025		As of December 31, 2024	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Corporate debt				
Short-term debt and current portion of long-term debt	$ 24	$ 24	$ 20	$ 20
Long-term debt	6,049	6,214	5,373	5,452
Debt under vehicle programs				
Vehicle-backed debt due to Avis Budget Rental Car Funding	$ 14,396	$ 14,634	$ 14,083	$ 14,154
Vehicle-backed debt	4,791	4,822	3,441	3,469
Interest rate swaps and interest rate caps [a]	1	1	12	12

(a) Derivatives in a liability position.

21. Segment Information

Our chief executive officer, who also serves as our chief operating decision-maker ("CODM"), assesses performance and allocates resources based upon the separate financial information of our operating segments. We aggregate certain of our operating segments into our reportable segments. In identifying our reportable segments, we also consider the management structure of the organization, the nature of services provided by our operating segments, the geographical areas and economic characteristics in which the segments operate, and other relevant factors.

Our CODM evaluates the operating results of each of our reportable segments based upon revenues and Adjusted EBITDA, which we define as income (loss) from continuing operations before non-vehicle related depreciation and amortization; long-lived asset impairment and other related charges; other fleet charges; restructuring and other related charges; early extinguishment of debt costs; non-vehicle related interest; transaction-related costs, net; legal matters, net, which primarily includes amounts recorded in excess of $5 million, related to unprecedented self-insurance reserves for allocated loss adjustment expense, class action lawsuits and personal injury matters; non-operational charges related to shareholder activist activity, which includes third-party advisory, legal and other professional fees; COVID-19 charges, net; cloud computing costs; other (income) expense, net; severe weather-related damages in excess of $5 million, net of insurance proceeds; and income taxes. In the first quarter of 2025, we revised our definition of Adjusted EBITDA to exclude other fleet charges. We did not revise prior years' Adjusted EBITDA amounts because there were no other charges similar in nature to these.

We believe Adjusted EBITDA is useful as a supplemental measure in evaluating the performance of our operating businesses and in comparing our results from period to period. We also believe that Adjusted EBITDA is useful to investors because it allows them to assess our results of operations and financial condition on the same basis that management uses internally. Adjusted EBITDA is a non-GAAP measure and should not be considered in isolation or as a substitute for net income or other income statement data prepared in accordance with U.S. GAAP.

Provided below is information about our revenues, significant segment expenses, and reportable segment Adjusted EBITDA, together with a reconciliation of reportable segment Adjusted EBITDA to income (loss) before income taxes.

Year Ended December 31, 2025

	Americas	International	Total
Revenues	$ 8,900	$ 2,752	$ 11,652
Significant segment expenses:			
Operating [a]	4,598	1,303	
Vehicle depreciation and lease charges, net [b]	2,026	599	
Selling, general and administrative	942	424	
Vehicle interest, net	782	136	
Reportable segment Adjusted EBITDA	$ 552	$ 290	$ 842
Reconciliation of reportable segment Adjusted EBITDA to income (loss) before income taxes:			
Reportable segment Adjusted EBITDA			$ 842
Non-vehicle related depreciation and amortization			229
Interest expense related to corporate debt, net:			
Interest expense			11
Long-lived asset impairment and other related charges [c]			518
Other fleet charges			390
Restructuring and other related charges			117
Other (income) expense, net			18
Legal matters, net; cloud computing costs; and severe weather-related damages, net			(105)
Corporate and other [d]			593
Income (loss) before income taxes			$ (929)

[a] Excludes legal matters, net, cloud computing costs and severe weather-related damages, net.
[b] Excludes other fleet charges related to the disposal of certain fleet within our Americas reportable segment.
[c] Includes an impairment charge of approximately $518 million within our Americas reportable segment, related to the acceleration of the rotation of certain United States EV rental car vehicles in conjunction with the Interpace Ventures transaction. See Note 2 – Summary of Significant Accounting Policies – Impairment of Long-Lived Assets.
[d] Consists of unallocated corporate expenses, including $411 million and $6 million of interest expense and early extinguishment of debt, respectively, which are not attributable to a particular reportable segment.

Year Ended December 31, 2024

	Americas	International	Total
Revenues	$ 9,111	$ 2,678	$ 11,789
Significant segment expenses:			
Operating [a]	4,604	1,279	
Vehicle depreciation and lease charges, net	2,301	675	
Selling, general and administrative	868	409	
Vehicle interest, net	787	154	
Reportable segment Adjusted EBITDA	$ 551	$ 161	$ 712
Reconciliation of reportable segment Adjusted EBITDA to income (loss) before income taxes:			
Reportable segment Adjusted EBITDA			$ 712
Non-vehicle related depreciation and amortization			234
Interest expense related to corporate debt, net:			
Interest expense			4
Long-lived asset impairment and other related charges [b]			2,470
Restructuring and other related charges			37
Transaction-related costs, net			3
Other (income) expense, net			9
Legal matters, net; cloud computing costs; and severe weather-related damages, net			77
Corporate and other [c]			505
Income (loss) before income taxes			$ (2,627)

[a] Excludes legal matters, net, cloud computing costs and severe weather-related damages, net.

[b] Includes an impairment charge of approximately $2.3 billion related to the acceleration of the rotation of our fleet and a charge of $180 million related to the write-down of the carrying value of certain vehicles held for sale within our Americas reportable segment. See Note 2 – Summary of Significant Accounting Policies – Impairment of Long-Lived Assets.

[c] Consists of unallocated corporate expenses, including $354 million and $19 million of interest expense and early extinguishment of debt, respectively, which are not attributable to a particular reportable segment.

Year Ended December 31, 2023

	Americas	International	Total
Revenues	$ 9,347	$ 2,661	$ 12,008
Significant segment expenses:			
Operating [a]	4,425	1,209	
Vehicle depreciation and lease charges, net	1,215	524	
Selling, general and administrative	894	409	
Vehicle interest, net	617	119	
Reportable segment Adjusted EBITDA	$ 2,196	$ 400	$ 2,596
Reconciliation of reportable segment Adjusted EBITDA to income (loss) before income taxes:			
Reportable segment Adjusted EBITDA			$ 2,596
Non-vehicle related depreciation and amortization			215
Interest expense related to corporate debt, net:			
Interest expense			(6)
Restructuring and other related charges			11
Transaction-related costs, net			3
Other (income) expense, net			3
Legal matters, net and cloud computing costs			10
Corporate and other [b]			446
Income (loss) before income taxes			$ 1,914

[a] Excludes legal matters, net and cloud computing costs.

[b] Consists of unallocated corporate expenses, including $302 million and $5 million of interest expense and early extinguishment of debt, respectively, which are not attributable to a particular reportable segment.

Provided below is information about our segment assets.

	Americas	International	Unallocated Assets [a]	Total
2025				
Property and equipment additions	$ 79	$ 36	$ 103	$ 218
Assets exclusive of assets under vehicle programs	7,070	2,951	285	10,306
Assets under vehicle programs	17,312	3,639	—	20,951
Net long-lived assets	1,470	805	191	2,466
2024				
Property and equipment additions	$ 109	$ 40	$ 53	$ 202
Assets exclusive of assets under vehicle programs	6,785	2,539	344	9,668
Assets under vehicle programs	16,058	3,315	—	19,373
Net long-lived assets	1,474	733	162	2,369
2023				
Property and equipment additions	$ 126	$ 44	$ 103	$ 273
Assets exclusive of assets under vehicle programs	6,533	2,633	424	9,590
Assets under vehicle programs	19,285	3,694	—	22,979
Net long-lived assets	1,483	795	210	2,488

[a] Includes unallocated corporate assets which are not attributable to a particular reportable segment.

Provided below is information classified based on the geographic location of our subsidiaries.

	United States	All Other Countries	Total
2025			
Revenues	$ 8,395	$ 3,257	$ 11,652
Assets exclusive of assets under vehicle programs	6,851	3,455	10,306
Assets under vehicle programs	16,584	4,367	20,951
Net long-lived assets	1,487	979	2,466
2024			
Revenues	$ 8,583	$ 3,206	$ 11,789
Assets exclusive of assets under vehicle programs	6,720	2,948	9,668
Assets under vehicle programs	15,295	4,078	19,373
Net long-lived assets	1,465	904	2,369
2023			
Revenues	$ 8,775	$ 3,233	$ 12,008
Assets exclusive of assets under vehicle programs	6,460	3,130	9,590
Assets under vehicle programs	18,228	4,751	22,979
Net long-lived assets	1,507	981	2,488

22. Subsequent Event

In February 2026, we completed the acquisition of a licensee in North America for approximately $47 million, plus approximately $1 million in acquired fleet.

* * * *

Schedule II – Valuation and Qualifying Accounts
(in millions)

Description	Balance at Beginning of Period	Expense (Benefit)	Other Adjustments[a]	Deductions	Balance at End of Period
Allowance for Doubtful Accounts:					
Year Ended December 31,					
2025	$ 96	$ 74	$ 3	$ (95)	$ 78
2024	87	87	(3)	(75)	96
2023	86	86	1	(86)	87
Tax Valuation Allowance:					
Year Ended December 31,					
2025	$ 85	$ 35	$ 9	$ —	$ 129
2024	106	(6)	(15)	—	85
2023	103	(2)	5	—	106

[a] Primarily currency translation adjustments.

Exhibit Index

Exhibit No.	Description
2.1	Separation and Distribution Agreement by and among Cendant Corporation*, Realogy Corporation, Wyndham Worldwide Corporation and Travelport Inc., dated as of July 27, 2006 (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K, dated August 1, 2006).
2.2	Letter Agreement dated August 17, 2006, related to the Separation and Distribution Agreement by and among Realogy Corporation, Cendant Corporation*, Wyndham Worldwide Corporation and Travelport Inc. dated as of July 27, 2006 (incorporated by reference to Exhibit 2.2 to the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2007, dated August 8, 2007).
3.1	Amended and Restated Certificate of Incorporation of Avis Budget Group, Inc., dated as of July 31, 2025 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, dated July 31, 2025).
3.2	Amended and Restated Bylaws of Avis Budget Group, Inc., dated August 10, 2020 (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K, dated August 13, 2020).
4.1	Indenture dated as of July 3, 2019, among Avis Budget Car Rental, LLC and Avis Budget Finance, Inc., as Issuers, the Guarantors from time to time parties thereto and Deutsche Bank Trust Company Americas, as Trustee, governing the 5.75% Senior Notes due 2027 (incorporated by reference to Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2019, dated August 6, 2019).
4.2	First Supplemental Indenture, dated as of August 6, 2020, to the indenture dated as of July 3, 2019 by and among Avis Budget Car Rental, LLC and Avis Budget Finance, Inc., as issuers, the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, dated August 7, 2020).
4.3	Indenture, dated as of March 1, 2021, by and among Avis Budget Car Rental, LLC and Avis Budget Finance, Inc., as issuers, the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, governing the 5.375% Senior Notes due 2029 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, dated March 1, 2021).
4.4	Indenture, dated as of March 23, 2021, by and among Avis Budget Car Rental, LLC and Avis Budget Finance, Inc., as issuers, the guarantors party thereto and Deutsche Bank Trust Company Americas, as trustee, governing the 4.75% Senior Notes due 2028 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, dated March 23, 2021).
4.5	Indenture, dated as of July 13, 2023, by and among Avis Budget Finance plc, as issuer, the guarantors party thereto, Deutsche Bank Trust Company Americas, as trustee and registrar, and Deutsche Bank AG, London Branch, as paying agent (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated July 14, 2023).
4.6	First Supplemental Indenture, dated as of May 21, 2024, to the indenture dated as of July 13, 2023 by and among Avis Budget Finance plc, as issuer, the guarantors party thereto, Deutsche Bank Trust Company Americas, as trustee and registrar, and Deutsche Bank AG, London Branch, as paying agent (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated May 21, 2024).
4.7	Indenture, dated as of November 22, 2023, by and among Avis Budget Car Rental, LLC and Avis Budget Finance, Inc., together as issuers, the guarantors party thereto and Citibank, N.A., as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated November 22, 2023).
4.8	Indenture, dated as of February 28, 2024, by and among Avis Budget Finance plc, as issuer, the guarantors party thereto, U.S. Bank Trust Company, National Association, as trustee, Elavon Financial Services DAC, as registrar and transfer agent, and Elavon Financial Services DAC, UK Branch, as paying agent (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated February 29, 2024).
4.9	Indenture, dated as of September 13, 2024, by and among Avis Budget Car Rental, LLC and Avis Budget Finance, Inc., together as issuers, the guarantors party thereto and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K dated September 13, 2024).
4.10	Indenture, dated as of May 19, 2025, by and among Avis Budget Car Rental, LLC and Avis Budget Finance, Inc., together as issuers, the guarantors party thereto and U.S. Bank Trust Company, National Association, as trustee (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K, dated May 19, 2025).
4.11	Description of the Company's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934 (incorporated by reference to Exhibit 4.8 to the Company's Annual Report on Form 10-K for the year ended December 31, 2021, dated February 17, 2022).
10.1	Agreement between Avis Budget Group, Inc. and Joseph Ferraro (incorporated by reference to Exhibit 10.5 to the Company's Annual Report on Form 10-K for the year ended December 31, 2015, dated February 24, 2016).†
10.2	Agreement between Avis Budget Group, Inc. and Edward Linnen, dated April 20, 2015 (incorporated by reference to Exhibit 10.10 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, dated February 20, 2020). †
10.3	Offer Letter, dated August 12, 2020, between Brian Choi and Avis Budget Group, Inc. (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, dated August 13, 2020). †

10.4	Offer Letter, dated May 17, 2022, between Ravi Simhambhatla and Avis Budget Group, Inc. (incorporated by reference to Exhibit 10.75 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, dated February 16, 2023).†
10.5	Offer Letter dated June 7, 2025 between Daniel Cunha and Avis Budget Group, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated June 9, 2025).†
10.6	Separation and Advising Agreement between Joseph Ferraro and Avis Budget Group, Inc., dated as of July 24, 2025 (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2025, dated October 28, 2025).†
10.7	Service Agreement between Jagdeep Pahwa and Avis Budget Services Limited, dated as of December 3, 2025.†
10.8	Avis Budget Group, Inc. Executive Severance Pay Plan for Grade A and B Employees and Summary Plan Description (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated December 14, 2020). †
10.9	Fourth Amended and Restated Cooperation Agreement, dated as of December 23, 2022, by and among Avis Budget Group, Inc., SRS Investment Management, LLC and certain of its affiliates (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated December 27, 2022).
10.10	First Amendment, dated May 6, 2025, to the Fourth Amended and Restated Cooperation Agreement, dated as of December 23, 2022, by and among Avis Budget Group, Inc., SRS Investment Management, LLC and certain of its affiliates (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, dated May 6, 2025).
10.11	Second Amendment, dated as of September 5, 2025, to the Fourth Amended and Restated Cooperation Agreement, dated as of December 23, 2022, by and among Avis Budget Group, Inc., SRS Investment Management, LLC and certain of its affiliates (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated September 8, 2025).
10.12	Avis Budget Group, Inc. Amended and Restated Equity and Incentive Plan (incorporated by reference to Annex A to the Company's Definitive Proxy Statement on Schedule 14A, dated March 26, 2019).†
10.13	Amendment to the Avis Budget Group, Inc. Amended and Restated Equity and Incentive Plan dated October 26, 2021 (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2021, dated November 2, 2021).†
10.14	Form of Award Agreement - Restricted Stock Units (incorporated by reference to Exhibit 10.12 to the Company's Annual Report on Form 10-K for the year ended December 31, 2018 dated February 21, 2019).†
10.15	Form of Award Agreement - Performance Based Restricted Stock Units (incorporated by reference to Exhibit 10.13 to the Company's Annual Report on Form 10-K for the year ended December 31, 2018, dated February 21, 2019).†
10.16	Form of Non-Employee Director Award Agreement - Restricted Stock Units (incorporated by reference to Exhibit 10.14 to the Company's Annual Report on Form 10-K for the year ended December 31, 2018, dated February 21, 2019).†
10.17	Form of Avis Budget Group, Inc. Severance Agreement (incorporated by reference to Exhibit 10.15 to the Company's Annual Report on Form 10-K for the year ended December 31, 2018, dated February 21, 2019).†
10.18	Avis Budget Group, Inc. Non-Employee Directors Deferred Compensation Plan, amended and restated as of January 1, 2019 (incorporated by reference to Exhibit 10.16 to the Company's Annual Report on Form 10-K for the year ended December 31, 2018 dated February 21, 2019).†
10.19	Amendment No. 1 dated as of December 8, 2022, to the Avis Budget Group, Inc. Non-Employee Directors Deferred Compensation Plan, amended and restated as of January 1, 2019 (incorporated by reference to Exhibit 10.17 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, dated February 16, 2023). †
10.20	Termination Amendment, dated as of October 29, 2025, to the Avis Budget Group, Inc. Non-Employee Directors Deferred Compensation Plan, amended and restated as of January 1, 2019. †
10.21	Avis Budget Group, Inc. Supplemental Savings Plan, amended and restated as of January 1, 2023 (incorporated by reference to Exhibit 10.18 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, dated February 16, 2023). †
10.22	Cendant Corporation* Officer Personal Financial Services Policy (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, dated January 26, 2005).
10.23	Tax Sharing Agreement among Cendant Corporation*, Realogy Corporation, Wyndham Worldwide Corporation and Travelport Inc., dated as of July 28, 2006 (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, dated August 1, 2006).
10.24	Amendment to the Tax Sharing Agreement, dated July 28, 2006, among Avis Budget Group, Inc., Realogy Corporation, Wyndham Worldwide Corporation and Travelport Inc. (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2008, dated August 7, 2008).

10.25	Second Amended and Restated Base Indenture, dated as of June 3, 2004, among Cendant Rental Car Funding (AESOP) LLC***, as Issuer, and The Bank of New York, as Trustee (incorporated by reference to Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2004, dated August 2, 2004).
10.26	Supplemental Indenture No. 1, dated as of December 23, 2005, among Cendant Rental Car Funding (AESOP) LLC***, as Issuer, and The Bank of New York, as Trustee, to the Second Amended and Restated Base Indenture, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated January 20, 2006).
10.27	Supplemental Indenture No. 2, dated as of May 9, 2007, among Avis Budget Rental Car Funding (AESOP) LLC, as Issuer, and The Bank of New York Trust Company, N.A. (as successor in interest to The Bank of New York), as Trustee, to the Second Amended and Restated Base Indenture, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007, dated August 8, 2007).
10.28	Supplemental Indenture No. 3, dated as of August 16, 2013, among Avis Budget Rental Car Funding (AESOP) LLC, as Issuer, and The Bank of New York Trust Company, N.A. (as successor in interest to The Bank of New York), as Trustee, to the Second Amended and Restated Base Indenture, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.35(c) to the Company's Annual Report on Form 10-K for the year ended December 31, 2013, dated February 20, 2014).
10.29	Supplemental Indenture No. 4, dated as of January 31, 2025, among Avis Budget Rental Car Funding (AESOP) LLC, as Issuer, and The Bank of New York Trust Company, N.A. (as successor in interest to The Bank of New York), as Trustee, to the Second Amended and Restated Base Indenture, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025, dated May 8, 2025).
10.30	Supplemental Indenture No. 5, dated as of April 22, 2025, among Avis Budget Rental Car Funding (AESOP) LLC, as Issuer, and The Bank of New York Trust Company, N.A. (as successor in interest to The Bank of New York), as Trustee, to the Second Amended and Restated Base Indenture, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025, dated July 30, 2025).
10.31	Second Amended and Restated Loan Agreement, dated as of June 3, 2004, among AESOP Leasing L.P., as Borrower, Quartx Fleet Management, Inc., as a Permitted Nominee, PV Holding Corp., as a Permitted Nominee, and Cendant Rental Car Funding (AESOP) LLC***, as Lender (incorporated by reference to Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2004, dated August 2, 2004).
10.32	First Amendment, dated as of December 23, 2005, among AESOP Leasing L.P., as Borrower, Quartx Fleet Management, Inc., as a Permitted Nominee, PV Holding Corp., as a Permitted Nominee, and Cendant Rental Car Funding (AESOP) LLC***, as Lender, to the Second Amended and Restated Loan Agreement, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, dated January 20, 2006).
10.33	Second Amendment, dated as of May 9, 2007, among AESOP Leasing L.P., as Borrower, PV Holding Corp., as a Permitted Nominee, Quartx Fleet Management, Inc., as a Permitted Nominee, and Avis Budget Rental Car Funding (AESOP) LLC, as Lender, to the Second Amended and Restated Loan Agreement, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007, dated August 8, 2007).
10.34	Third Amendment, dated as of August 16, 2013, among AESOP Leasing L.P., as Borrower, PV Holding Corp., as a Permitted Nominee, Quartx Fleet Management, Inc., as a Permitted Nominee, and Avis Budget Rental Car Funding (AESOP) LLC, as Lender, to the Second Amended and Restated Loan Agreement, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.36(c) to the Company's Annual Report on Form 10-K for the year ended December 31, 2013, dated February 20, 2014).
10.35	Fourth Amendment, dated as of July 28, 2022, among AESOP Leasing L.P., as Borrower, PV Holding Corp., as a Permitted Nominee, Quartx Fleet Management, Inc., as a Permitted Nominee, and Avis Budget Rental Car Funding (AESOP) LLC, as Lender, to the Second Amended and Restated Loan Agreement, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2022, dated November 1, 2022).
10.36	Amended and Restated Loan Agreement, dated as of June 3, 2004, among AESOP Leasing L.P., as Borrower, and Cendant Rental Car Funding (AESOP) LLC***, as Lender (incorporated by reference to Exhibit 10.29(a) to the Company's Annual Report on Form 10-K for the year ended December 31, 2006, dated March 1, 2007).
10.37	First Amendment, dated as of December 23, 2005, among AESOP Leasing L.P., as Borrower, and Cendant Rental Car Funding (AESOP) LLC***, as Lender, to the Amended and Restated Loan Agreement, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.29(b) to the Company's Annual Report on Form 10-K for the year ended December 31, 2006, dated March 1, 2007).
10.38	Second Amendment, dated as of the May 9, 2007, among AESOP Leasing L.P., as Borrower, and Avis Budget Rental Car Funding (AESOP) LLC, as Lender, to the Amended and Restated Loan Agreement, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007, dated August 8, 2007).
10.39	Third Amendment, dated as of August 16, 2013, among AESOP Leasing L.P., as Borrower, and Avis Budget Rental Car Funding (AESOP) LLC, as Lender, to the Amended and Restated Loan Agreement, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.37(c) to the Company's Annual Report on Form 10-K for the year ended December 31, 2013, dated February 20, 2014).

10.40	Fourth Amendment, dated as of July 28, 2022, between AESOP Leasing L.P., as Borrower, and Avis Budget Rental Car Funding (AESOP) LLC, as Lender, to the Amended and Restated Loan Agreement, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2022, dated November 1, 2022).
10.41	Second Amended and Restated Master Motor Vehicle Operating Lease Agreement, dated as of June 3, 2004, among AESOP Leasing L.P., as Lessor, and Cendant Car Rental Group, Inc.**, as Lessee and as Administrator (incorporated by reference to Exhibit 10.9 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2004, dated August 2, 2004).
10.42	First Amendment, dated December 23, 2005, among AESOP Leasing L.P., as Lessor, and Cendant Car Rental Group, Inc.**, as Lessee and as Administrator, to the Second Amended and Restated Master Motor Vehicle Operating Lease Agreement, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, dated January 20, 2006).
10.43	Third Amendment, dated as of May 9, 2007, among AESOP Leasing L.P., as Lessor and Avis Budget Car Rental, LLC, as Lessee and as the Administrator, to the Second Amended and Restated Master Motor Vehicle Operating Lease Agreement, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.9 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007, dated August 8, 2007).
10.44	Fourth Amendment, dated as of August 16, 2013, among AESOP Leasing L.P., as Lessor and Avis Budget Car Rental, LLC, as Lessee and as the Administrator, to the Second Amended and Restated Master Motor Vehicle Operating Lease Agreement, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.38(c) to the Company's Annual Report on Form 10-K for the year ended December 31, 2013, dated February 20, 2014).
10.45	Fifth Amendment, dated as of July 28, 2022, among AESOP Leasing L.P., as Lessor and Avis Budget Car Rental, LLC, as Lessee and as the Administrator, to the Second Amended and Restated Master Motor Vehicle Operating Lease Agreement, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2022, dated November 1, 2022).
10.46	Amended and Restated Master Motor Vehicle Finance Lease Agreement, dated as of June 3, 2004, among AESOP Leasing L.P., as Lessor, Cendant Car Rental Group, Inc.**, as Lessee, as Administrator and as Finance Lease Guarantor, Avis Rent A Car System, Inc.****, as Lessee, and Budget Rent A Car System, Inc., as Lessee (incorporated by reference to Exhibit 10.30(a) to the Company's Annual Report on Form 10-K for the year ended December 31, 2006, dated March 1, 2007).
10.47	First Amendment, dated as of December 23, 2005, among AESOP Leasing L.P., as Lessor, Cendant Car Rental Group, Inc.**, as Lessee, as Administrator and as Finance Lease Guarantor, Avis Rent A Car System, Inc.****, as Lessee, and Budget Rent A Car System, Inc., as Lessee, to the Amended and Restated Master Motor Vehicle Finance Lease Agreement, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.30(b) to the Company's Annual Report on Form 10-K for the year ended December 31, 2006, dated March 1, 2007).
10.48	Third Amendment, dated as of May 9, 2007, among AESOP Leasing L.P., as Lessor, Avis Budget Car Rental, LLC, as Lessee, as Administrator and as Finance Lease Guarantor, Avis Rent A Car System, LLC, as Lessee, and Budget Rent A Car System, Inc., as Lessee, to the Amended and Restated Master Motor Vehicle Finance Lease Agreement, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.11 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2007, dated August 8, 2007).
10.49	Fourth Amendment, dated as of August 16, 2013, among AESOP Leasing L.P., as Lessor, Avis Budget Car Rental, LLC, as Lessee, as Administrator and as Finance Lease Guarantor, Avis Rent A Car System, LLC, as Lessee, and Budget Rent A Car System, Inc., as Lessee, to the Amended and Restated Master Motor Vehicle Finance Lease Agreement, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.39(c) to the Company's Annual Report on Form 10-K for the year ended December 31, 2013, dated February 20, 2014).
10.50	Fifth Amendment, dated as of July 28, 2022, among AESOP Leasing L.P., as Lessor, Avis Budget Car Rental, LLC, as Lessee, as Administrator and as Finance Lease Guarantor, Avis Rent A Car System, LLC, as Lessee, and Budget Rent A Car System, Inc., as Lessee, to the Amended and Restated Master Motor Vehicle Finance Lease Agreement, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2022, dated November 1, 2022).
10.51	Sixth Amendment, dated as of April 22, 2025, among AESOP Leasing L.P., as Lessor, Avis Budget Car Rental, LLC, as Lessee, as Administrator and as Finance Lease Guarantor, Avis Rent A Car System, LLC, as Lessee, and Budget Rent A Car System, Inc., as Lessee, to the Amended and Restated Master Motor Vehicle Finance Lease Agreement, dated as of June 3, 2004 (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025, dated July 30, 2025).
10.52	AESOP I Operating Sublease Agreement dated as of March 26, 2013, between Zipcar, Inc., as Sublessee and Avis Budget Car Rental, LLC, as Sublessor (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2013, dated May 8, 2013).
10.53	Second Amended and Restated Administration Agreement, dated as of June 3, 2004, among Cendant Rental Car Funding (AESOP) LLC***, AESOP Leasing L.P., AESOP Leasing Corp. II, Avis Rent A Car System, Inc.****, Budget Rent A Car System, Inc., Cendant Car Rental Group, Inc.** and The Bank of New York, as Trustee (incorporated by reference to Exhibit 10.34 to the Company's Annual Report on Form 10-K for the year ended December 31, 2005, dated March 1, 2006).
10.54	First Amendment, dated as of August 16, 2013, among Avis Budget Rental Car Funding (AESOP) LLC, AESOP Leasing L.P., AESOP Leasing Corp. II, Avis Rent A Car System, LLC, Budget Rent A Car System, Inc. and Avis Budget Car Rental, LLC, as Administrator, to the Second Amended and Restated Administration Agreement dated as of June 3, 2004 (incorporated by reference to Exhibit 10.41(a) to the Company's Annual Report on Form 10-K for the year ended December 31, 2013, dated February 20, 2014).

10.55	Sixth Amended and Restated Series 2010-6 Supplement, dated as of March 4, 2024, by and among Avis Budget Rental Car Funding (AESOP) LLC, as Issuer, Avis Budget Car Rental, LLC, as Administrator, JPMorgan Chase Bank, N.A., as Administrative Agent, the Non-Conduit Purchasers, the CP Conduit Purchasers, the Committed Note Purchasers, the APA Banks and the Funding Agents named therein and The Bank of New York Mellon Trust Company, N.A., as Trustee and as Series 2010-6 Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated March 8, 2024).
10.56	First Amendment, dated as of March 28, 2025, to Sixth Amended and Restated Series 2010-6 Supplement, dated as of March 4, 2024, by and among Avis Budget Rental Car Funding (AESOP) LLC, as Issuer, Avis Budget Car Rental, LLC, as Administrator, JPMorgan Chase Bank, N.A., as Administrative Agent, the Non-Conduit Purchasers, the CP Conduit Purchasers, the Committed Note Purchasers, the APA Banks and the Funding Agents named therein and The Bank of New York Mellon Trust Company, N.A., as Trustee and as Series 2010-6 Agent (incorporated by reference to Exhibit 10.10 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025, dated May 8, 2025).
10.57	Second Amendment, dated as of April 30, 2025, to Sixth Amended and Restated Series 2010-6 Supplement, dated as of March 4, 2024, by and among Avis Budget Rental Car Funding (AESOP) LLC, as Issuer, Avis Budget Car Rental, LLC, as Administrator, JPMorgan Chase Bank, N.A., as Administrative Agent, the Non-Conduit Purchasers, the CP Conduit Purchasers, the Committed Note Purchasers, the APA Banks and the Funding Agents named therein and The Bank of New York Mellon Trust Company, N.A., as Trustee and as Series 2010-6 Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated May 6, 2025).
10.58	Fourth Amended and Restated Series 2015-3 Supplement, dated as of March 4, 2024, by and among Avis Budget Rental Car Funding (AESOP) LLC, as Issuer, Avis Budget Car Rental, LLC, as Administrator, JPMorgan Chase Bank, N.A., as Administrative Agent, the Non-Conduit Purchasers, the CP Conduit Purchasers, the Committed Note Purchasers, the APA Banks and the Funding Agents named therein and The Bank of New York Mellon Trust Company, N.A., as Trustee and as Series 2015-3 Agent (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated March 8, 2024).
10.59	First Amendment, dated as of March 28, 2025, to Fourth Amended and Restated Series 2015-3 Supplement, dated as of March 4, 2024, by and among Avis Budget Rental Car Funding (AESOP) LLC, as Issuer, Avis Budget Car Rental, LLC, as Administrator, JPMorgan Chase Bank, N.A., as Administrative Agent, the Non-Conduit Purchasers, the CP Conduit Purchasers, the Committed Note Purchasers, the APA Banks and the Funding Agents named therein and The Bank of New York Mellon Trust Company, N.A., as Trustee and as Series 2015-3 Agent (incorporated by reference to Exhibit 10.11 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025, dated May 8, 2025).
10.60	Second Amendment, dated as of April 30, 2025, to Fourth Amended and Restated Series 2015-3 Supplement, dated as of March 4, 2024, by and among Avis Budget Rental Car Funding (AESOP) LLC, as Issuer, Avis Budget Car Rental, LLC, as Administrator, JPMorgan Chase Bank, N.A., as Administrative Agent, the Non-Conduit Purchasers, the CP Conduit Purchasers, the Committed Note Purchasers, the APA Banks and the Funding Agents named therein and The Bank of New York Mellon Trust Company, N.A., as Trustee and as Series 2015-3 Agent (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, dated May 6, 2025).
10.61	Amended and Restated Series 2020-2 Supplement, dated as of December 27, 2024, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2020-2 Agent (incorporated by reference to Exhibit 10.50 to the Company's Annual Report on Form 10-K for the year ended December 31, 2024, dated February 14, 2025).
10.62	First Amendment, dated as of March 28, 2025, to the Amended and Restated Series 2020-2 Supplement, dated as of December 27, 2024, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2020-2 Agent (incorporated by reference to Exhibit 10.12 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025, dated May 8, 2025).
10.63	Series 2021-1 Supplement dated as of May 18, 2021, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and Series 2021-1 Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated May 21, 2021).
10.64	Series 2021-2 Supplement, dated as of November 17, 2021, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and Series 2021-2 Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated November 19, 2021).
10.65	Series 2022-1 Supplement, dated as of April 14, 2022, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and Series 2022-1 Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated April 19, 2022).
10.66	Series 2022-3 Supplement, dated as of July 21, 2022, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2022-3 Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated July 22, 2022).
10.67	Series 2022-4 Supplement, dated as of July 21, 2022, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and Series 2022-4 Agent (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, dated July 22, 2022).
10.68	Amended and Restated Series 2022-5 Supplement, dated as of December 27, 2024, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2022-5 Agent (incorporated by reference to Exhibit 10.56 to the Company's Annual Report on Form 10-K for the year ended December 31, 2024, dated February 14, 2025).

10.69	First Amendment, dated as of March 28, 2025, to the Amended and Restated Series 2022-5 Supplement, dated as of December 27, 2024, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2022-5 Agent (incorporated by reference to Exhibit 10.13 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025, dated May 8, 2025).
10.70	Second Amended and Restated Series 2023-1 Supplement, dated as of April 9, 2025, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2023-1 Agent (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025, dated July 30, 2025).
10.71	Second Amended and Restated Series 2023-2 Supplement, dated as of March 28, 2025, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2023-2 Agent (incorporated by reference to Exhibit 10.14 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025, dated May 8, 2025).
10.72	Second Amended and Restated Series 2023-3 Supplement, dated as of March 28, 2025, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2023-3 Agent (incorporated by reference to Exhibit 10.15 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025, dated May 8, 2025).
10.73	Second Amended and Restated Series 2023-4 Supplement, dated as of June 10, 2025, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2023-4 Agent (incorporated by reference to Exhibit 10.11 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025, dated July 30, 2025).
10.74	Second Amended and Restated Series 2023-5 Supplement, dated as of March 28, 2025, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2023-5 Agent (incorporated by reference to Exhibit 10.16 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025, dated May 8, 2025).
10.75	Second Amended and Restated Series 2023-6 Supplement, dated as of June 10, 2025, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2023-6 Agent (incorporated by reference to Exhibit 10.12 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025, dated July 30, 2025).
10.76	Second Amended and Restated Series 2023-7 Supplement, dated as of April 9, 2025, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2023-7 Agent (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025, dated July 30, 2025).
10.77	Second Amended and Restated Series 2023-8 Supplement, dated as of June 10, 2025, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2023-8 Agent (incorporated by reference to Exhibit 10.13 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025, dated July 30, 2025).
10.78	Amended and Restated Series 2024-1 Supplement, dated as of January 31, 2025, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2024-1 Agent (incorporated by reference to Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025, dated May 8, 2025).
10.79	Second Amended and Restated Series 2024-2 Supplement, dated as of March 28, 2025, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2024-2 Agent (incorporated by reference to Exhibit 10.17 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025, dated May 8, 2025).
10.80	Amended and Restated Series 2024-3 Supplement, dated as of January 31, 2025, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2024-3 Agent (incorporated by reference to Exhibit 10.7 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2025, dated May 8, 2025).
10.81	Series 2025-1 Supplement, dated as of May 28, 2025, between Avis Budget Group, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2025-1 Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated June 2, 2025).
10.82	First Amendment, dated July 21, 2025, to Series 2025-1 Supplement, dated as of May 28, 2025, between Avis Budget Group, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2025-1 Agent (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2025, dated October 28, 2025).
10.83	Second Amendment, dated September 16, 2025, to Series 2025-1 Supplement, dated as of May 28, 2025, between Avis Budget Group, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2025-1 Agent (incorporated by reference to Exhibit 10.8 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2025, dated October 28, 2025).
10.84	Series 2025-2 Supplement, dated as of May 28, 2025, between Avis Budget Group, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2025-2 Agent (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, dated June 2, 2025).

10.85	First Amendment, dated July 21, 2025, to Series 2025-2 Supplement, dated as of May 28, 2025, between Avis Budget Group, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2025-2 Agent (incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2025, dated October 28, 2025).
10.86	Second Amendment, dated September 16, 2025, to Series 2025-2 Supplement, dated as of May 28, 2025, between Avis Budget Group, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2025-2 Agent (incorporated by reference to Exhibit 10.9 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2025, dated October 28, 2025).
10.87	Series 2025-3 Supplement, dated as of September 16, 2025, between Avis Budget Group, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2025-3 Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated September 19, 2025).
10.88	Series 2025-4 Supplement, dated as of September 16, 2025, between Avis Budget Group, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2025-4 Agent (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, dated September 19, 2025).
10.89	Sixth Amended and Restated Credit Agreement, dated as of July 9, 2021, among Avis Budget Holdings, LLC, Avis Budget Car Rental, LLC, Avis Budget Group, Inc., the subsidiary borrowers from time to time party thereto, the financial institutions from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated July 13, 2021).
10.90	First Amendment, dated as of March 16, 2022, to the Sixth Amended and Restated Credit Agreement, dated as of July 9, 2021, among Avis Budget Holdings, LLC, Avis Budget Car Rental, LLC, Avis Budget Group, Inc., the subsidiary borrowers from time to time party thereto, the financial institutions from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, dated March 25, 2022).
10.91	Second Amendment, dated as of March 24, 2022, to the Sixth Amended and Restated Credit Agreement, dated as of July 9, 2021, among Avis Budget Holdings, LLC, Avis Budget Car Rental, LLC, Avis Budget Group, Inc., the subsidiary borrowers from time to time party thereto, the financial institutions from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated March 25, 2022).
10.92	Third Amendment, dated as of July 28, 2022, to the Sixth Amended and Restated Credit Agreement, dated as of July 9, 2021, among Avis Budget Holdings, LLC, Avis Budget Car Rental, LLC, as borrower, Avis Budget Group, Inc., the subsidiary borrowers from time to time party thereto, the lenders from time to time party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, and the other parties thereto (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2022, dated November 1, 2022).
10.93	Fourth Amendment, dated as of February 6, 2023, to the Sixth Amended and Restated Credit Agreement, dated as of July 9, 2021, among Avis Budget Holdings, LLC, Avis Budget Car Rental, LLC, as borrower, Avis Budget Group, Inc., the subsidiary borrowers from time to time party thereto, the lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent, and the other parties thereto (incorporated by reference to Exhibit 10.76 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, dated February 16, 2023).
10.94	Fifth Amendment, dated as of April 21, 2023, to the Sixth Amended and Restated Credit Agreement, dated as of July 9, 2021, among Avis Budget Holdings, LLC, Avis Budget Car Rental, LLC, as borrower, Avis Budget Group, Inc., the subsidiary borrowers from time to time party thereto, the lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent, and the other parties thereto (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2023, dated August 1, 2023).
10.95	Sixth Amendment, dated as of December 8, 2023, to the Sixth Amended and Restated Credit Agreement, dated as of July 9, 2021, among Avis Budget Holdings, LLC, Avis Budget Car Rental, LLC, as borrower, Avis Budget Group, Inc., the subsidiary borrowers from time to time party thereto, the lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent, and the other parties thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated December 14, 2023).
10.96	Seventh Amendment, dated as of December 27, 2023, to the Sixth Amended and Restated Credit Agreement, dated as of July 9, 2021, among Avis Budget Holdings, LLC, Avis Budget Car Rental, LLC, as borrower, Avis Budget Group, Inc., the subsidiary borrowers from time to time party thereto, the lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent, and the other parties thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated January 3, 2024).
10.97	Eighth Amendment, dated as of May 29, 2024, to the Sixth Amended and Restated Credit Agreement, dated as of July 9, 2021, among Avis Budget Holdings, LLC, Avis Budget Car Rental, LLC, as borrower, Avis Budget Group, Inc., the subsidiary borrowers from time to time party thereto, the lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent, and the other parties thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 10-Q for the quarterly period ended June 30, 2024, dated August 6, 2024).
10.98	Administrative Amendment, dated as of December 27, 2023, to the Sixth Amended and Restated Credit Agreement, dated as of July 9, 2021, among Avis Budget Holdings, LLC, Avis Budget Car Rental, LLC, as borrower, Avis Budget Group, Inc., the subsidiary borrowers from time to time party thereto, the lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent, and the other parties thereto (incorporated by reference to Exhibit 10.90 to the Company's Annual Report on Form 10-K for the year ended December 31, 2023, dated February 16, 2024).

10.99	Ninth Amendment, dated as of February 6, 2025, to the Sixth Amended and Restated Credit Agreement, dated as of July 9, 2021, among Avis Budget Holdings, LLC, Avis Budget Car Rental, LLC, as borrower, Avis Budget Group, Inc., the subsidiary borrowers from time to time party thereto, the lenders from time to time party thereto, JPMorgan Chase Bank, N.A., as Administrative Agent, and the other parties thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated February 11, 2025).
10.100	Tenth Amendment, dated as of July 16, 2025, to the Sixth Amended and Restated Credit Agreement, dated as of July 9, 2021, among Avis Budget Holdings, LLC, Avis Budget Car Rental, LLC, as borrower, Avis Budget Group, Inc., the subsidiary borrowers from time to time party thereto, the lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent, and the other parties thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated July 21, 2025).
10.101	Base Indenture, dated as of December 30, 2025, between Interpace Funding LLC, as Issuer, and The Bank of New York Mellon Trust Company, N.A., as Trustee.
10.102	Series 2025-1 Supplement, dated as of December 30, 2025, by and among Interpace Funding LLC, as Issuer, Avis Budget Car Rental, LLC, as Administrator, JPMorgan Chase Bank, N.A., as Senior Administrative Agent, Wells Fargo Bank, N.A., as Junior Administrative Agent, the Non-Conduit Purchasers, the CP Conduit Purchasers, the Funding Agents, the APA Banks and the Junior Noteholders named therein and The Bank of New York Mellon Trust Company, N.A., as Trustee and as Series 2025-1 Agent.
10.103	Administration Agreement, dated as of December 30, 2025, among Interpace Funding LLC, Avis Budget Car Rental, LLC and The Bank of New York Mellon Trust Company, N.A., as Trustee.
10.104	Master Motor Vehicle Operating Lease Agreement, dated as of December 30, 2025, between Interpace Funding LLC, as Lessor, and Avis Budget Car Rental, LLC, as Lessee and as Administrator.
19	Securities Trading Policy (incorporated by reference to Exhibit 19 to the Company's Annual Report on Form 10-K for the year ended December 31, 2024, dated February 14, 2025).
21	Subsidiaries of Registrant.
23.1	Consent of Deloitte & Touche LLP.
31.1	Certification of Chief Executive Officer pursuant to Rules 13(a)-14(a) and 15(d)-14(a) promulgated under the Securities Exchange Act of 1934, as amended.
31.2	Certification of Chief Financial Officer pursuant to Rules 13(a)-14(a) and 15(d)-14(a) promulgated under the Securities Exchange Act of 1934, as amended.
32	Certifications Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97	Avis Budget Group, Inc. Clawback Policy (incorporated by reference to Exhibit 97 to the Company's Annual Report on Form 10-K for the year ended December 31, 2023, dated February 16, 2024).
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase.
101.DEF	XBRL Taxonomy Extension Definition Linkbase.
101.LAB	XBRL Taxonomy Extension Label Linkbase.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase.
104	The cover page from the Company's Annual Report on Form 10-K for the year ended December 31, 2025, formatted as Inline XBRL and contained in Exhibit 101.

Certain other long-term debt is described in Note 14 of the Notes to Consolidated Financial Statements. The Company agrees to furnish to the Securities and Exchange Commission, upon request, copies of any instruments defining the rights of holders of any such long-term debt described in Note 14 and not filed herewith.

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

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

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

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

† Denotes management contract or compensatory plan.

GUARANTEE OF PERFORMANCE

For value received, Avis Budget Group, Inc., a Delaware corporation (the "Guarantor"), located at 379 Interpace Parkway, Parsippany, New Jersey 07054, absolutely and unconditionally guarantees to assume the duties and obligations of Payless Car Rental System, Inc., located at 379 Interpace Parkway, Parsippany, New Jersey 07054 (the "Franchisor"), under its franchise registration in each state where the franchise is registered, and under its Franchise Agreement identified in its 2026 Franchise Disclosure Document, as it may be amended, and as that Franchise Agreement may be entered into with franchisees and amended, modified or extended from time to time. This guarantee continues until all such obligations of the Franchisor under its franchise registrations, and the Franchise Agreement are satisfied or until the liability of Franchisor to its franchisees under the Franchise Agreement has been completely discharged, whichever first occurs. The Guarantor is not discharged from liability if a claim by a franchisee against the Franchisor remains outstanding. Notice of acceptance is waived. The Guarantor does not waive receipt of notice of default on the part of the Franchisor. This guarantee is binding on the Guarantor and its successors and assigns.

The Guarantor signs this guarantee at Parsippany, New Jersey on the 16th day of April, 2026.

Guarantor: AVIS BUDGET GROUP, INC.

By: _____

Name: Jean M. Sera

Title: SVP & General Counsel

Exhibit H
Form of License Agreement and Exhibits

PAYLESS CAR RENTAL SYSTEM, INC.

LICENSE AGREEMENT

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PAYLESS CAR RENTAL SYSTEM, INC.
LICENSE AGREEMENT

SUMMARY PAGES

The following pages summarize certain terms of the attached Payless Car Rental System License Agreement (the "**Summary Pages**"). The Summary Pages are an integral part of the attached agreement and are hereby incorporated therein.

1. LICENSEE:

   Name: _____
   Address: _____
   Facsimile: _____
   E-mail Address: _____

2. TYPE OF BUSINESS ENTITY: _____

3. TERRITORY (See Paragraph 1.1): _____
   _____
   _____
   _____

4. LOCATION(S) OF RENTAL BUSINESS ("**Location**") (See Paragraph 8.5(a)):

Local Market Descriptions	**Date to be Opened**

Airport Descriptions	**Date to be Opened**

5. GENERAL MANAGER OF LICENSEE (See Paragraph 9.1):

Name: _____
Address: _____
Telephone _____
Cell Phone: _____
Facsimile: _____
E-mail Address: _____

6. BENEFICIAL OWNER HOLDING AN INTEREST IN LICENSE AND PERCENTAGE OF OWNERSHIP INTEREST HELD (See Paragraph 14.18):

BENEFICIAL OWNERS:	OWNERSHIP PERCENTAGE:
_____	_____
_____	_____
_____	_____

7. EFFECTIVE DATE (See Paragraph 11.1): _____

8. EXPIRATION DATE (See Paragraph 11.1): _____

9. DATE OF COMMENCEMENT OF OPERATIONS (See Paragraph 8.4): _____

10. FEES:

Type	Date Due
(a) Initial License Purchase Fee (See Paragraph 7.1):	Upon execution of Agreement
(b) License Fees (See Paragraph 7.2): 7.5% of Gross Revenues	10th of each month
(c) Monthly Marketing Fees (See Paragraph 7.3):	15th of each month

(d) Reservation Fees (See Paragraph 7.4): Fees assessed pursuant to Rental System Agreement(attached hereto as Exhibit F)	
(e) Global Distribution System Fees (See Paragraph 7.4): Fees assessed pursuant to Rental System Agreement (attached hereto as Exhibit F)	
(f) Travel Agency Commissions (See Paragraph 7.5): Fees assessed pursuant to Centralized Commission Services Program requirements.	Within 30 days of rental for non-preferred accounts 12th of each month for preferred accounts
(g) Termination Fee (See Paragraphs 7.6 and 11.2): 6x the amount of the average License Fees for one-year period multiplied by formula	Upon termination
(h) Customer Complaint Fee (See Paragraphs 6.3 and 7.7): Payless has the right to charge back Licensee up to the amounts of the total rent charges incurred by the customer for the rental transaction. The resolution amount is billed to the invoice/composite statement.	Upon receipt of invoice
(i) Late Fees (See Paragraph 7.12): Two percentage points (2%) over the prime interest rate listed in the Wall Street Journal or any successor or comparable publication selected by Payless as of the first (1st) day of each month or at the highest rate permitted under applicable law, whichever is lower.	Upon receipt of invoice
(j) Renewal Fee (See Paragraph 11.1): $2,500	Upon renewal

(k) Transfer Fee (See Paragraph 12.2(a)): 5% of sales price (minimum $2,500)	Upon transfer

11. VEHICLE REQUIREMENTS (See Paragraphs 8.1 and 9.12):

Licensee is authorized to offer for rental only the following types of Vehicles:

Vehicles designed primarily for transporting passengers, including sport utility vehicles ("SUVs") of any size, crossovers, passenger vans of any occupancy and smaller than medium duty pick-up trucks.

Number of Vehicles as of Date of Commencement of Operations:

_____

Market Penetration Quotas (as applicable):

Timeline	Number of Vehicles
From _____, 20__ to December 31, 20__:	
From January 1, 20__ to December 31, 20__:	
From January 1, 20__ to December 31, 20__:	
From January 1, 20__ to December 31, 20__:	
From January 1, 20__ to December 31, 20__:	
From January 1, 20__ to December 31, 20__:	

12. REPORT DUE DATES (See Paragraphs 9.8 and 9.10):

Monthly System Fee Report 10th of each month

Year-end Financial Statement: 120th day after close of fiscal year of Licensee

13. PAYLESS PROGRAMS (See Paragraph 6.6):

Programs	Check If Applicable
Inner-City Program	☐

Rental System Agreement (including Payless Licensee Customer Adjustment Procedure)	☐
Payment Programs	☐
Other: _____	☐

14. NOTICES TO LICENSEE (See Paragraph 14.20):

Name: _____
Address: _____
Attention: _____
E-mail Address: _____

15. NOTICES TO PAYLESS (See Paragraph 14.20):

Name: Avis Budget Group, Inc.
Address: 379 Interpace Parkway, Parsippany, New Jersey 07054
Attention: _____
E-mail Address: _____

With a copy to: Legal Department, Avis Budget Group, Inc.
379 Interpace Parkway, Parsippany, New Jersey 07054
Attention: Vice President of Licensee Relations

PAYLESS CAR RENTAL SYSTEM
LICENSE AGREEMENT

THIS LICENSE AGREEMENT (the "**Agreement**") is made this ____ day of _____, 20__, (the "**Effective Date**") by and between **Payless Car Rental System, Inc.**, a Delaware corporation ("**Payless**"), with its principal office at 379 Interpace Parkway, Parsippany, New Jersey 07054 and _____ ("**Licensee**").

PREAMBLES

Payless has developed a system (the "**System**") for renting and leasing Vehicles (as defined below) and such other vehicles, without drivers, as may be approved by Payless in writing, which business is commonly known as a Payless Car Rental business and more fully defined in **Paragraph 1.2** (the "**Rental Business**"). Rental Business are conducted under certain trade names, trademarks and service marks, including "Payless," and "Payless Car Rental," with their associated logos, color schemes and other existing or future trademarks, service marks, and indicia as designated by Payless (collectively the "**Marks**"). The System has acquired substantial good will through the efforts of Payless and its international network of mutually interdependent licensees and affiliate-owned operations (the "**Network**"). The System may be improved, further developed or otherwise modified by Payless through the use of standards, specifications and operating procedures prescribed by Payless in its various manuals (the "**Manual**"). The System will be the same for both Payless and its licensees and will be applicable to all Payless licensees (collectively, the "**Standards**").

Licensee shall be exclusively licensed by Payless to use the System and the Marks to conduct a Rental Business offering for rental the types of vehicles designed primarily for transporting passengers, including sport utility vehicles ("SUVs") of any size, crossovers, passenger vans of any occupancy and smaller than medium duty pick-up trucks (collectively, the "**Vehicles**"). In executing this Agreement, Licensee shall operate the Rental Business in conformity with the Standards, to strictly comply with the provisions of this Agreement and conduct the Rental Business ethically, honestly and fairly. Licensee will not conduct the Rental Business in a manner, which may discredit or impair the value of the Rental Business, the System or the Marks. As an inducement to Payless' entering into this Agreement, Licensee represents to Payless that all information set forth in any and all applications, financial statements and submissions to Payless is true, complete and accurate in all respects and that there have been no misrepresentations or omissions in any application, statement or submission to Payless.

NOW THEREFORE, in consideration of the mutual covenants and undertakings herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

AGREEMENT

ARTICLE I

EXCLUSIVE LICENSE

1.1 Exclusive License. Subject to the provisions hereof (including **Paragraphs 1.2** and **1.3**) and the continuing performance by Licensee of its obligations under this Agreement and the Standards, and excluding Licensee's right to license and conduct non-exclusive Rental Business, Payless hereby grants to Licensee the exclusive right and license to conduct a Rental Business under the Marks and the System within the geographical territory identified on **Summary Pages (Section 3)** hereto (the "**Territory**"). Licensee accepts such license and agrees to use its best efforts to develop and continuously operate the Rental Business in accordance with this Agreement and the Standards.

1.2 Reservation of Rights for Licensee's Rental Business. Licensee will not operate the Rental Business or any part thereof except from the Location(s) identified on **Summary Pages (Section 4)** hereto or such other Location(s) within the Territory approved by Payless. Licensee may serve any customer without regard to the customer's domicile, provided Licensee will not pick up customers or deliver Vehicles outside of the Territory, nor will Licensee rent any Vehicles which are not returnable by the customer to a Location operated by Licensee within the Territory, unless such rental is made pursuant to an authorized Payless program. In connection with the license granted to Licensee hereunder, the term "**Rental Business**" is defined exclusively as the business of renting and leasing Vehicles and such other vehicles, without drivers, as may be approved by Payless in writing, for a period not to exceed one hundred and eighty (180) days, under the Marks and the System, and does not include or refer to the rental, lease or sharing of any other vehicle or product or to any other business or commercial activity, including any business engaged in the sale of new or used vehicles or the rental, lease or sharing of any type of vehicle not authorized by Payless.

Payless reserves all rights not expressly granted to Licensee in this Agreement, including rights of Payless and its affiliates and parent companies and subsidiaries (collectively, the "**Related Entities**") to: (a) operate, and grant others the right to operate, one or more Rental Business outside the Territory and, under certain circumstances as agreed to in **Paragraphs 6.1, 11.7, 11.10, 11.11** and **11.12**, inside the Territory, on such terms and conditions as Payless deems appropriate; (b) hire and/or appoint sales persons and general sales agents and negotiate and enter into local, regional, national and international sales and marketing agreements with persons or entities located within the Territory; (c) use the Marks for any purpose within the Territory, other than for the operation of a Rental Business at a location within the Territory (subject to Payless' rights under **Paragraphs 6.1, 11.7, 11.10, 11.11** and **11.12**); (d) operate, and grant others the right to operate, businesses (including businesses that offer for rent, lease, share or sale Vehicles and other motorized and non-motorized equipment) outside and within the Territory under trademarks different than the Marks; and (e) offer and sell products and services to customers located anywhere, whether inside or outside of the Territory, under the Marks or any other trademarks or service marks through alternative channels of distribution, like the Internet, e-mail, digital cellular networks, smartphone applications and similar e-commerce channels, as well as tour operators,

wholesalers, telemarketing or other direct marketing. In addition, Payless and its Related Entities may advertise its services to any person anywhere including in the Territory. Licensee may advertise for customers outside the Territory, but not in yellow pages advertising circulated wholly outside the Territory.

Nothing in this Agreement will prohibit Payless or its Related Entities from: (i) operating, and granting others the right to operate, a Rental Business in the Territory where such Rental Business offers for rental, lease, share or sale vehicles other than the Vehicles; (ii) operating the System alongside or in conjunction with any of the Related Entities; or (iii) selling their assets, engaging in a public offering or private placement of ownership interests, merging with or acquiring other corporations or entities, or being acquired by another corporation or entity (including a corporation or entity which may own or operate systems or chains which may be competitive with or similar to the Network).

1.3 Prohibition Against Sublicensing. Licensee no right or authority to grant a sublicense to any person to perform any part of Licensee's rights or obligations.

1.4 Territory. This license will be exclusive, for the Rental Business and non-exclusive for Rental Business, subject to the terms of this Agreement, only throughout the Territory as it exists on the Effective Date (as defined in the **Summary Pages (Section 7)**). If the Territory description, as understood in the future, defines a territory larger than the Territory as it exists as of the Effective Date (the "**Expanded Territory**"), the Territory will include such Expanded Territory provided that such territory is not being served by corporate locations or has not already been licensed by Payless to another person or entity.

1.5 Exclusive Relationship. Payless would be unable to protect its confidential information against unauthorized use or disclosure and would be unable to encourage a free exchange of ideas and information among the Network and between Licensee and Payless if Licensee, its beneficial owners or persons related to Licensee or its beneficial owners were permitted to engage in other businesses competing with Rental Business or Payless. Accordingly, neither Licensee, its beneficial owners, any immediate family member of Licensee or its beneficial owners, nor any of Licensee's principal officers or directors will, during the term of this Agreement, directly or indirectly, participate or engage in as an owner, partner, director, officer, employee, consultant or agent, or in any other capacity, in any other vehicle rental business, car sales or sharing business or system located or operating anywhere in the United States (or its territories or possessions), except other vehicle rental or vehicle sharing businesses operated under license agreements with Payless or, with Payless' consent, any of the Related Entities.

ARTICLE II

MARKS AND SYSTEM

2.1 Payless' Exclusive Ownership. Payless represents that it has applied for or is applying for registration in the Territory of the Marks. Licensee acknowledges and agrees that Payless, or one of its Related Entities, owns all rights to and interest in the Marks, and has exclusive ownership of the System, and that Licensee's use of the Marks, or any variation thereof, and any

goodwill established thereby inures to the exclusive benefit of Payless. Licensee agrees not to contest, or assist anyone else in contesting, at any time during or after the term of this Agreement, in any manner, the validity of Payless' exclusive ownership of and rights to the Marks, the limitations on Licensee usage (as defined below and in the then-current Standards) or any element of the System, whether now existing or hereafter created or obtained.

2.2 Notification of Infringement/Claim. Licensee shall notify Payless immediately in writing of any apparent infringement of or challenge to Licensee's use of any Mark or claim by any person other than Payless of any rights in any Mark or any similar trade name, trademark or service mark of which Licensee becomes aware. Licensee shall not communicate with any person other than Payless and Payless' counsel in connection with any such infringement, challenge or claim. Payless will have sole discretion to take such action as it deems appropriate and the right to control exclusively any litigation or administrative proceeding arising out of any such infringement, challenge or claim or otherwise relating to any Mark. Licensee shall execute any documents, render such assistance and do such acts and things as may, in the opinion of counsel for Payless, be necessary or advisable to protect the interest of Payless in any such litigation or proceeding or to otherwise protect the interest of Payless in the Marks. Payless will indemnify, defend and hold harmless Licensee from any third party damages suffered by Licensee in any such litigation or proceeding arising from Licensee's proper use of any Mark, and Payless may resolve the matter by obtaining a license for Licensee at Payless' expense, or by requiring that Licensee discontinue using the infringing mark or modify Licensee's use of such mark to avoid infringing the rights of any third party. Licensee shall not infringe upon the trademark rights of any third parties, will cease any infringing activities upon request by Payless and agrees to fully indemnify, defend and hold harmless Payless from any third party infringement claims and or damages suffered by Payless in any such litigation or proceeding arising from Licensee's activities.

2.3 Limitation On Use. The right of Licensee to use the Marks is derived solely from this Agreement and is limited to the conduct of the Rental Business pursuant to and in compliance with this Agreement and the Standards. Licensee will not use any of the Marks, or any variation thereof, other than in conformity with the above, and it will not use or incorporate any of the Marks in or as part of its corporate name or with any prefix, suffix or symbols, or in any modified form (including any local or special adaptations or artistic variations of any of the Marks), nor may Licensee use any Mark in connection with the sale of any unauthorized product or service, any other business or in any other manner not expressly authorized in writing by Payless. Licensee will not register or apply to register any trademarks or service marks containing or comprising the term Payless, or any of the other Marks, in whole or in part, at any time during or after the term of this Agreement in the United States or anywhere else in the world. Licensee will not use any existing or future Mark or any variation thereof including any symbols or terms confusingly similar thereto, as part of any electronic medium, including a domain name, internet home page, bulletin board, chat-group, buddy list, and URL or electronic address of a website, without Payless' prior written approval. Licensee will not advertise the Rental Business on any other website aside from the authorized Payless website, absent Payless' prior written approval. Licensee may be required to develop and maintain an interior page on Payless' website at Licensee's expense; however, Payless has sole discretion and control over the design and content on or linked to its website and reserves the right to engage third parties to develop, service or otherwise administer its website. For purposes of this Agreement, a "**website**" is an electronic document contained in a network of

computers linked by communications software. Licensee agrees to immediately transfer, without charge, the ownership of any domain names containing the Marks to Payless upon demand. Licensee agrees to display the Marks prominently and in the manner prescribed by Payless on signs, forms, and other materials and articles that Payless designates. Licensee agrees to give such notices of trademark, service mark and copyright ownership or registration as Payless specifies and to obtain such fictitious or assumed name registrations as may be required under applicable law. If it becomes advisable or desirable at any time in the judgment of Payless for Licensee to modify or discontinue use of any Mark, and/or use one or more additional or substitute Marks, Licensee agrees to do so at its sole cost and expense and in accordance with the schedule prescribed by Payless. Upon expiration or termination of this Agreement, Licensee will immediately cease and desist from all further use of each of the Marks.

2.4 Nondisclosure. Licensee acknowledges and agrees that: (a) it has no proprietary or other rights or claims in or to any element of, the System or the Marks; (b) all materials loaned or otherwise made available to Licensee, and all disclosures made to Licensee by or at the direction of Payless, and not to the general public, at any time before or during the term of this Agreement, including the contents of the Manual and the Standards, current and prior research, development and test programs and any marketing, advertising, operational and promotional programs, are communicated and made available confidentially and as trade secrets; and (c) the copyright in the Standards and all other documents and materials relating to the System vest solely in Payless. Licensee agrees to make all reasonable efforts to maintain the confidentiality of these documents both during and after the term of this Agreement. Licensee will not reproduce, exhibit, remove from its place of business or disclose to any person (other than its partners, shareholders, officers and employees on a need to know basis and after ensuring their commitment to confidentiality), or use for any purpose other than operation of the Rental Business, the Standards or any other confidential element of, or information relating to, the System. Licensee acknowledges and agrees that the foregoing are trade secrets of significant commercial value to Payless, in which Payless has made a substantial investment and has a legitimate right to protect against unlawful disclosure.

2.5 System Ideas. If Licensee develops any idea, method of operation, formula, design, invention, marketing technique or trademark (collectively, "**Improvements**") which could be useful to the operation of the System, then Licensee agrees upon the request of Payless, to make available to Payless and the Related Entities, and their respective successors and assigns, and all System licensees and operators in the Network throughout the world, such Improvements free of charge and for perpetual duration.

2.6 Modifications to the System. Payless may have to change the System to preserve and enhance the image of the Network, to accommodate consumer tastes and/or to maintain or enhance the efficiency and profitability of System licensees and operators. Accordingly, Payless may change any of the elements of the System (including by introducing new Marks, products, reservation systems, other services and Standards) and, on notice from Payless, Licensee will promptly accept and implement all such changes at Licensee's expense and in accordance with the schedule prescribed by Payless.

ARTICLE III

PAYLESS MANUAL

During the term of this Agreement, Payless will grant Licensee access to the Manual. For purposes of this Agreement, "**Manual**" means manuals or policies and procedures, Standards, specifications and requirements relating to the Rental Business, as Payless specifies. The Manual may be revised, changed, modified or supplemented by Payless at any time. Modifications in the Manual will become effective thirty (30) days after written notice thereof to Licensee, unless a longer period is specified in such written notice. The Manual also includes training manuals, development manuals and other business manuals as may be prepared for use by Payless licensees. The Manual may be in printed and/or electronic format and may include audiotapes, videotapes, information available on an Internet site or other electronic media. It may also consist of several component parts and materials Payless may issue, including bulletins, handbooks, newsletters, computer-based and computer-transmitted information. The Manual is confidential and will remain Payless' exclusive property and may not be duplicated, shared or re-distributed. The Manual will be an integral part of this Agreement and references made in this Agreement or in any amendments, exhibits or schedules hereto to the Manual will be deemed to mean the Manual as current. In the event of a dispute relative to the contents of the Manual, the master copies maintained by Payless at its principal office will be controlling.

ARTICLE IV

INSTRUCTION AND OPERATING ASSISTANCE

4.1 Pre-opening Instruction. Prior to the opening of the Rental Business (or commencement of operations as a result of a transfer), Payless will furnish, and the General Manager (as described in **Paragraph 9.1** and the **Summary Pages (Section 5)**) and such other employees of Licensee as are approved by Payless will attend and complete a comprehensive training program for the operation of a Rental Business, and any additional required courses, to Payless' satisfaction. The instruction will be furnished at the time and place and in such manner as designated by Payless. Should travel be required, Licensee will pay all travel and living expenses incurred by the General Manager and any of its other employees receiving the instruction.

4.2 Operating Assistance and Training; Correcting Deficiencies. Payless provides a comprehensive training program and provides additional courses, resources, webinars and training materials to assist Licensee in the training of its General Manager and employees in the operation of the Rental Business. Payless reserves the right to require Licensee to attend training, as it deems necessary and in its sole discretion, and Licensee shall be required to complete any initial training subject to the terms of this **Paragraph 4.2**. Payless will furnish to Licensee such operating training and assistance through regular notices and announcements concerning System developments on a continuing basis, as in Payless' judgment is reasonably necessary. All training may require, at Payless' sole discretion, the attendance and participation of Licensee, its principals, its General Manager, managerial personnel or other staff of the Rental Business. Licensee will bear all expenses associated with such training programs, including travel, lodging, meals and entertainment, if any. All training must be properly attended and/or completed timely and to

Payless' satisfaction. Licensee will cooperate with Payless and its representatives in connection with all training and assistance provided by Payless and will promptly undertake to correct any deficiencies brought to Licensee's attention in connection therewith. If Licensee fails to correct any such deficiencies within the time Payless prescribes, then Payless may (but is not required to) correct, or cause the correction of, such deficiencies and Licensee will reimburse Payless for the reasonable costs and expenses it incurs in connection therewith.

4.3 Attendance at Conventions/Seminars. Payless may, at its sole option, hold periodic conventions or seminars for the Network, which may include programs on sales and marketing techniques, performance specifications, advertising programs and training suggestions, among other things. Licensee's attendance at each convention or seminar is mandatory and Licensee will bear all expenses of attending, including travel, lodging, meals and entertainment.

ARTICLE V

ADVERTISING AND PROMOTION BY PAYLESS

5.1 Monthly Marketing Fees Allocated to Advertising and Promotion. Payless will conduct such advertising and promotion, at its own expense, and in such manner and to such extent, as Payless sees fit in its sole discretion. With respect to such advertising and promotion by Payless, Payless may expend the Monthly Marketing Fees (as required in **Paragraph 7.4** and the **Summary Pages (Section 10(d))**) for advertising and promotion (including the development and operation of the Reservation System and the development of National Accounts business, as hereinafter more fully described in **Paragraphs 6.2** and **6.1**, respectively) such amounts as Payless, in its sole discretion, deems appropriate and desirable.

5.2 Advertising and Promotion Conducted by Payless. If Payless (in its sole discretion) elects to conduct advertising and promotion for the Network (or for any part of the Network), Licensee will have no right, claim or interest of any kind in or to any Monthly Marketing Fees paid by Licensee to Payless that Payless intends to expend or expends for advertising and promotion or to any allocation of such funds, including the portion of the Reservation Fee collected by Payless from Licensee towards expenses related to the promotion of reservation channels, pursuant to **Paragraph 7.5** and the **Summary Pages (Section 10(e))** herein. Payless will have sole discretion over the funds and the related advertising and promotion activities, including over: (1) the creative concepts, formats, materials and endorsements used; (2) the geographic, market and media placement and allocation of programs and activities; and (3) the sources used to formulate, develop and conduct advertising and promotion. Payless' expenditures (if any) will be intended to maximize recognition of the Marks and patronage of all Rental Businesses and may be used to support experimental or test programs and programs that, in the judgment of Payless, will enhance brand awareness. Payless undertakes no obligation to ensure that its expenditures in or affecting any geographic area will be proportionate or equivalent to the License Fees or any other fees paid by licensees operating in that geographic area. Payless does not guarantee that any licensee will benefit directly from Payless' advertising and promotion expenditures, nor does Payless guarantee the distribution of advertising in any quantity or format, to or for any particular licensee or licensees, or in any area, which includes a particular licensee's territory. Payless will have no obligation to segregate any funds paid by Licensee to Payless which Payless plans to

expend for advertising and promotion, nor will any such funds be deemed trust funds but rather will be deemed general funds of Payless.

5.3 International Directory. Payless may cause to be published an international directory listing the name and address of the Rental Business. The international directory may be published electronically.

ARTICLE VI

PROGRAMS

6.1 National, Travel Programs and Other Account Participation. Payless will have the right to enter into service contracts with agencies and departments of the national, state/provincial, local and other governmental subdivisions; national and international industries and institutions; and other local, regional, national and international accounts (collectively, the "**National Accounts**"). Payless has the right to set minimum and maximum pricing to the extent permitted by law. Licensee agrees to accept reservations, abide by all terms and rates and maintain the availability of Vehicles for rent to such National Accounts. Licensee will service such National Accounts in the same manner as is required in this Agreement for other customers of Licensee or to provide such higher level of service for the National Account customers as required by the Standards, including maintaining and sharing with the Network information about the National Account and National Account customers. Subject to the provisions of **Paragraph 9.15**, Licensee agrees to comply with all of the terms and conditions of all National Account programs, as Payless may establish and modify, including rebates, damage waivers and liability insurance coverage. Payless has established a centralized system of paying travel agents and other groups as a result of referral business to Licensees. Licensee will reimburse Payless for amounts paid to travel agents or other groups on Licensee's behalf, including abiding by the terms of such credit and other programs such as frequent flyer, frequent renter or other travel incentive programs, which Payless may designate. Licensee will display any promotional programs, including special suggested rate promotions as a result of agreements Payless enters into with National Accounts. Licensee must provide service to the National Accounts in accordance with Payless' requirements. If Licensee fails to do so, in addition to other remedies available to Payless under this Agreement, Payless will have the right, without notice to Licensee, to provide (or license a third party, including a Related Entity, to provide) service to one or more National Accounts in the Territory.

6.2 Reservation and Rental Systems. Licensee agrees to: (a) participate in a reservation system (the "**Reservation System**"), which is now in effect, which may be modified or which may hereafter be instituted by Payless, in its sole discretion; (b) execute and comply with all of the terms and conditions of any rental system agreement with Payless or a Related Entity that Payless may designate in its sole discretion, or any amended or substitute agreement governing participation in the Reservation System (the "**Reservation Agreement**"); (c) accept and honor all reservations received through the Reservation System or otherwise from other Network operators, if required, and to transmit all reservations which it is requested to place by any customer to the appropriate Network operator, if required, without charge to the customer, and without fee to the receiving operator, other than as required by the Standards or the Reservation Agreement; (d) adhere to the rental rates that it places in, or has another place in, the Reservation System or

any other reservation system; (e) if required by Payless in its sole discretion, execute and comply with all of the terms and conditions of the Rental System Agreement (the "**Rental System Agreement**") with a Related Entity designated by Payless; (f) reserve for Payless the right to require Licensee to connect to other designated reservation systems and process through such system all rental transactions entered into with customers in the Rental Business; and (g) reserve for Payless the right to require Licensee to use rental software from certain designated software providers in conjunction with the Reservation System or any other reservation system that Payless designates.

6.3 Customer Complaint Programs. Licensee shall comply with all of the terms and conditions of all then-current customer complaint programs as required by the Standards; the cost to administer the current program is included as part of the Reservation Fee. Further, Payless shall handle customer complaints subject to the Payless Licensee Customer Adjustment Procedure (the "**Customer Adjustment Procedure**"). Under the Customer Adjustment Procedure, Payless shall have the right to resolve disputes at Payless' discretion between Licensee and its customers and issue payments to customers on the Licensee's behalf. Payless shall have the right to charge back Licensee up to the amounts of the total rental charges incurred by the customer for the rental transaction. The resolution amount is billed to the Licensee's Composite Statement (as described in **Paragraph 7.9**).

6.4 Payment Programs. Licensee agrees to accept such credit cards, vouchers, tour vouchers and other forms of payment from its customers, and otherwise to participate in and comply with all of the terms and conditions of payment programs, as required by the Standards.

6.5 Inter-City Program. Licensee agrees to fully participate in and comply with all of the terms and conditions of the then-current Inter-City Program governing the use and movement of corporate and licensee Vehicles. Licensee will cooperate with other licensees of the System for the purposes of providing the highest quality customer service and efficient handling of business for the entire System. Licensee will assist in the repair and return of disabled vehicles of other System licensees and will handle inter-city drops in accordance with System policy.

6.6 Other Payless Programs. Licensee will subscribe to, participate in, and fully comply with any advertising campaign, sales promotion, operating program, procurement program, customer satisfaction program, marketing program, account program or experimental or test program which, in Payless' judgment, enhances brand awareness or other similar activities which Payless may prescribe in the Standards or otherwise or make available for or on behalf of the Network, including those programs listed in the **Summary Pages (Section 13)**, as such programs may be modified, replaced or instituted by Payless (including all other programs described in this **Article VI**, collectively, the "**Programs**"). Licensee agrees to support and service such Programs in accordance with the relevant provisions thereof, as required by the Standards, and to contribute to the expense thereof, if any, on the same basis as other similarly situated System licensees. Licensee may be required to enter into participation or other agreements to evidence its participation in such Programs.

ARTICLE VII

FEES AND OTHER PAYMENTS

7.1 Initial License Purchase Fee. Licensee will pay to Payless an Initial License Purchase Fee for the right to become the Network licensee in the Territory in the amount set forth and in the manner identified in the **Summary Pages (Section 10(a))** upon execution of this Agreement. Such fees are fully earned by Payless upon execution of this Agreement and are not refundable, in whole or in part, under any circumstances.

7.2 License Fees. Licensee will pay to Payless by the tenth (10th) of each month: License Fees for the operation of the Rental Business, and other fees associated with the Rental Business, in the amount set forth and in the manner identified in the **Summary Pages (Section 10(b))**. The definition of Gross Revenue for the Rental Business is defined in **Paragraph 7.10**. All fees due hereunder will be documented through the Monthly System Fee Report and invoice, which Licensee will submit to Payless along with all fees due hereunder. Such fees will be subject to adjustment in accordance with the results of any audit by Payless of the records of Licensee.

7.3 Monthly Marketing Fees. Licensee will pay to Payless a Monthly Marketing Fee identified in the **Summary Pages (Section 10(c))**. License Fees and Monthly Marketing Fees are collectively referred to as "**System Fees**."

7.4 Reservation Fees. Licensee will participate in the Reservation System Payless designates and in no other reservation system and will pay to Payless or one of its Related Entities the then-current reservation fees established by Payless or one of its Related Entities for each reservation transmitted to Licensee whether or not the reservation results in a rental ("**Reservation Fees**"). Licensee will accept and service all reservations at the time of day requested by the customer. The current Reservation Fee is identified in the **Summary Pages (Section 10(d))**. This fee is subject to change at the discretion of Payless. If Licensee fails to pay Reservation Fees when due, Payless may remove, suspend or block Licensee's right to receive reservations. In addition to the Reservation Fees payable to Payless or one of its Related Entities, Licensee will pay to certain, but not all, third party travel agencies the then-current Global Distribution System Fees ("**GDS**") identified in the **Summary Pages (Section 10(e))**.

7.5 Travel Agency Commissions. Licensee will participate in all Payless-approved programs for the centralized payment of travel agency commissions, will comply with Payless rules and regulations relating thereto, and will ensure that all such commissions are promptly paid in accordance with System policy. Currently, travel agency commissions are identified in the **Summary Pages (Section 10(f))**. If such commissions are not timely paid, Payless will have the right, but not the duty, to pay such commissions and bill Licensee for such commissions. Should Licensee fail to pay travel agent commissions when due, Payless has the right to cease all reservations which Payless, or any third party, transmits to Licensee until all amounts due to Payless or any third party are paid in full.

7.6 Termination Fee. If Licensee terminates this Agreement pursuant to Paragraph 11.2, Licensee may be charged a termination fee as described in **Paragraph 11.2** and the Summary Pages (Section 10(g)).

7.7 Customer Complaints. If Payless resolves a complaint on behalf of Licensee as described in Paragraph 6.3, Payless will bill Licensee the amount disbursed to a third party in settlement of the complaint and any applicable customer complaint fees or handling charges.

7.8 Reports. Payless may specify periodic reports Licensee will submit to Payless and require Licensee to submit these forms electronically. Payless also reserves the right to prepare (or cause one of its Related Entities to prepare) and make available to Licensee a monthly composite statement ("**Composite Statement**") for the Territory which will contain specific charges and credits relating to various programs including, the Programs referenced in **Article VI**. If Payless so chooses to use a Composite Statement, Licensee will pay to Payless (or its designated affiliate) all amounts contained within the Composite Statement, including any late fees, administrative fees and/or any contested fees that have not been resolved as further described below, within forty-five (45) days of the Composite Statement Date. Licensee will have forty-five (45) days from the Composite Statement Date, to contest and adequately address any charges or credits on the Composite Statement in accordance with the Standards (the "**Review Period**"). Licensee agrees that any changes or credits not properly contested or addressed within the Review Period will be considered final, due and payable to Payless (or its designated affiliate) pursuant to this **Paragraph 7.8** and the Rental System Agreement. Payless (or its designated affiliate), at its sole discretion, will first apply any payments that it receives to the oldest balances first and may modify the Review Period or any of the Standards relating to the Composite Statement upon written notice to the Licensee.

7.9 Incomplete Records. If the books and records of Licensee are missing or incomplete, for purposes of calculating System Fees, the Gross Revenue of Licensee will equal the average of the Gross Revenue of two other Payless Rental Business that are most similar to the Rental Business, as determined by Payless in its sole discretion, based on the latest available car rental volume statistics, reservations systems statistics or by sales tax reports or other data.

7.10 Definition of "Gross Revenue.". The term "**Gross Revenue**" will, for purposes of this Agreement, mean any and all sums of every nature and character (whether in cash, credit or otherwise) payable (collected or uncollected) under closed rental agreements, vehicle lease agreements, sublicense agreements, or otherwise, in Licensee's operation of its Rental Business including time, mileage, damage or loss waiver, insurance products, service fees, surcharges and any other charges for any ancillary goods or services provided directly or indirectly in connection with Licensee's Rental Business, including baby seats, navigational devices, portable XM radios and/or DVD players, tire chains, locks, ropes, hitches, pads, boxes, portable lifts, and other products and services associated with loading, unloading, securing contents and packing trucks and cars and specifically excluding only the following: (a) any national, state/province or local sales or other similar taxes separately stated, collected from customers and paid by Licensee to the applicable airport authority; (b) any amounts received as insurance proceeds or otherwise for damage to vehicles or other property of Licensee, or for loss, conversion or abandonment of such vehicles; (c) revenue derived from the sale of fuel furnished at the time of rental; and (d) customer

facility fees ("**CFC**"), collected from customers and paid by Licensee to the applicable governmental authority.

7.11 Method of Payment. Payless will have the right to require Licensee to participate in an electronic funds transfer program under which all License Fees and any other payments due Payless or any of the Related Entities under this Agreement or any other agreement between the parties are transferred electronically from Licensee's bank account to the bank or other financial institution specified by Payless, all of which will be in accordance with the Standards; provided, however, in no event will Payless have the right to access Licensee's bank account directly.

(a) System Fees. Licensee will pay System Fees to Payless on or before the 15th day of each month for the preceding month.

(b) Reservations Fees. Licensee will pay Reservation Fees on or before the 20th day of each month for the preceding month.

7.12 Interest on Monies Past Due. Licensee will pay to Payless and the Related Entities (unless any such entity has a separate agreement for the payment of interest on amounts owed) interest on any monies which in any manner relate to the Rental Business and are not received by Payless or the Related Entities when due. Such interest will accrue, commencing with the day after any monies are due (as described in the **Summary Pages (Section 10(i))** on amounts not paid when due. Any monies received by Payless or the Related Entities will first be applied against any outstanding interest balance and then against any other monies due from Licensee to Payless or the Related Entities. Late fees will be assessed against all amounts past due including past due late fees.

7.13 Application of Payments. Subject only to the last sentence of **Paragraph 7.12**, Payless will have the sole discretion to apply any payments made by Licensee to any past due indebtedness of Licensee. Payless and the Related Entities will have the right to set off any and all amounts Licensee owes Payless or the Related Entities against any amounts owed to Licensee by Payless, the Related Entities or any third party for which Payless acts as an intermediary or performs services, whether due under this Agreement or otherwise, or to establish a protocol or procedure for deducting any amounts which Licensee owes Payless, the Related Entities, or any third party for which Payless acts as an intermediary or performed services from payments that are owed to Licensee.

ARTICLE VIII

DEVELOPMENT OF TERRITORY

8.1 Location and Vehicles. Licensee agrees to develop the Territory to achieve and maintain the maximum possible market penetration for the Rental Business by opening Locations by the dates, and in the local markets and commercial airports listed in the **Summary Pages (Section 4)**, and to actively and continuously operate the Rental Business at all of those Locations throughout the term of this Agreement; except that upon forty-five (45) days prior written notice to Payless, Licensee may cease operating the Rental Business at any commercial airport listed in

the **Summary Pages (Section 4)**, without being in default of this provision, in the event all airlines eliminate service at such airport. To further achieve and maintain the maximum possible market penetration within the Territory, Licensee agrees to maintain at least the number of Vehicles available for rent within the Territory by the dates listed in the **Summary Pages (Section 11) ("Market Penetration Quotas")**. To determine the Market Penetration Quotas, Payless will rely upon factors such as population increases and the presence or absence of an airport. Payless may use accepted industry parameters, census tracts, population densities, zip code boundaries, buying patterns, traffic counts and projected commercial and residential growth to determine computations for adjusting Market Penetration Quotas. The Location and Vehicle requirements identified in the **Summary Pages (Sections 4** and **11)** reflect the minimum market penetration acceptable to Payless.

8.2 Licenses, Concession Agreements, Leases and Permits. Licensee will use its best efforts to obtain provisions in its licenses, concession agreements, leases and permits providing that (a) Payless will receive written notice of any default by Licensee under such license, concession agreement, lease or permit and an opportunity to cure such default for a period of thirty (30) days after receipt of such notice, (b) upon termination of this Agreement for any reason, such licenses, concession agreements, leases and permits will be deemed assigned to Payless subject to acceptance of said assignment by Payless (at its option), (c) the lessor or other party to such license, concession agreement, lease or permit is authorized to deliver to Payless all information in its possession regarding the Rental Business, and (d) Payless will be authorized to enter the premises upon termination of this Agreement to remove materials and signage containing the Marks. At Payless' option, Licensee agrees that whenever it seeks to operate from an airport, it will obtain the entry by the applicable airport authority into the Contingent Assignment of Airport Concession Agreement attached as **Exhibit D** or such other similar agreement previously approved by Payless in writing. Payless reserves the right to negotiate directly with some or all airport authorities in the Territory to obtain its own airport concession agreements, which it will sublease to Licensee. Licensee agrees to cooperate fully with Payless in its efforts, and to honor all of Payless' and its obligations under said Airport Concession Agreement.

8.3 Prior Approval of Locations. Each Location operated by Licensee will be subject to the prior written approval of Payless and will be managed by an employee of Licensee who has completed the instruction specified in **Paragraph 4.1**. Such approval will not constitute a representation by Payless regarding the profitability of a particular Location. Locations must adhere to the specific requirements listed in the **Summary Pages (Section 4)** and in accordance with the Standards. Payless will consider factors including market size, fleet requirements, proximity to airport or other commercial hub, traffic patterns and access, the availability of real estate in the given market and cost factors before declaring approval or disapproval.

8.4 Commencement of Operations. Licensee agrees to commence the operation of the Rental Business not later than the date specified in the **Summary Pages (Section 9)**. Licensee will be deemed to have commenced operations of the Rental Business hereunder upon the opening of its first Location in the Territory.

8.5 Development of the Rental Business Premises.

(a) Location of Rental Business. The Rental Business may be operated only from the Location(s) pre-approved by Payless in writing according to **Paragraph 8.3** and the **Summary Pages (Section 4)**, and may be used only for the Rental Business and no other purpose without Payless' prior written consent, except where Payless has granted Licensee the right to operate non-exclusive Rental Business under this Agreement. Payless is not obligated to visit any specific site before declaring approval or disapproval.

(b) Layout and Appearance of Rental Business. Licensee will submit to Payless for Payless' written approval, plans and specifications for the layout of each proposed location of the Rental Business. Upon Payless' approval, Licensee will promptly proceed to develop the Rental Business location in accordance with the Standards. No material changes will be made to the layout or appearance of any of the Rental Business during the term of this Agreement without Payless' prior written approval.

(c) Condition of Rental Business; Hours of Operation. The Rental Business will be kept and maintained at all times in clean condition, in good order and repair and in accordance with the Standards.

(d) Refurbishing and Upgrading. Subject to **Paragraph 9.20** herein, Licensee agrees to refurbish and upgrade the condition of the Rental Business as may be reasonably required by Payless to maintain or improve the appearance of the Rental Business, to increase its sales potential or to comply with the Standards. Licensee agrees to display the then-current Payless logos and marks on all signage, forms, uniforms, stationery and any other items containing the Payless logos and Marks. If Payless changes the logo or trade dress, Licensee will have twenty-four (24) months to make such modifications pursuant to this paragraph.

ARTICLE IX

OPERATIONAL REQUIREMENTS

9.1 General Manager. Licensee will employ on a full-time basis at least one (1) General Manager who has completed the instruction furnished by Payless to Payless' satisfaction and who will devote his or her entire time during normal business hours to the management, operation and development of the Rental Business. The General Manager designated by Licensee at the date of execution of this Agreement is set forth in the **Summary Pages (Section 5)**. Licensee will notify Payless of any proposed change in its General Manager. Any replacement General Manager must complete the instruction Payless prescribes to Payless' satisfaction. No person may be employed as the General Manager unless such person will have completed the instruction furnished by Payless to Payless' satisfaction.

9.2 Management. Licensee shall notify Payless of the names and addresses of all of Licensee's officers, directors and managers. Licensee shall notify Payless immediately in the event changes in any such positions occur, including providing Payless with organizational documents executed to effect or approve such change, as set forth in Exhibit H. Payless reserves the right to

periodically run criminal background checks and credit checks on any of Licensee's officers, directors and managers, including at the time of renewal.

9.3 Telephone Numbers/Weblinks. Licensee agrees to maintain not less than one (1) separate telephone number and facsimile/electronic communication line for the Rental Business which will be listed as, and identified exclusively with, the Rental Business (separate and distinct from all other telephone numbers maintained by Licensee), in all primary general and business telephone directories distributed within the Territory and in such other telephone directories, and in all advertising in which such number or numbers appear, as will be prescribed by Payless in the Standards. All telephone, facsimile and electronic communication lines and other commercial numbers, whether installed by or at the cost of Licensee or not, which are advertised in connection with the Rental Business (including listings in the white and yellow pages and any other telephone, online or other business directories) are held by Licensee solely for the purpose of performing under this Agreement and its related Exhibits. Payless may suffer losses and damages if Licensee diverts or transfers such telephone numbers, facsimile/electronic communication lines, domain names or weblinks (or permits their diversion or transfer) or uses them or permits their use for, or in connection with, any business other than the Rental Business. Licensee agrees that its commitment not to divert or misuse the telephone numbers, facsimile service/electronic communication lines, weblinks or domain names will survive termination of this Agreement for any reason, for the enduring benefit of the Network as a whole.

9.4 Insurance. Licensee will maintain such insurance, in such minimum amounts, and with such carriers as approved by Payless in its sole discretion or, as are prescribed in the Standards and in this **Paragraph 9.4**. Licensee will annually provide a current certificate of insurance to Payless naming Payless and its affiliates as additional insureds as prescribed by Payless in the Standards, and the insurer must waive any subrogation rights it may have against Payless. Payless may periodically increase the amounts of insurance carried by Licensee and require different or additional kinds of insurance to reflect inflation, changes in standards of liability, higher damages, Licensees specific claims history or other relevant circumstances. Payless reserves the right to receive an administrative fee or commission for its endorsement of certain insurance carriers and/or programs for the sale of supplemental liability and related insurance to rental customers.

9.5 Loss Damage Waiver. Licensee will make readily available to each customer the option to effect the waiver of any claim against such customer for collision or certain other damage to the rented Vehicle, notwithstanding any collision or comprehensive insurance deductible amount, subject to such conditions and limitations as are prescribed in the Standards and/or as are contained in the Standard Rental Agreement and the requirements of applicable law. Licensee may charge a reasonable, additional fee for such waiver.

9.6 Standard Rental Agreement. In connection with all rentals of Vehicles, Licensee will use the then-current, "**Standard Rental Agreement**" designated by Payless for use in the applicable jurisdiction in which the Territory is located, or such other rental agreement that has been approved by Payless in writing.

9.7 Standard Chart of Accounts. Licensee will establish a bookkeeping and financial reporting system using Payless' standard chart of accounts as prescribed in the Standards.

Licensee will retain all such bookkeeping and accounting records and all financial statements for a period of not less than five (5) years.

9.8 Control Reports and Financial Information. Licensee will submit to Payless monthly, on forms specified and/or supplied by Payless without charge, on or before the tenth (10th) day of each month during the term hereof, the "**Monthly System Fee Report**" and invoice and such other control reports and financial and other business information prescribed by Payless, including reports and information relating to the Programs.

9.9 Certification by Licensee. All reports and financial information that are to be submitted by Licensee in accordance with the provisions of this Agreement and the Standards will be certified true and correct by Licensee with respect to all data contained therein.

9.10 Annual Financial Statements. Licensee will submit to Payless, on or before the one- hundred twentieth (120th) day following the end of each of Licensee's fiscal years during the term of this Agreement, annual financial statements for Licensee conforming to Payless' then-current standard chart of accounts and certified as accurate by (1) an independent certified public accountant if said statements are prepared by an independent certified public accountant as a part of Licensee's normal course of business; or (2) an officer of the Licensee if said statements are not prepared by an independent certified public accountant as aforesaid. If Payless reasonably believes that any report, financial statement or other information provided to Payless understates the Gross Revenue of the Rental Business by five percent (5%) or more or is unclear or is misleading, Payless will have the right to require Licensee to furnish audited financial statements thereafter and implement any other requirements including, but not limited to, the purchase and installation of new hardware and/or software systems as further described in **Paragraph 9.16**.

9.11 Standards. Licensee acknowledges its responsibilities as one of a system of Network licensees and operators, the interrelationship and interdependence of all Network licensees and operators and the importance of maintaining a uniformly high standard of performance. Accordingly, Licensee it will operate the Rental Business in conformance with the provisions of this Agreement and the Standards. The Standards may govern any aspect of the operations of the Rental Business including: (a) general appearance and maintenance of Licensee's Locations and Vehicles; (b) standardization of signs, advertising brochures and mailers, letterheads, business cards and other similar promotional materials; (c) use of the Marks and protection of confidential information; (d) types, models and brands of authorized Vehicles, equipment, supplies and furnishings, and designated and approved suppliers for these items (including procedures and fees for securing supplier approval); (e) use of required or standardized forms; (f) use of computer hardware and software; (g) adoption of technological developments or advancements; (h) customer service programs; (i) the requirement that Licensee adopt security safeguards for its computer systems and a privacy policy regarding the collection, protection and destruction of customer Personally Identifiable Information ("**PII**"), as described in **Paragraph 9.21** that complies with the then-current privacy and data protection laws and (j) the addition of new services and products and modification to existing services and products. Licensee agrees and acknowledges that it has a continuing obligation, which survives the termination or expiration of this Agreement, to promptly notify Payless of any material security breaches of PII, confidential information or trademark infringement.

9.12 Types, Condition and Sources of Vehicles/Equipment, Signs, Materials and Supplies. Licensee agrees to use Vehicle models in the conduct of the Rental Business as prescribed by Payless in the Standards, and in **Paragraph 8.1** and in the **Summary Pages (Section 11)** or otherwise in writing. Licensee agrees that it will use or keep for use at least the minimum number of Vehicles shown in **Summary Pages (Section 11)**. Licensee shall maintain all Vehicles used in the conduct of the Rental Business in clean, safe and presentable condition and in conformity with all applicable safety and operating laws, regulations, rules and standards in accordance with manufacturer's recommendations (including the timely facilitation of any recalls), standards promulgated by governmental authorities and standards contained in the Manual, as revised. Licensee shall abide by the standards regarding model type, year and mileage as recommended under the Standards, as revised, Licensee shall not keep any Vehicle in its inventory of Vehicles for the Rental Business beyond the lesser of twenty-four (24) months or forty thousand (50,000) miles. The classification of Vehicles used in the Rental Business shall be made in accordance with the Rental System Agreement (**Exhibit F**), which Payless reserves the right to amend. Licensee agrees to adhere to such classifications. Payless will have the right to impose Standards for all Vehicles, equipment, signs, materials and supplies used by Licensee in the Rental Business and to require that any such Vehicle or item be purchased exclusively from suppliers approved by Payless, which might include or be limited to Payless or one or more of the Related Entities.

9.13 Acceptance of Vehicles. Licensee must accept and process all disabled Vehicles and other vehicles originating with other members of the Network and dropped off to Licensee as prescribed by Payless in the Standards or otherwise in writing.

9.14 Forms. Licensee shall purchase forms to be used in the Rental Business from suppliers approved by Payless and whose forms meet Payless' then-current specifications. Licensee shall not modify or alter the forms without Payless' prior written consent. Payless may require Licensee to send to Payless copies of some or all vehicle rental agreements and other customer agreements. Licensee may use only forms that Payless approves and/or requires.

9.15 Rental Rates. Payless may, advertise leisure rental rates as part of the promotional programs which it sponsors for the public. If Licensee communicates to Payless, by execution of a voluntary participation agreement or by another means required by Payless, that it has decided in its own discretion to comply with suggested leisure rental rates, including tour rates, Licensee will honor the agreed to rental rates and all of the other terms of such programs. Licensee acknowledges that Payless and others will rely on such communications. Licensee will, by the execution of this Agreement, be obligated to comply with, and adhere to, all rental rates set by Payless for **National Accounts**, including association discounts and corporate rates but excluding tour rates; provided however, Licensee will be allowed to impose surcharges on such rates for their locations where such surcharges have been negotiated with the **National Accounts** or are otherwise permitted under Payless pricing policies to compete with additional suppliers of the **National Accounts**.

9.16 Computer and Other System Standards. Licensee agrees to purchase all components for, install and implement all accounting, inventory control, sales register, reservations, security programs and other computer hardware and software systems according to

the Standards and as required under **Paragraph 6.2** herein. Licensee understands and acknowledges that any such systems (and any modifications or additions thereto) may require the purchase, lease and/or license of equipment, including computer hardware and software programs, and the payment of licensing, maintenance or access fees to Payless, its affiliates or others for the use of such systems. Licensee will be required to install any new or modified systems within the time period specified by Payless. All computer hardware and software used by Licensee will be totally compatible with Payless' computer systems and will strictly conform to the Standards. Licensee will comply with Standards Payless develops with regard to use of websites in connection with the operation and/or promotion of Rental Business. Licensee will provide Payless or its designee 24 hour-a-day/7 day-a-week access to all information or data arising from or related to operation of the Rental Business that is utilized, stored, or contained in computer systems.

9.17 Inspection. So long as Licensee is not in default of any provision of this Agreement, Payless will have the right, not more than two (2) times per calendar year, after giving at least five (5) days' prior written notice to Licensee, to send representatives to inspect the Rental Business, and to audit the books and records thereof, to determine the quality thereof and the faithfulness of Licensee's compliance with the provisions of this Agreement and the Standards. Once Licensee receives a notice of default under **Paragraph 11.3**, whether or not cured, Payless will have the right and without prior notice to Licensee, to so inspect the Rental Business and to so audit the books and records thereof, including running a credit or D&B check. Payless will bear the cost of all such inspections. Notwithstanding the preceding sentence, if such inspection discloses that Licensee has failed to comply with any provision of this Agreement or the Standards in a manner that would permit Payless to terminate this Agreement pursuant to **Paragraphs 11.3** or **11.4**, Licensee shall bear the cost of such inspection, including normal daily compensation, traveling expenses, room and board.

9.18 Authorized Products and Services. Licensee will offer all products and services that Payless authorizes for the Rental Business. Licensee will not offer at a Location or otherwise any other products or services that Payless has not authorized or engage in any other business activities without Payless' prior written consent.

9.19 Customer Surveys. Licensee agrees to participate in and provide its full cooperation to facilitate all customer service surveys and follow-up programs conducted by on or on behalf of Payless. Payless agrees to pay for the cost of such surveys conducted System-wide. Licensee shall pay the cost of any surveys if conducted solely for the Licensee's Territory.

9.20 Capital Expenditures. Notwithstanding anything contained in this Agreement to the contrary, Licensee will not be obligated to incur major capital expenditures or facility upgrades with respect to the Locations for a period of twenty-four (24) months from the date hereof, except for expenditures and upgrades related to the conversion of Payless' existing computer systems to the Reservation System (or successor system designated by Payless) or as required by law or by any governmental agency such as an airport authority.

9.21 Personally Identifiable Information ("PII")/IT Security. Licensee warrants, represents and covenants that it has and will maintain on a continual basis, security controls and procedures in place which meet current industry standards, (including firewalls, web security,

email protection, intrusion detection, incident response process, malware protection, information protection (including PII and physical security) and the necessary security processes, procedures, and practices to support the security controls and infrastructure to protect its computer systems, reservation systems, network devices and/or the data processed thereon against the risk of hacking, surveillance, theft or penetration by, or exposure to, a third party via any system or feature utilized by Licensee. Licensee shall also implement and maintain current industry standard anti-malware measures to detect, prevent and remove computer malware and/or other contaminants to prevent the spread of computer viruses between the parties which access or exchange data or software through any network connectivity. Anti-malware measures shall be incorporated on all data transfer mechanisms, including current industry encryption standards, as well as any other points reasonably requested by Payless.

9.22 Payment Card Industry ("PCI") Compliance. Licensee is familiar with the Payment Card Industry Data Security Standards which are currently in effect ("**PCI Standards**") and Licensee agrees to undertake any necessary steps to be or remain in full compliance with all applicable PCI Standards. Further, Licensee is solely responsible for the compliance of any and all third parties (including but not limited to Internet and Host Service Providers) that are given access by Licensee, to Payless customer data. Licensee is also responsible for promptly notifying Payless of any data security compromise and to fully cooperate and assist in any subsequent investigation.

9.23 Conduct of Rental Business. Licensee shall comply strictly with all laws, regulations and ordinances pertaining to the operation of the Rental Business and shall refrain from engaging in any practice which tends to mislead or deceive the public in any way, or which a reasonable person may characterize as unconscionable or which a governmental body claims is an unfair business practice. Licensee agrees to operate the business in a way, which will not discriminate in favor of, or against any class of customers based on race, creed, color, religion or national affiliation or background. Licensee further agrees, covenants and acknowledges that it shall not make any improper payments or offer anything of value to any private individuals or public officials where such payment or offer is made for the purpose of (i) influencing, inducing or otherwise affecting an official act, decision or omission, (ii) securing an improper advantage, or (iii) assisting in obtaining or retaining business for any person or entity in connection with the Rental Business.

Licensee and its owners further agree to comply with and/or to assist Payless to the fullest extent possible in Payless' efforts to comply with laws regarding anti-terrorism and similar laws, including Executive Order 13224, the USA PATRIOT ACT, the Office of Foreign Assets Control ("**OFAC**") List (including all individuals, groups, and entities, such as terrorists and narcotics traffickers, designated under programs that are not country-specific, collectively referred to under OFAC as Specially Designated Nationals or "**SDNs**" (hereinafter together referred to as "**Anti-Terrorism Laws**"), and any and all present and future federal, state and local laws issued by any governmental authority relating to terrorist acts. Licensee agrees to not knowingly violate such Anti-Terrorism Laws. Licensee's failure to comply, including its failure to certify and warrant that none of its property or interests is subject to being "**Blocked**" under any of the Anti-Terrorism Laws and that Licensee and its owners are not otherwise in violation of any of the Anti-Terrorism Laws, shall constitute grounds for immediate termination of this Agreement and any other

agreement Licensee has entered into with Payless or one of its Related Entities, in accordance with the termination provisions of this Agreement.

ARTICLE X

LICENSEE ADVERTISING, PROMOTION, AND IDENTIFICATION

10.1 Licensee Advertising and Promotion. Licensee may formulate and effect local advertising and promotion both within and outside the Territory, subject to such provisions with respect to format, trademark standards, representations and media as are prescribed in the Standards. Licensee's advertising materials are subject to the review and approval of Payless. Licensee will at all times adhere to all rental rates advertised by it or by Payless upon Licensee's behalf and will not advertise in any deceptive or misleading manner. Licensee may establish a website in connection with its operation of the Rental Business only with Payless' prior written consent and, if it does so, Licensee must comply with the Standards regarding website advertising, including Payless' requirement that Licensee submit its proposed website material (and changes to approved website materials) to Payless for approval prior to use.

10.2 Grand Opening Advertising. Licensee agrees to conduct at its expense grand opening advertising and promotional programs for each Location opened in the Territory as prescribed in the Standards.

10.3 Licensee's Obligation for Advertising and Promotion. Licensee must conduct all local advertising and promotion in any medium in a dignified manner and must conform to the Standards and such other requirements Payless may specify. Licensees are asked every two (2) years to elect to participate in various types of Marketing Programs under a Participation Agreement.

10.4 Telephone Yellow/White Pages. Licensee will obtain "yellow pages" and "white pages" listings identifying the Rental Business, if applicable, serving the Territory and will advertise in such directories in a manner approved by Payless. Monies spent for "yellow pages" and "white pages" advertising will be deemed local advertising expenditures in meeting the local advertising requirements in **Paragraph 10.3**.

10.5 Signs and Uniforms. Licensee agrees to prominently display at all times at the locations and premises in which it conducts the Rental Business such advertising signs, posters, uniforms and other materials as prescribed in the Standards.

10.6 Licensee Identification. Licensee agrees that it will at all times identify itself only as an Payless licensee; that it will not identify itself as being Payless, or a subsidiary, division, partner, joint venturer, agent or employee of Payless, or as being associated with Payless in any manner other than as an Payless licensee; and that it will in all advertising and promotional materials (including Licensee's stationery, business cards, telephone listings, websites, advertising (whether print, radio, web or television), purchase orders and rentals agreements), use the word "Payless" and the Marks only in obvious conjunction with the words "an Independent Payless

System Licensee" or with such other words and with such other phrases as may be prescribed in the Standards.

ARTICLE XI

TERM AND TERMINATION

11.1 Term. This Agreement will commence upon the Effective Date and, unless sooner terminated as hereinafter provided, remain in force until the Expiration Date identified in the **Summary Pages (Section 8)**. Thereafter, this Agreement may renew, for successive five (5) year terms for a Renewal Fee identified in the **Summary Pages (Section 10(j))** in advance of such renewal. Each successive five (5) year term shall commence upon the expiration of the previous term, provided that the following conditions are met at least thirty (30) days prior to the expiration of the applicable term: (a) Licensee is not then in default of any provision of this Agreement or the then-current form of License Agreement of Payless; (b) Licensee is then owned by the same beneficial owners as own Licensee currently or by their Permitted Transferees (as defined in **Paragraph 12.2(b))**; (c) Licensee signs the then-current form of License Agreement, appropriately amended to reflect the material economic terms contained within the then-current form of License Agreement, where applicable; (d) Licensee upgrades the Rental Business to conform to any then-current System Standards and specifications, and (e) Licensee and its owners sign a general release, in a form satisfactory to Payless, of any and all claims against Payless and its Related Entities and their respective shareholders, officers, directors, employees, agents, representatives, successors and assigns; provided, however, such general release will exclude then-existing litigation between Licensee and Payless or the Related Entities and the then-existing claims of Licensee against Payless or the Related Entities in the ordinary course of business under this Agreement or any other agreement between such parties, which litigation and claims will be identified in such release. If such conditions are not met within the prescribed time period referred to above prior to the expiration of the current term, such term will expire upon the Expiration Date previously established in accordance with this **Paragraph 11.1**. Payless agrees to provide Licensee with notice of the approaching expiration of any term and the documentation referenced above sufficiently in advance of such expiration date for Licensee to comply with the renewal provisions of this **Paragraph 11.1**.

11.2 Termination By Licensee. Payless agrees that Licensee may terminate this Agreement, with or without cause, effective one hundred and eighty (180) days after written notice of its election to so terminate is delivered to Payless. However, if, in any calendar month during that one hundred eighty (180) day period: (a) Licensee ceases to operate the Rental Business; or (b) Licensee's Gross Revenue is less than the average monthly Gross Revenue of the Rental Business during the preceding one (1) year period (or during the term of this Agreement if less than one year), then in lieu of the License Fees otherwise payable for the remainder of the one hundred eighty (180) day period, Licensee will pay Payless the Termination Fee. The "**Termination Fee**" shall equal: (i) six (6) times the amount of the average License Fees, which were payable by Licensee hereunder for the immediately preceding one (1) year period (or during the term of this Agreement if less than one year); multiplied by (ii) a fraction, the numerator of which is the number of days between the occurrence of the event (a) above and the end of the one hundred eighty (180) day period, and the denominator of which is one hundred eighty (180).

Licensee's obligation to pay the foregoing amount will not in any way affect any other rights or remedies of Payless arising under this Agreement or otherwise.

11.3 Termination By Payless With Prior Notice. Payless will have the right to terminate this Agreement for cause. In addition to the grounds described in **Paragraph 11.4**, cause for termination will be Licensee's failure to reasonably adhere to any provision of this Agreement, including the Standards, and to cure any such failure within the notice period hereinafter prescribed. Payless will not be limited to the reasons set forth in any notice of default or similar notice issued by Payless in any judicial proceeding in which the validity of the termination of this Agreement is at issue. Any notice of default by Payless will specify the time period (if any) within which such failure or failures must be cured by Licensee, which Licensee agrees will be fifteen (15) days from the date of delivery of notice to Licensee in the case of all failures by Licensee to pay any sums owed to Payless and thirty (30) days from delivery in the case of failure of Licensee to adhere to any other provision of this Agreement or the Standards (except as otherwise set forth in **Paragraph 11.4**). If Licensee fails to cure any such failure within the prescribed time period, this Agreement will terminate without further notice or action by Payless and upon expiration of the prescribed time period.

11.4 Termination By Payless Without Prior Notice. Payless will also, to the maximum extent permitted by law, effective upon written notice to Licensee, have the right at any time to terminate this Agreement immediately and without other cause, or prior action or notice by Payless to Licensee, if:

(a) Licensee makes an assignment for the benefit of creditors;

(b) Licensee makes a written admission of its inability to pay its debts or obligations as they become due;

(c) Licensee files, or has filed against it (which filing is not dismissed within sixty (60) days after its entry), any petition in bankruptcy or other petition or pleading seeking any reorganization, liquidation, dissolution or other similar relief;

(d) Licensee seeks, consents to or acquiesces in the appointment of any trustee, receiver, or liquidator of Licensee, the Rental Business or all or a substantial part of its assets, or fails to vacate the appointment of any trustee, receiver or liquidator for any such purposes within thirty (30) days of such appointment;

(e) Licensee fails, within thirty (30) days of the entry of a final judgment, bankruptcy, receivership or liquidation against Licensee, to discharge, vacate or reverse such judgment or to stay execution thereon, pending appeal, or to discharge any such judgment, which is not vacated or reversed within thirty (30) days after the expiration of such stay of execution;

(f) Licensee fails to actively operate the Rental Business for a period of more than seven (7) consecutive days;

(g) Licensee submits more than once in any twenty-four (24) month period during the term of this Agreement, regardless of whether any such default has been cured by Licensee, any report required hereunder which understates Gross Revenue by more than five percent (5%);

(h) Licensee fails to maintain the insurance coverage required by **Paragraph 9.4** hereof;

(i) Licensee makes unauthorized use of the Marks, including on a website, domain name or as part of an electronic address more than once in any twenty-four (24) month period during the term of this Agreement, regardless of whether any such default has been cured by Licensee;

(j) Licensee or any of its beneficial owners is convicted of or pleads no contest to a felony, including any violation of Anti-Terrorism Laws or OFAC laws, a crime involving moral turpitude, or any other crime or offense related to the Rental Business, other than minor traffic violations, or any crime or offense that is likely to adversely affect the reputation of the Rental Business, the System, the Network, or the goodwill associated with the Marks;

(k) Licensee operates the Rental Business in a manner that presents a safety hazard to its customers, its employees or the public;

(l) Licensee suffers violation of any law, ordinance, rule or regulation of a governmental agency in connection with the operation of the Rental Business, and permits the same to go uncorrected after notification thereof, unless there is a *bona fide* dispute as to the violation, constitutionality, or legality of such law, ordinance, rule or regulation, and Licensee promptly resorts to courts or forums of appropriate jurisdiction to contest such violation or legality;

(m) Licensee defaults in the performance of any term or provision hereof after having received two (2) notices of default for the same or any other term or provision hereof within the previous twenty-four (24) month period, regardless of whether any such default has been cured by Licensee;

(n) Licensee or any of its beneficial owners makes an unauthorized assignment or transfer of this Agreement, the Rental Business or an interest in Licensee;

(o) Licensee suffers a material security breach of its computers or operational systems, as a result of failing to follow Payless' (or its Related Entities') Standards or to implement and maintain commercially reasonable security protections for customer PII, which results in (i) the violation of any law, rule, regulation or PCI Standards and/or (ii) the implementation of fines and/or cancellation of credit card processing; or

(p) Any other license agreement between Licensee, or any affiliate of Licensee, and Payless or any of the Related Entities for the operation of a Rental Business, or any

other agreement between Licensee, or any affiliate of Licensee, and Payless or any of the Related Entities, is terminated or cancelled for any reason.

11.5 Compliance with Applicable Law. Notwithstanding anything contained in this Agreement to the contrary, if the provisions of this Agreement provide for periods of notice less than those required under applicable law or provide for termination or cancellation of this Agreement for reasons other than those allowed under applicable law, then such provisions will, to the extent they conflict with such law, be ineffective and any such notice shall be amended, pursuant to this paragraph, to conform with the minimum requirements of any applicable laws.

11.6 Obligation of Licensee on Termination. Upon termination of this Agreement and license (which for all purposes of this Agreement will mean termination by either party for any reason or expiration of the term of this Agreement), Licensee will: (a) pay to Payless, on or before noon on the effective date of termination, such License Fees, the unpaid balance of the Initial License Purchase Fee and all other fees or monies Licensee owes to Payless or any of the Related Entities; Licensee waives any right or claim to offset the amounts due to Payless or any of the Related Entities with amounts due to Licensee; (b) promptly pay all fees or monies Licensee owes to other Network licensees or any other person or entity (e.g., phone bills, rent or airport concession fees), whether incurred under this Agreement or otherwise in the conduct of the Rental Business; (c) not thereafter, directly or indirectly, identify itself in any manner as an Payless licensee or use the System, or any part thereof, the name "Payless" or any variation thereof, or any of the Marks, forms, slogans, signs, symbols, devices, or materials constituting part of the System; (d) return to Payless all Manual, Standard Rental Agreements, advertising materials, and all other materials bearing the "Payless" name or containing any of the Standards; (e) take all steps necessary to transfer to Payless, or to such person as Payless may direct, all telephone numbers, facsimile and electronic communication lines, and electronic addresses and domain names used by it in the conduct of the Rental Business, and, upon Payless' request, advise the telephone company and any third party service providers serving the Territory and other appropriate parties that Licensee has no further interest in such telephone numbers, facsimile and electronic communication lines, and electronic addresses and domain names and approve their transfer to Payless or to such other person as Payless may direct; (f) upon notice from Payless, take all steps necessary to effectuate the sale, transfer or assignment to Payless of the airport licenses, concession agreements, leases and permits as specified in **Paragraph 8.2** and, at Payless' sole election, any other agreements pertaining to the use of real estate which was used in conjunction with Licensee's terminated Rental Business, including any or all Locations, electronic addresses and domain names used by Licensee in the conduct of Rental Business and airport licenses, leases and permits as specified in **Paragraph 8.2** herein; (g) take such action as will be necessary to cancel any assumed name or equivalent registration which contains the "Payless" name and any website established in connection with operating the Rental Business; (h) take all steps necessary to transfer to Payless, or to such person as Payless may direct, all existing reservations and open rental agreements; (i) take all steps to properly secure and or destroy customer PII (as defined in **Paragraphs 9.11** and **9.21**) in accordance with applicable laws and in accordance with Payless' data retention policies (which are applicable to any data obtained through Payless, and (j) promptly remove and destroy all Payless signage. Licensee will furnish Payless, within thirty (30) days after termination of this Agreement, evidence satisfactory to Payless of its compliance with these obligations.

11.7 Payless' Right to Re-License. Upon the service of a notice under **Paragraphs 11.2** or **11.4** hereof, expiration of the Term under **Paragraph 11.1** or a cure period under **Paragraph 11.3**, Payless will be entitled to enter into a new license agreement with another person granting the person the right to conduct a Rental Business in the Territory.

11.8 Payless' Option to Purchase. Upon termination of this Agreement for any reason, Payless will have the option (but not the obligation), to be exercised by written notice thereof to Licensee (the "**Exercise Notice**") within thirty (30) days following the termination, to purchase the assets of the Rental Business at fair market value taking the goodwill of such business into consideration. The parties agree to negotiate in good faith to determine said fair market value and other terms of the purchase and to use commercially reasonable efforts to consummate the purchase within thirty (30) days after Payless' delivery of the Exercise Notice. If the parties cannot agree on fair market value within fifteen (15) days after Payless' delivery of the Exercise Notice, then within five (5) days thereafter each of Payless and Licensee will select an independent appraiser, who in turn will mutually select a third independent appraiser within ten (10) days of the last of their appointments. The fair market value for the assets of the Rental Business will be established by the third appraiser in accordance with customary valuation methodologies and will be binding upon the parties. The parties will share equally in the cost of the appraisal. The purchase price for the Rental Business will be paid in cash on the closing date. If Payless elects to exercise its option to purchase, Payless will have the right to set-off all amounts due Payless or any of the Related Entities against payment of the purchase price.

11.9 Noncompetition. In addition to the obligations in **Paragraph 1.6**, Licensee will not, for a period of twelve (12) months after the termination or expiration of this Agreement for any reason whatsoever, either directly or indirectly, participate in any way or engage in as an owner, partner, director, officer, employee, consultant or agent, or in any other capacity, in any other vehicle rental business or system, within the Territory or within five (5) miles of the Territory. Licensee acknowledges that its failure to adhere to this provision will constitute unfair competition to Payless. Licensee further acknowledges the impossibility of accurately determining the tangible and intangible damages which Payless will suffer if Licensee fails or refuses to adhere to this provision or the provisions of **Paragraphs 1.6** or **2.4** hereof and accordingly agrees to entry without prior notice, to the extent that applicable notice requirements may be waived, of temporary and permanent injunctions against Licensee's breach of such provisions. Licensee will pay to Payless an amount equal to the aggregate of Payless' costs of obtaining any such temporary and permanent injunctive relief, including all costs of investigation and proof of facts, court costs and attorney's fees. In any proceeding either at law or in equity between the parties, Licensee hereby agrees that it has waived and will not be entitled to raise as a defense either that (a) the period of time or geographical area within which Licensee is prohibited from competition is unfair or unnecessary or unreasonable, or (b) such provisions are an unlawful restraint of trade.

11.10 Temporary Operation of Business. If, during any period in which Licensee is in default of any of its obligations under this Agreement, Payless determines, in its sole discretion, that the Rental Business is being operated in a manner that threatens to impair the goodwill of the Network or jeopardize customer goodwill or safety, Payless will have the right, at its option and upon five (5) days' written notice, to assume management of the Rental Business and/or elect to

service any or all of Licensee's customers, including **National Accounts**, within the Territory from one or more locations determined by Payless. Payless will thereafter have the right to continue such management or service until it determines, in its sole discretion that the circumstances under which Payless has assumed such management or service will have been corrected by Licensee and Licensee is otherwise in good standing under this Agreement. All funds from the operation of the Rental Business during the period of Payless' management will be kept in a separate fund and all expenses of the Rental Business, including compensation, other costs and travel and living expenses of Payless' appointed manager, will be charged to such fund. As compensation for the management services provided, in addition to all other fees due hereunder, Payless will have the right to charge such fund a reasonable management fee during the period of Payless' management. Licensee agrees to indemnify and hold Payless and any representatives of Payless who may act hereunder harmless from any and all claims arising out of the acts or omissions to act of Payless and/or its representatives in connection with the management of the Rental Business, except those involving gross negligence or willful misconduct of Payless or its representatives.

11.11 Loss of Territorial Exclusivity. In addition to Payless' other rights under this **Article XI**, upon Licensee's failure to: (a) open and continue operating the Locations in accordance with **Paragraph 8.1** and the **Summary Pages (Section 4)**; (b) meet the Market Penetration Quotas required in accordance with **Paragraph 8.1** and the **Summary Pages (Section 11)**; (c) open the additional locations and achieve and maintain the minimum number of Vehicles required in accordance with Payless' requirements; and/or (d) participate and comply with all required Programs. Licensee agrees that Payless will have the option, upon thirty (30) days' prior written notice to Licensee, to: (i) terminate this Agreement to the extent of the affected geographic market, and thus, exclude the territory determined by Payless to be underdeveloped from the Territory, such termination to be treated as a termination for cause; or (ii) convert Licensee's exclusive rights in the affected geographic market(s) determined by Payless to be underdeveloped, and/or Licensee's rights with respect to those products and services determined by Payless to be underdeveloped, to become non-exclusive in nature. Upon such termination or conversion, Licensee will withdraw from the converted territory and will not add new locations in the converted territory or offer vehicle rental services in the converted market(s), and Payless or any of its Related Entities may in its sole discretion, own and operate, or license others to establish, new locations and/or offer such services, including through Rental Business in the converted territory or converted market.

11.12 Payless Truck Business. Licensee agrees that it has no rights under this Agreement to rent or lease any motor vehicles that are designed, used or maintained for the transportation of property or goods (collectively defined as "Trucks"). Payless has the right to conduct its Truck business, at its sole discretion, inside the Territory.

ARTICLE XII

SALE, ASSIGNMENT, AND TRANSFER

12.1 By Payless. This Agreement will be fully transferable and assignable by Payless and will inure to the benefit of any assignee, transferee or other legal successor to the interest of Payless herein.

12.2 By Licensee.

(a) By Licensee. Licensee agrees that this Agreement is personal to Licensee and Licensee hereby acknowledges the personal confidence Payless has in Licensee and/or the beneficial owners of Licensee as identified in **Paragraph 12.5** and the **Summary Pages (Section 6)**. Neither this Agreement, the beneficial ownership of Licensee or the Rental Business (or any material assets relating to the Rental Business), or any licenses, concession agreements and/or permits which are required by, or related to, the Rental Business, may be voluntarily, involuntarily, directly or indirectly sold, assigned or otherwise transferred by Licensee (including by will, declaration of or transfer in trust or the laws of intestate succession or by operation of law through a divorce or other legal proceeding), without the prior written consent of Payless, which will not be unreasonably withheld in accordance with this Agreement and the transfer requirements prescribed by Payless from time to time, including payment of a transfer fee (see the "**Transfer Requirements**" contained in **Exhibit G**) and Licensee's execution of a general release of claims in a form satisfactory to Payless, except that such general release will exclude then- existing litigation between Licensee and Payless or the Related Entities and then-existing claims of Licensee against Payless or the Related Entities in the ordinary course of business under this Agreement or any other agreement between such parties, which litigation and claims will be identified in such release. Any such attempted or purported sale, assignment or transfer contrary to the terms and conditions of this Agreement or the Transfer Requirements will constitute a breach hereof and be void.

(b) Meaning of Assignment or Transfer Requiring Approval. Sale, assignment or transfer of Licensee, the Rental Business, or the beneficial ownership of Licensee requiring the consent of Payless will include: (i) a sale, assignment or transfer, or cumulative sales, assignments or transfers, lifetime and testamentary, at any time during the term of this Agreement, of twenty-five percent (25%) or more of the equity ownership, or a lesser percentage if such transfer would change the voting control of Licensee or the Rental Business, whether in the form of common or preferred stock or any security convertible thereto or partnership or proprietorship interest; provided that, notwithstanding anything in this Agreement to the contrary, dispositions by a beneficial owner by will or intestacy or by gifts, sales or otherwise to the spouse or children of such beneficial owner or to other then-current beneficial owners of Licensee or their respective spouses or children (a "**Permitted Transferee**") will not be deemed a sale, assignment or transfer giving rise to Payless' need to consent thereto so long as Licensee gives prior written notice of any such disposition to Payless.

(c) Notice of Any Sale, Assignment, or Transfer. Notwithstanding the foregoing, Licensee will provide to Payless prior written notice of any proposed sales, assignments

or transfers constituting any change in the equity ownership or control of Licensee or the Rental Business. Furthermore, Licensee will maintain stop-transfer instructions against the transfer on its records of any equity securities of Licensee; and all certificates evidencing ownership of equity securities will have the following legend printed legibly and conspicuously on their face:

> "Transfer of these shares is restricted by a Payless Car Rental System License Agreement with Payless Car Rental System, Inc."

(d) No Public Offering. Licensee covenants not to be or become, a public company directly or indirectly including, by way of an initial public offering or transfer to or merger with an existing public company. Accordingly, securities of Licensee or an entity owning a direct or indirect equity interest in Licensee, this Agreement, any of Licensee's assets or any of the Rental Business Locations may not be offered pursuant to a public offering or merged with an existing public company.

(e) Limitations on Private Offerings. Licensee acknowledges and understands that Payless may not consent to Licensee's private offering if Payless determines, in its sole discretion, that such an offering is not in the best interest of Payless or its franchise system. If Payless allows a private offering, Licensee will need to pay a higher transfer fee, as reasonably determined by Payless, and meet the other Transfer Requirements contained in **Exhibit F**.

(f) Owner List. Licensee will maintain a current list of all owners of record and all beneficial owners of any class of voting securities or securities convertible into voting securities of Licensee and will furnish the list to Payless upon execution of this Agreement, within ten (10) days of any change, and at any other reasonable times upon Payless' request.

12.3 Payless' Right of First Refusal. If Licensee or its beneficial owners propose to sell, assign or transfer this Agreement, the beneficial ownership of Licensee or the Rental Business (or any material assets relating to the Rental Business) as hereinbefore set forth in **Paragraph 12.2(b)** (other than to a Permitted Transferee), a copy of the agreement to sell, assign or transfer will be in writing and executed by all parties and submitted to Payless along with all information in Licensee's or the transferee's possession concerning the proposed buyer. Payless or its designee (hereinafter also referred to as "Payless" for purposes of this **Paragraph 12.3**) will, for a period of sixty (60) days from the date of its receipt thereof, have the option to purchase same for the price and on the terms and conditions contained in such agreement, provided that Payless may substitute cash for any other consideration proposed in such agreement and will in all cases be entitled to customary representations and warranties in connection with any such purchase. If the proposed sale, assignment or transfer includes assets of Licensee not related to the Rental Business, Payless, at its sole option, may purchase only the assets related to the operation of the Rental Business, or may also purchase all or some of the other assets, with an equitable purchase price to be allocated to each asset, not a part of the Rental Business. Payless may elect to close any purchase through an escrow in accordance with terms and conditions reasonably prescribed by Payless. If Payless does not exercise this option, the Licensee and/or its beneficial owners, subject to approval by Payless as provided in **Paragraph 12.2(a)**, **Exhibit F** and any applicable franchise disclosure requirements may proceed with the sale, assignment or transfer.

12.4 Death or Incapacity of Licensee. Upon the death or permanent incapacity of a natural person who is the Licensee, or a natural person who is a principal beneficial owner of a legal person that is the Licensee, the executor, administrator, conservator or other personal representative of such natural person will transfer his or her interest to a third party approved by Payless within three (3) months thereof. Such transfers, including transfers by devise or inheritance, will be subject to the same conditions as any lifetime transfer. Failure to so dispose of such interest within said period of time will constitute a breach of this Agreement. If, after the death or permanent incapacity of such natural person, the Rental Business are not being managed by a competent and trained manager (as determined by Payless in its sole discretion), Payless is authorized to immediately appoint a manager pursuant to the terms of **Paragraph 11.10**, to maintain the operation of the Rental Business until an approved assignee will be able to assume the management and operation of the Rental Business.

12.5 Beneficial Owners of Licensee. Licensee represents and Payless enters into this Agreement in reliance upon the representation that the individuals identified in the **Summary Pages (Section 6)** and **Exhibit G** are the sole beneficial owners (in the stated proportions) of Licensee.

12.6 Nondisclosure and Noncompetition Agreement. All persons who are the beneficial owners and principal officers of Licensee will execute Payless' then-current Standard Nondisclosure and Noncompetition Agreement. The current form of Nondisclosure and Noncompetition Agreement is set forth in **Exhibit C** attached hereto.

12.7 Personal Guarantee. All persons who are the beneficial owners of Licensee will execute Payless' then-current standard Personal Guarantee. The current form of Personal Guarantee is set forth in **Exhibit A** attached hereto.

ARTICLE XIII

INDEMNIFICATION

13.1 Indemnification of Payless by Licensee. Nothing in this Agreement authorizes Licensee to make any contract, agreement, warranty, or representation on Payless' behalf, or to incur any debt or other obligation in Payless' name; and, that Payless will in no event assume liability for, or be deemed liable as a result of, any such action, or by reason of any act or omission of Licensee in its conduct of the Rental Business or for any claim or judgment arising therefrom against anyone. Licensee will indemnify and hold harmless Payless and the Related Entities and their respective officers, directors, employees, affiliates, agents, successors and assigns (collectively, "**Payless Indemnified Parties**") against any and all liabilities, claims, demands, causes of action, damages, costs, expenses and amounts of any type whatsoever, including environmental claims, whether expended in settlement, in attorneys' fees, or however expended or disbursed, which arise directly or indirectly from, as a result of, or in connection with Licensee's operation of the Rental Business, or in Licensee's dealings with third parties concerning said Rental Business, this Agreement, the System, or the Marks. In addition, Licensee will, at Payless' request, defend, at Licensee's expense, Payless and the other Payless Indemnified Parties against such claims, demands and causes of action; provided, however, that Licensee will relinquish such

defense to Payless immediately upon Payless' request, although Licensee will remain obligated to pay Payless' and the other Payless Indemnified Parties' defense costs (but Licensee shall not be liable for the expenses of more than one law firm representing such Payless Indemnified Parties unless there is a conflict of interest.) and any settlements entered into by Payless and the other Payless Indemnified Parties at their discretion. In no event may Licensee enter into any settlement of any such claim on behalf of an Payless Indemnified Party without Payless' prior written approval.

If Payless withholds its consent to a settlement offer received by Licensee with respect to such a claim, and Licensee advises Payless that it desires to accept such offer, Payless will take over the defense of such legal action at such time as it withholds its consent (if Payless has not done so previously), and Licensee will be responsible for and will indemnify the Payless Indemnified Parties for all costs and expenses relating to the defense of such legal action incurred by the Payless Indemnified Parties up to such time as Payless withholds its consent, and subject to the following paragraph, Payless will be responsible for and will indemnify Licensee for all costs and expenses relating to such legal action incurred by Licensee after such time as Payless withholds its consent. Furthermore, if Payless withholds its consent to a settlement offer received by Licensee with respect to such a claim, and Licensee advises Payless that it desires to accept such offer, and the actual settlement or judgment amount (or combination thereof) is greater than such rejected settlement offer, Licensee will be responsible for and will indemnify the Payless Indemnified Parties for up to and including the amount of such rejected settlement offer, and Payless will be responsible for and will indemnify Licensee for the amount by which the actual settlement or judgment amount (or combination thereof) exceeds such rejected settlement amount.

If Payless withholds its consent to a settlement offer received by Licensee and Licensee has advised Payless that it desires to accept such offer as contemplated above, and the actual settlement or judgment amount (or combination thereof) is less than such rejected settlement offer, then Licensee, in addition to its indemnification obligations set forth in the immediately preceding paragraph (i.e., paying costs and expenses of defense accrued prior to the time Payless withheld its consent and paying the actual settlement or judgment amount or combination thereof), will indemnify the Payless Indemnified Parties for the additional costs and expenses incurred by the Payless Indemnified Parties relating to such legal action not to exceed the amount by which the rejected settlement amount exceeds the actual judgment settlement amount (or combination thereof).

ARTICLE XIV

GENERAL CONDITION AND PROVISIONS

14.1 Titles and Preambles.

(a) Titles. Section and paragraph titles are used for convenience only and are not a part of the text hereof.

(b) Preambles. The preambles and recitals are incorporated in and made a part of this Agreement.

14.2 Entire Agreement; Representations and Amendments.

(a) Entire Agreement. This Agreement and its Summary Pages, exhibits and schedules constitute the entire Agreement of the parties (and into which all prior negotiations, commitments, representations and undertakings with respect to the subject matter hereof are merged), and except as herein provided there are no other oral or written understandings or agreements between the parties hereto relating to the subject matter hereof; provided, however, that the Standards and Programs as modified, are incorporated herein by reference. All references herein to this Agreement will include the Standards and Programs. No previous course of dealing or usage in the trade not specifically set forth in this Agreement shall be admissible to explain, modify or contradict this Agreement. Nothing in this Agreement or any related agreement is intended to disclaim the representations made by Payless in the Franchise Disclosure Document delivered to Licensee.

(b) Representations. This Agreement is not based upon any representations as to profits, nor has any other representation not herein expressly set forth (other than as may expressly be contained in the Franchise Disclosure Document) been made to induce Licensee to accept and execute this Agreement.

(c) Amendments. No amendment or other modification of this Agreement will be valid or binding on either party hereto unless reduced to writing and executed by the parties hereto.

14.3 Licensee as an Independent Contractor; Payless Does Not Control Licensee.

(a) Licensee an Independent Contractor. Licensee is an independent contractor and is not the agent, joint venture participant, partner or employee of Payless and, except as expressly provided herein, Payless will not be obligated by any agreements, representations or warranties made by Licensee to any person, nor with respect to any other action of Licensee, nor will Payless be obligated for any damages to any person, whether caused by Licensee's action, failure to act, negligence, or willful conduct. No modification of this Agreement shall be binding upon either party unless and until the same has been made in writing and duly executed by both parties. Notwithstanding the preceding sentence, Licensee understands and agrees that Payless may unilaterally issue new (or amend or modify existing) Standards, operating procedures, policies and guidelines in the Manual pertaining to the System.

(b) Payless Does Not Control Licensee. Payless does not reserve any control over Licensee or any of its owners, officers or employees, except as herein provided with reference to the requirement that Licensee comply with the provisions of this Agreement and the Standards, nor will Payless have any control over the employment, discharge, compensation or working conditions of any owner, director or employee of Licensee.

14.4 Cross Defaults. Licensee agrees that its compliance with the terms of all airport concession agreements, voluntary participation agreements and other agreements signed by Licensee with Payless, including other license agreements, Programs (whether signed agreements or as part of the Standards) and any of the Related Entities are essential to this Agreement and a

default under any of these agreements and/or Programs will be a default under and breach of this Agreement.

14.5 Power of Attorney. Licensee, in order to secure the performance of Licensee's obligations under this Agreement, hereby irrevocably appoints Payless as its attorney for the limited purposes of executing, signing, perfecting, doing and (if required) registering every such further assurance, document, act or thing as is required to (a) cause discontinuation of Licensee's use of the Marks (or any other related or similar name or use hereunder) and (b) transfer to Payless or its designee, all telephone numbers, facsimile/electronic communication lines, electronic addresses and domain names used by it in the conduct of the Rental Business and airport licenses, concession agreements, leases and permits as specified in **Paragraph 8.2**, following the termination of this Agreement for any reason. The exercise by Payless of such power will be conclusive evidence of its right to exercise the same.

14.6 Waiver. Payless and Licensee may by written instrument unilaterally waive or reduce any obligation of or restriction upon the other under this Agreement, effective upon delivery of written notice to the other or any other effective date stated in the notice of waiver. Any waiver a party hereto grants will be without prejudice to any other rights it may have, will be subject to its continuing review and may be revoked, in its sole discretion, at any time and for any reason, effective upon delivery to the other party hereto of ten (10) days' prior written notice. Failure by Payless and/or the Related Entities on the one hand or Licensee on the other, to either enforce any breach or default or series of breaches or defaults in performance by the other; or to exercise any right, power or option given to Payless and/or its Related Entities on the one hand or Licensee on the other hereunder; or to insist upon strict compliance with or performance of the other party's obligations under this Agreement, the Standards (if applicable) or related agreements will not in any event constitute a waiver by Payless and/or the Related Entities on the one hand or Licensee on the other, of the provisions of this Agreement, the Standards (if applicable) or related agreements with respect to any such breach or default, or subsequent breach or default, or Payless' and/or the Related Entities' right on the one hand or Licensee's right on the other at any time thereafter to require exact and strict compliance with the provisions thereof. No special or restrictive legend on any check or similar item given to a party hereto by the other party hereto, will constitute a waiver, compromise, settlement, "**payment in full**" or accord and satisfaction.

14.7 Governing Law. Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 et seq.), this Agreement and the relationship between the parties hereto will be governed by and construed in accordance with the internal laws of the State of New Jersey, except that such state's choice of law and conflicts of laws rules will not apply and any applicable state franchise law or any successor statute and/or regulation will not apply unless its jurisdictional requirements are met independently without reference to this paragraph. Our agent for service of process in the State of New York is the Secretary of State of New York, 41 State Street, Albany, New York 11231, copies of which should be sent to us in accordance with Section 14.20 below.

14.8 Jurisdiction. Licensee agrees that Payless may institute any action against Licensee in any state or federal court of competent jurisdiction in the State of New Jersey and Licensee

irrevocably submits to the jurisdiction of such courts and waives any objection it may have to either the jurisdiction or venue of such court.

14.9 Additional Remedies of Payless and Licensee. In addition to all of the remedies granted to Payless and Licensee by this Agreement, each party hereto will have the right to bring suit against the other party hereto for actual damages sustained by Payless caused by the breach of any one or more of any of the provisions of this Agreement or the Standards (if applicable) by the other party hereto, and for such injunctive and other equitable relief as may be appropriate. The prevailing party will be entitled to its costs and reasonable attorney's fees in any such proceeding or action.

14.10 Waiver of Punitive Damages and Jury Trial. Except with respect to Licensee's obligation to indemnify Payless pursuant to **Article XIII** of this Agreement, the parties waive to the fullest extent permitted by law any right to or claim for any punitive or exemplary damages against the other and agree that, in the event of a dispute between them, the party making a claim will be limited to recovery of any actual damages it sustains.

Each party irrevocably waives trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by either party.

14.11 Business to be Conducted in a Lawful Manner. Notwithstanding anything contained herein to the contrary, Licensee will at all times conduct the Rental Business and maintain and service its equipment in a lawful manner and so as not to violate any applicable law or regulation in which it conducts the Rental Business.

14.12 Severability of Provisions. All provisions of this Agreement and the Standards will be severable. The invalidity, unenforceability or illegality of any provision of this Agreement will not affect any other provision, unless and then only to the extent that such invalidity alters the meaning of such other provision. If any covenant herein which restricts competitive activity is deemed unenforceable by virtue of its scope in terms of area, business activity prohibited and/or length of time, but would be enforceable by reducing any part or all thereof, Licensee and Payless agree that same will be enforced to the fullest extent permissible under the laws and public policies applied in the jurisdiction in which enforcement is sought.

14.13 Meaning of "Licensee." The term "**Licensee**" as used in this Agreement will mean each person executing this Agreement as Licensee and will apply to each such person as if such person were the only named Licensee in this Agreement. If more than one person executes this Agreement as Licensee, each person will be jointly and severally liable for all obligations and duties of Licensee hereunder. If Licensee is a trust, each trustee or beneficiary signing this Agreement will be jointly and severally liable for all obligations and duties of License hereunder. Notice to or demand upon one Licensee will be deemed notice to or demand upon all Licensees.

14.14 Meaning of "Person" and "Affiliate. " The term "**person**," as used in this Agreement and the Standards, will mean all natural and legal persons, including corporations, partnerships, sole proprietorships, joint ventures, and other business associations and trusts. The

term "**affiliate**" as used in this Agreement and the Standards will mean any entity controlling, controlled by or under common control of any such person.

14.15 Meaning of "Including." The term "**including**" as used in this Agreement or the Standards will mean "**including without limitation**," unless the context requires otherwise.

14.16 Meaning of "Beneficial Owners." The term "**beneficial owners**" as used in this Agreement and the Standards will mean all persons who directly or indirectly own any sole proprietorship, partnership, joint venture, shareholder or other type of ownership interest (whether legally or beneficially) in the Licensee.

14.17 Summary Pages and Exhibits. All Summary Pages and Exhibits to this Agreement and the Standards as modified are incorporated herein by their reference and are to be read as if they are a part of this Agreement.

14.18 Notices. All written notices permitted or required to be delivered by the provisions of this Agreement or the Standards will be delivered by hand, by telecopy or other electronic system (with proof of receipt), by commercial courier service, or by placement in the United States Mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to Payless at 379 Interpace Parkway, Parsippany, New Jersey, 07054, Attention: Natasha Joseph with a copy addressed to: Legal Department, Avis Budget Group, Inc. at 379 Interpace Parkway, Parsippany, New Jersey 07054, Attention: Vice President of Licensee Relations or to such other address as Payless will prescribe in the Standards, and addressed to Licensee identified in the Summary Pages (Section 14) or at the latest current business address of which Payless has received written notification.

14.19 Payment of Obligations. Licensee will pay when due all obligations to Payless and the Related Entities, other Network members, and other creditors of Licensee incurred by Licensee in the operation of the Rental Business. Licensee will not, on grounds of the alleged nonperformance by Payless or the Related Entities of any of its or their obligations hereunder or under any other agreement, withhold payments or amounts due of any kind to Payless.

14.20 Receipt of Required Documents. Licensee acknowledges that it has received the disclosure document required by the Federal Trade Commission at least fourteen (14) calendar days prior to the date of execution of this Agreement by Licensee and that it has received a complete and final copy of this Agreement at least seven (7) calendar days prior to the date of execution of this Agreement by Licensee.

14.21 Parole Evidence Disclaimer. This Agreement may not be modified or amended except by written agreement signed by the parties. The words "**this Agreement**" as used in this Agreement and the Standards will mean any such future modifications unless otherwise indicated by the context. No salesperson, representative or other person has the authority to bind or obligate Payless in any way, except by an instrument in writing duly executed by the president or any vice-president of Payless.

14.22 Representation. No representations, promises, guarantees, projections, or warranties of any kind have been made by Payless to induce the execution of this Agreement or in connection with this Agreement except as specifically set forth in writing herein or contained within the Franchise Disclosure Document. Licensee acknowledges that neither Payless nor any other party has guaranteed Licensee's success in the business contemplated by this Agreement.

14.23 Survival. All obligations of Payless and Licensee which expressly or by their nature survive the expiration or termination of this Agreement, including Licensee's obligations to pay amounts to Payless when due and Licensee's obligations under **Paragraphs 2.1, 2.3, 2.4, 9.3, 11.6, 11.7, 11.8, 11.9** and **Articles XIII** and **XIV** hereof, will continue in full force and effect subsequently to and notwithstanding the expiration or termination of this Agreement and until they are satisfied in full or by their nature expire.

PAYLESS CAR RENTAL SYSTEM, INC.:

By: _____
Print/Type Name: _____
Its: _____

LICENSEE:

By: _____
Print/Type Name: _____
Its: _____

ACKNOWLEDGEMENT

Licensee on behalf of itself and its beneficial owners acknowledges that it has carefully read and understands the contents of this Agreement, and all other related documents to be executed concurrently or in conjunction with the execution hereof, that it has had the opportunity to obtain the advice of counsel, and that it intends to comply herewith and be bound hereby.

LICENSEE:

By: _____
Print/Type Name: _____
Its: _____

EXHIBIT A
PERSONAL GUARANTEE

THIS GUARANTEE is made this ____ day of _____, 201_, by and between **PAYLESS CAR RENTAL SYSTEM, INC.** ("**Payless**"), and the persons whose names and address are set out below (collectively "**Guarantors**").

NOW IT IS HEREBY AGREED as follows:

1. In consideration of Payless entering into a License Agreement (hereinafter the "**Agreement**"), dated _____, for the territory more fully described in the Agreement, the Guarantors hereby unconditionally, irrevocably, jointly and severally guarantee to Payless, its Related Entities (as defined in the Agreement), and each of their respective successors and assigns (hereinafter "**Payless**" for purposes of this Guarantee) full and prompt performance by Licensee (as defined in the Agreement) of all its obligations under the Agreement, or otherwise arising in connection with Licensee's operation of the Rental Business franchised under the Agreement, and the due and punctual payment of all sums payable at any time or times under the Agreement or otherwise in connection with Licensee's operation of the Rental Business franchised under the Agreement, when and as the same will become due and undertakes with Payless that if and each time that Licensee will be in default of the payment of any sum whatsoever under the Agreement, including, without limitation, under **Article VII**, the Guarantors will on written demand from Payless, make good the default and perform all obligations and pay all sums which may become payable under the Agreement as if the Guarantors, instead of Licensee, were herein expressed to assume the primary obligation therefor, together with interest thereon at the rate per annum from time to time payable by Licensee thereunder until payment of such sums in full. The Guarantors' liability will not be contingent or conditioned upon pursuit by Payless of any remedies against Licensee or any other person.

2. The Guarantors undertake as a separate and additional obligation under the Guarantee to indemnify Payless against any loss that it incurs as a consequence of the failure, for whatever reason, of the due and punctual performance of the obligations guaranteed in **Paragraph 1**.

3. This Guarantee is a continuing obligation and will remain in force until all (not partial) sums payable by and obligations of Licensee referred to in **Paragraph 1** have been irrevocably paid and discharged in full and the Guarantors will have been released in full from this Guarantee in writing executed by a duly authorized officer of Payless.

4. The obligations of the Guarantors hereunder will not be affected by any act, omission or circumstances which but for this Guarantee might operate to release or otherwise exonerate the Guarantors from their obligations hereunder or affect such obligations, including, without limitation and whether or not known to the Guarantors, Payless or Licensee:

(a) Any time, indulgence or concession granted to or with Licensee or any other person; or

(b) The taking, variation, compromise, renewal or refusal or neglect to perfect or enforce any rights, remedies or securities against or granted by Licensee or any other person; or

(c) Any variation or extension of the due date for performance of any obligation of Licensee referred to herein, to the extent that the Guarantors' obligations hereunder will apply to such term as varied or in respect of the extended due date; or

(d) Any irregularity, unenforceability or invalidity of any obligation of Licensee referred to in **Paragraph 1** or any present or future law or order of any government or authority purporting to reduce or otherwise affect any such obligation; or

(e) The death or insolvency of the Licensee or any Guarantor; or

(f) Any security held or taken at any time by Payless being void, defective, or informal; or

(g) Payless entering into any deed of priority or postponement in relation to any security held or taken at any time by Payless; or

(h) Any modification or addition to, or termination of the obligation of Licensee referred to in **Paragraph 1**.

5. In the event of any liquidation, winding up or similar proceedings in respect of Licensee, the Guarantors will prove all their claims against Licensee in such proceedings and will hold upon trust for Payless the benefit of any such proof and/or monies (if any) received thereunder until all monies now or hereafter owing by Licensee under or by virtue of Licensee's obligations referred to in **Paragraph 1** have been paid in full.

6. The undersigned agrees that this Guarantee shall be interpreted and construed in accordance with the applicable law and dispute resolution provisions of **Article XIV** of the Agreement. **Article XIV** of the Agreement is hereby incorporated by reference herein and "Licensee" shall be deemed to refer to "**Guarantor**" in such provisions.

7. The Guarantors waive, in favor of Payless, all of their rights (whether against Payless, Licensee or any other person) to the extent necessary to give full effect to this Guarantee and will as and when required by Payless, sign or execute all such documents and perform all such things as may be reasonably required by Payless to give effect to this instrument or more satisfactorily assure to Payless any of Payless' rights hereunder.

8. Any Guarantor who executes this Guarantee is not released from liability hereunder by reason of this Guarantee ceasing to be binding as a continuing security on any other Guarantor who so executes this instrument, and a demand or other notice by Payless under this Guarantee if given to any one or more of the Guarantors will be deemed to have been given to all the Guarantors.

9. If Payless holds any other security for or right in respect of all or any of the amounts hereby guaranteed, Payless need not resort to that other security or right before enforcing its rights against the Guarantors under this Guarantee, and the liability of the Guarantors under this

Guarantee is not affected by reason that other security or right is, or may be, wholly or partly void, violable or unenforceable.

10. The Guarantors acknowledge that they were not induced to execute this Guarantee by any promise, representation, statement or information of any kind or nature whatsoever given or offered to the Guarantors by or on behalf of Payless, whether in answer to an inquiry by or on behalf of the Guarantor or not, and that Payless is not, has never been and will not be under any duty or obligation to disclose to the Guarantor any matter or thing relating to the affairs of Licensee or its transactions with Payless.

The Guarantors will pay all Payless' costs and expenses (including attorneys' fees) incurred in the enforcement of Payless' rights hereunder.

IN WITNESS WHEREOF this Guarantee has been entered into the day and year first before written.

PERSONAL GUARANTOR	**PERSONAL GUARANTOR**
_____	_____
Personally and Individually	Personally and Individually
HOME ADDRESS	HOME ADDRESS
_____	_____
_____	_____
_____	_____
_____	_____
TELEPHONE NO.:_____	TELEPHONE NO.:_____
PERSONAL GUARANTOR	**PERSONAL GUARANTOR**
_____	_____
Personally and Individually	Personally and Individually
HOME ADDRESS	HOME ADDRESS
_____	_____
_____	_____
_____	_____
_____	_____
TELEPHONE NO.:_____	TELEPHONE NO.:_____

EXHIBIT B
CONDITIONAL ASSIGNMENT OF TELEPHONE NUMBERS AND LISTINGS

In accordance with the terms of a License Agreement dated _____ between _____ ("**Licensee**") and **PAYLESS CAR RENTAL SYSTEM**, Inc. ("**Payless**"), in which Payless granted Licensee the right to own and operate a vehicle rental business using the name and service mark "**PAYLESS**" and other service marks at _____ (the "Rental Business"), Licensee hereby assigns to Payless, all of Licensee's direct or indirect right, title and interest in and to those certain telephone numbers and regular, classified or other telephone directory listings (collectively, the "**Telephone Numbers and Listings**") used in association with Payless' service marks and used from time to time in connection with the operation of the vehicle rental business or other business operated by Licensee under the License Agreement, included but not limited to the following telephone numbers:

_____

_____

_____

Upon termination or expiration of the License Agreement (without renewal or extension), Payless has the right and is hereby authorized to effect the assignment of the Telephone Numbers and Listings to Payless or our designee, and, in such event, Licensee will have no further right, title or interest in the Telephone Numbers and Listings; but Licensee will remain liable to the telephone company for all amounts owing to the telephone company or listing agencies on or before the effective date of this Assignment.

Upon termination or expiration of the License Agreement, Payless will have the sole right to, and all interest in, the Telephone Numbers and Listings, and Licensee hereby appoints Payless as its true and lawful attorney-in-fact to direct the telephone company to assign the Telephone Numbers and Listings to Payless or our designee, and execute such documents and take such actions as may be necessary to effect the assignment. The telephone company may accept Payless' written direction or this Assignment as conclusive proof of Payless' exclusive rights in and to the Telephone Numbers and Listings upon such termination or expiration of the License Agreement.

If the telephone company that owns the Telephone Numbers and Listings requires that the parties execute the telephone company's assignment forms or documentation to effect this Assignment, Licensee hereby grants Payless the right and power to execute such forms on its behalf. Licensee will also execute such other further assurances as are reasonably required by said telephone company and Payless to carry out the intent of this Assignment.

LICENSEE:

By: _____
Print/Type Name: _____
Its: _____

PAYLESS CAR RENTAL SYSTEM, INC.:

By: _____
Print/Type Name: _____
Its: _____

EXHIBIT C
NONDISCLOSURE AND NONCOMPETITION AGREEMENT
(LICENSE AGREEMENT)

In consideration of the execution by **PAYLESS CAR RENTAL SYSTEM, INC.**, of a License Agreement or a Consent Agreement for the Assignment of a therein identified License Agreement, and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the undersigned, being the Beneficial Owners and Principal Officers of _____ do hereby agree to individually and jointly comply with and be bound by all provisions of the aforesaid License Agreement in any way related to nondisclosure and non-competition, including without limitation, to **Paragraph 1.6, Article II** and **Paragraphs 11.6** and **11.9** thereof.

This Nondisclosure and Noncompetition Agreement will be executed by all persons and other legal entities who are now and who will be such Beneficial Owners and Principal Officers, and the execution hereof by all such persons and legal entities will be the responsibility of the undersigned.

SIGNATURE OF BENEFICIAL OWNERS	**SIGNATURE OF PRINCIPAL OFFICERS**
_____	_____
%	
_____	_____
Print Name Date	
	_____
_____	
%	_____
_____	
Print Name Date	
_____	
%	
_____	
Print Name Date	

EXHIBIT D
CONTINGENT ASSIGNMENT OF AIRPORT CONCESSION AGREEMENT

This Contingent Assignment of Concession Agreement ("**Agreement**") is made this _____ day of _____, 201_, by and among the following parties:

CONCESSIONAIRE:

_____

_____

LICENSEE: _____

_____

_____

_____

PAYLESS: Payless Car Rental System, Inc.
379 Interpace Parkway
Parsippany, New Jersey 07054

RECITALS:

WHEREAS, under the terms of the Concession Agreement (the "**Concession**") attached hereto as **Exhibit D**, Concessionaire has agreed to lease to Licensee certain premises (the "**Premises**") located at the following address: _____.

WHEREAS, Licensee has accepted the Premises as a suitable location for the Rental Business, subject to the provisions of a license agreement between Payless and Licensee (the "**License Agreement**") and further subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, including the acceptance by Licensee of the Premises as a location for a Rental Business, the parties hereby agree as follows:

1. Use of Premises. Licensee will use the Premises only for the operation of a Rental Business pursuant to its License Agreement and for no other purposes whatsoever.

2. Signage, etc. Concessionaire hereby consents to Licensee's use and display on the Premises of such exterior and interior signs, posters, promotional materials, and equipment, furnishings, and decor as are currently required by Payless pursuant to the License Agreement. In the event that such requirements are changed in the future, Concessionaire agrees that it will not unreasonably withhold its consent to Licensee's compliance with such changes. In the event that

local ordinances or zoning requirements prohibit the use of Payless' standard signage, Payless will not unreasonably withhold its consent to the modification of its standard signage to comply with such requirements.

3. Notices. Concessionaire agrees to furnish Payless copies of any and all letters and notices to Licensee pertaining to any default by Licensee under the Concession at the same time and in the same manner as any such notice is sent to Licensee. Licensee agrees to furnish Payless prompt written notice of any and all amendments, waivers, extensions, renewals or other modifications of the Concession. All notices hereunder will be mailed or delivered to the addresses set forth above, unless changed by any party through written notice mailed or delivered to the other parties.

4. Assignment. Concessionaire hereby acknowledges that Licensee has agreed under the License Agreement that, in the event of termination, for any reason, or Licensee's default under the Concession, Licensee will, at Payless' option, assign to Payless or Payless' designee any and all interest of Licensee in the Concession, including any rights to renew the Concession or to sublease the Premises; and Concessionaire hereby consents to such assignment, subject to the following conditions:

(a) Payless will notify Concessionaire in writing within thirty (30) days after termination or expiration of the License Agreement or Payless' receipt of any notice of default by Licensee under the Concession if Payless elects to accept assignment of the Concession; Payless' failure to accept assignment of the Concession upon any default of Licensee under the Concession, will not be deemed a waiver of Payless' future right to accept such assignment in the event of any future default of Licensee;

(b) If Payless elects to accept assignment of the Concession, Payless will execute and deliver to Concessionaire a concession containing the same terms and conditions (including concession fees) as the Concession; provided, however, that Payless' concession interest will not be subject to any defaults or claims that may then exist between Concessionaire and Licensee;

(c) If Payless elects to accept assignment of the Concession, Payless will take possession of the Premises within thirty (30) days after notice of such election to Concessionaire;

(d) Nothing herein will affect Concessionaire's right to recover from Licensee any and all amounts due under the Concession or to exercise any rights of Concessionaire against Licensee as provided under the Concession, nor will Payless be responsible for Licensee's default under the Concession.

5. Assignment To Third Party. At any time after giving notice of its election to accept assignment of the Concession, Payless may request to assign its concession, or sublease the Premises, to a third party. Concessionaire agrees not to unreasonably withhold its consent to any such assignment or sublease on the same terms as the Concession; provided, however, that if Concessionaire refuses to consent to such assignment or sublease by Payless, Payless will have

the right to revoke its acceptance of assignment of the Concession and will have no further obligations thereunder.

6. Entry By Payless. Concessionaire and Licensee hereby acknowledge that Licensee has agreed under the License Agreement that Payless and its employees or agents will have the right to enter the location(s) operated by Licensee at the Premises at any reasonable time for the purpose of conducting inspections, protecting Payless' trademarks, trade names, logos and similar proprietary interests, and correcting deficiencies of Licensee. Concessionaire and Licensee hereby agree not to interfere with or prevent such entry by Payless, its employees or agents.

7. De-Identification. Concessionaire and Licensee hereby acknowledge that in the event the License Agreement expires or is terminated, Licensee is obligated under the License Agreement to take certain steps to de-identify the location as a "Payless" business operated by Licensee. Concessionaire agrees to cooperate fully with Payless in enforcing such provisions of the License Agreement against Licensee, including allowing Payless, its employees and agents to enter the Premises and remove signs, decor and materials bearing or displaying any marks, designs or logos of Payless; provided, however, that Concessionaire will not be required to bear any expense thereof. Licensee agrees that if it fails to de-identify the Premises promptly upon termination or expiration as required under the License Agreement, Payless may cause all required de-identification to be completed at Licensee's expense.

8. General Provisions.

(a) This Agreement will be binding upon the parties hereto and their successors, assigns, heirs, executors, and administrators.

(b) Any party hereto may seek equitable relief, including, without limitation, injunctive relief or specific performance, for actual or threatened violation or non-performance of this Agreement by any other party. Such remedies will be in addition to all other rights provided for under law or other agreements between any of the parties. The prevailing party in any action will be entitled to recover its legal fees together with court costs and expenses of litigation.

(c) Nothing contained in this agreement will affect any term or condition in the License Agreement between Licensee and Payless. Nothing herein will be deemed to constitute a guaranty or endorsement by Payless of the terms and conditions of the Concession between Concessionaire and Licensee. In the event that Payless, in its sole discretion, determines not to accept assignment of the Concession as permitted hereunder, neither Concessionaire nor Licensee will have any claims against Payless. No terms or conditions contained in the Concession will be binding on Payless unless it elects to accept assignment of the Concession hereunder.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

PAYLESS CAR RENTAL SYSTEM, INC.: **CONCESSIONAIRE:**

By: _____ By: _____
Its: _____ Its: _____
Date: _____ Date: _____

LICENSEE:

By: _____
Its: _____
Date: _____

EXHIBIT E
RENTAL SYSTEM AGREEMENT

(See Exhibit I of Franchise Disclosure Document)

EXHIBIT F
PAYLESS TRANSFER REQUIREMENTS

In order to assure the quality of service, operational uniformity, integrity and continued success of the network of mutually interdependent vehicle Rental Business operating under the "Payless" name (the "**Network**"), it is essential that Payless Car Rental System, Inc. ("**Payless**") ensure that each Licensee satisfy the financial, managerial and operational standards, methods, and procedures that Payless periodically implements for the Network (the "Car Rental System"). Thus, Payless' consideration of a transfer involves a managerial judgment made by Payless based on its assessment of the licensor-licensee relationship in connection with the long-range needs and continued success of the Network. Therefore, Payless sets forth below Requirements, which will apply to all licensees who wish to transfer ownership or control of their Payless License Agreement or their Payless Car Rental business operated pursuant thereto (the "**Rental Business**"). These Requirements will not constitute a waiver of or otherwise limit Payless' or a Licensee's rights under any Payless License Agreement and will not constitute an amendment or other modification to the terms and provisions of the Transferring Licensee's License Agreement.

I. TRANSFERS, GENERALLY

A. DEFINITION OF TRANSFER

"**Transfer**" is defined as any transfer, sale, assignment, management agreement or other agreement of any kind, at any time during the term of the Transferring Licensee's License Agreement, and in accord with the provisions thereof, which directly or indirectly results in a change in the beneficial ownership or control of the Licensee, the Rental Business, the Payless franchise, or the identity of the parties dealing with Payless on either an ownership or operational level.

B. APPROVAL BY PAYLESS

Before any transfer becomes effective, the written approval of Payless, consistent with the requirements of the Transferring Licensee's License Agreement, must be obtained in accordance with the procedures and requirements set forth below. Transferring Licensee and the proposed Transferee should expect that such review will require at least ninety (90) days followings its submission of the documents referred to in **Paragraph D** below (and possibly longer in the event that Payless has to update, supplement or register its FDD), but in no event shall the proposed transfer take effect until such time as Payless has completed its review, formally passed on its right of first refusal, provided its written approval to Transferring Licensee in the form of a Conditional Consent Letter and the Transferring Licensee and Licensee properly execute and deliver all required documentation and fees.

C. DOCUMENTS TO BE SUBMITTED TO PAYLESS

Transferring Licensee will submit to Payless written notice of its intent to transfer, together with all of the following documents and information for Payless' review, with such documents and information being certified as true, correct and complete by Transferee, its shareholders, members and/or partner(s):

1. The names, addresses and phone numbers (both business and personal) of the Transferee, its shareholders, members and/or partners, and its officers, directors and operational management personnel (hereinafter "management team") related to the Rental Business.

2. Financial statements of the Transferee, its shareholders, members and/or partners for the past three (3) years and an opening balance sheet for the Rental Business.

3. The business experience for the past five (5) years (with particular emphasis on rent-a-car experience) of the Transferee, its shareholders, members and/or partners and its management team.

4. The bankruptcy and litigation history, for the past five (5) years, of the Transferee, its shareholders and/or partners and its management team.

5. A copy of the definitive buy/sell agreement and any and all other agreements and documents in any way relating to the transfer, or needed for the approval process including, but not limited to, facility, equipment and concession agreements being assumed, schedules of assets being sold, employment/consulting agreements, asset/vehicle purchase agreements, and non- competition agreements. The buy/sell agreement must be signed by Transferring Licensee and proposed Transferee and must also contain language indicating that the proposed sale is contingent upon Payless' written consent to the transfer and the satisfaction of all transfer requirements.

6. Verification from banks or other financial institutions that the Proposed Transferee has secured lines of credit for fleet financing in amounts necessary to operate the Rental Business.

7. Verification from insurance companies that the proposed Transferee has secured fleet liability insurance.

8. A copy of the forecast or pro forma financial statements completed by the proposed Transferee on the Rental Business, which was submitted to fleet financing or other financing sources.

9. Pictures of the locations subject to the sale including pictures of the interior and exterior trade dress and counter.

D. AREAS OF CONSIDERATION FOR APPROVAL OF THE TRANSFER

In determining whether to approve the transfer, Payless shall consider each of the following:

1. The financial strength and credit history of the Transferee, its shareholders and/or partners.

2. The capitalization and available working capital of the Transferee, and proposed capitalization of the Rental Business.

3. The Transferee's ability to operate the Rental Business at a reasonable profit, considering, among other things: (a) the financial and other requirements of the proposed buy/sell agreement and the Rental Business itself; (b) the profitability of similarly situated licensees; and (c) the profitability of other businesses owned and/or operated by Transferee, its shareholders, members and/or partners.

4. With regard to proposed Transferees that are existing licensees, the prior level of participation by the Transferee and its management team in the current marketing, operational and other programs of the Car Rental System (including the then current Payless Programs).

5. The managerial ability and experience of the entire management team with specific attention being given to the proposed general manager of the Rental Business.

6. The commitment to personal participation by the Transferee, and the stockholders, members and/or partners of the Transferee, in the management and operation of the Rental Business.

7. The experience, aptitude, attitude, character and reputation of the Transferee, its stockholders and/or partners and its management team, determined by Payless through personal interviews or otherwise.

8. The Transferee's willingness and ability to operate the Rental Business in accordance with current operating standards considering, among other things: (a) the operational requirements of the buy/sell agreement(s) and the Rental Business itself; and (b) the Transferee's compliance with the current operating standards in any other Rental Business owned and/or operated by Transferee, its stockholders, members and/or partners.

9. The number and type of prospective shareholders and/or partners of the Transferee and its effect on the management, operation and profitability of the Rental Business.

10. Any competitive business interests and any other Rental Business interests of the Transferee, its shareholders, members and/or partners and its management team.

11. The litigation and bankruptcy history, for at least the last five (5) years, of the Transferee and any related company, its stockholders, members and/or partners and management team.

12. Whether the Transferring Licensee is adhering to Payless' then current standards including (a) operating the Payless business using Wizard or other approved electronic distribution system, (b) maintaining Payless' then current trade dress and facility standards and (c) following Payless' other Standards and Programs regarding National Accounts corporate accounts and form of rental agreement.

E. **THE PROPOSED TRANSFEREE WILL BE REQUIRED TO:**

1. Execute and comply with all of the terms of Payless' then current License Agreement, Programs and any terms of Payless' Conditional Consent Letter. The royalty fee structure applied to the License Agreement to be executed by the Transferee shall be consistent with that as provided in the Transferring Licensee's existing Payless License Agreement.

2. Make such necessary operational improvements in the Rental Business (i.e., fleet, facilities, signage, personnel, promotional participation, etc.) to bring the business into reasonable compliance with the then current operating standards of the System.

F. **THE TRANSFERRING LICENSEE AGREES TO:**

1. Execute and Comply with all of the terms of Payless' Conditional Consent Letter.

2. Pay from the sale proceeds or otherwise as of the closing date of the transfer:

   a. All amounts due Payless whether pursuant to the Payless License Agreement or otherwise;

   b. All amounts due to other members of the Network, which Payless may, at its discretion, collect on behalf of those members; and

   c. All amounts due any other creditors for products delivered, services rendered or otherwise, including but not limited to, taxes, travel agent commissions, phone bills, facility/location rent, airport concession fees, and other payables incurred in the conduct of the Rental Business as of the closing date of the transfer, which Payless may, at its discretion, collect on behalf of the creditor.

3. Provide all final documentation (i.e., corporate resolutions, lease and airport concession agreement assignments and consents to such assignments, etc.) to Payless. Transferring Licensee is responsible for their transfer request and for facilitating any communication between Payless, proposed Transferee and Transferring Licensee. BROKERS SHOULD NOT contact Payless at any time.

4. Transferring Licensee shall pay a transfer fee of $2,500.00 (plus any CPI-U adjustment as described below) to Payless when Licensee requests that Payless review a proposed transfer. In addition to the $2,500 transfer fee, the Transferring Licensee shall also pay any and all out-of-pocket expenses incurred by Payless during the transfer review and approval process, but in no event will the out of pocket expenses recovered by Payless be more than $7,500.00 The out of pocket expenses if any, shall be paid by the Transferring Licensee to Payless upon the conclusion of the transfer. No transfer fee shall be due and Payless shall refund any transfer fee if the transfer does not conclude as a result of Payless' refusal to approve such transfer.

5. The transfer fee in this **Exhibit F** shall be adjusted annually for inflation/ deflation. The adjustment index shall be the unadjusted consumer price index for all urban consumers (CPI-U) published by the U.S. Department of Labor, Bureau of Labor Statistics. The adjustment shall be the percentage change in the CPI-U from March 31, 20__ and the last day of the month preceding the transfer of the License Agreement.

6. Sign Payless' then current Termination and Release Agreement and any other documentation requested by Payless.

G. TRANSFERS OF VOTING SECURITIES IN STOCK OFFERINGS

Licensee acknowledges and understands that Payless may not consent to Licensee's private offering if Payless determines, in its sole discretion, that such an offering is not in the best interests of Payless, as Licensor, or its Network. If Payless allows a private offering, Licensee will need to meet the other Transfer Requirements referenced below and pay a transfer fee of $5,000 (plus any CPI-U adjustment from March 31, 20__) when Licensee requests a proposed transfer plus any out of pocket expenses incurred by Payless as described in paragraph I.F.4. referenced above. In addition to the other Transfer Requirements contained in this schedule, the additional documentation will need to be provided:

1. DOCUMENTS/FEES TO BE SUBMITTED TO PAYLESS

Transferring Licensee shall submit to Payless written notice of its intent to transfer, providing Payless with all required documentation and information sufficiently in advance of the date the proposed transfer is scheduled to take effect so as to enable Payless to make a full and complete review of all relevant facts. Transferring Licensee and the proposed Transferee should expect that such review will require at least ninety (90) days following its submission, but in no event shall the proposed transfer take effect until such time as Payless has completed its review, formally passed on its right of first refusal and provided its written approval to Transferring Licensee. Such documents and information being certified as true, correct and complete by Transferee, its shareholders and/or partners, shall include:

a. All materials required for such offering by federal or state law; and

b. All materials to be used in any exempt offering.

2. AREAS OF CONSIDERATION FOR APPROVAL OF THE STOCK OFFERING

Subject to the provisions of each individual License Agreement and applicable statutes, Payless' consideration of requests for approval of any transfer are based upon the judgment of Payless, in light of conditions then prevailing and expected future needs of the System, as to whether and to what extent the proposed transfer will enhance or impair the rights and obligations then existing between Payless and the Licensee, as well as the overall benefit or detriment to the Network. As of the present date, the following factors, among others, are criteria which Payless considers relevant to that decision:

a. The percentage of ownership or control being transferred by way of the stock offering.

b. The effect the stock offering will have on the management, operation and control of the Rental Business.

c. The accuracy and completeness of the representations and factual statement contained in the stock offering prospectus and other documents concerning the Transferring Licensee's relationship with Payless.

d. The accuracy and completeness of any necessary disclosures in the stock offering prospectus and other documents, concerning Payless' rights of approval and Payless' option to purchase with respect to the initial and any subsequent transfer of the stock.

e. The absence of any express or implied representation that Payless is participating in, or in any way approves of, the underwriting, the issuance or the offer of Transferring Licensee's stock.

f. The extent to which the stock offering will impair or otherwise adversely affect Payless' rights under the License Agreement.

3. REQUIREMENTS APPLICABLE TO LICENSEES SUBSEQUENT TO STOCK OFFERING

In those instances where Payless has consented to the approval of a stock offering, such approval will be conditioned on the Transferring Licensee's implementation of requirements designed to ensure Payless' existing contract rights and its reasonable business interests, which are designed to preserve the integrity and continued success of the Network and the essential elements of the relationship between Payless and its licensees. Such required procedures may include any or all of the following, among others:

a. Placing a legend on each certificate or other document evidencing the stock in the following form:

> Any sale, assignment, transfer or other disposition of the shares of stock represented by this certificate is restricted by and subject to the terms and provisions of a License Agreement dated _____ and to the Payless Car Rental System Transfer Requirements. By acceptance of this certificate, the holder hereof agrees to be bound by the terms of said Agreement and all amendments or supplements thereto and by the requirements of the Payless Car Rental System Transfer Requirements.

or such other form of notice as may be required by Payless in accordance with applicable law.

b. Advising any registrar/transfer agent of Transferring Licensee's stock that no transfer may be made of any such stock without the prior express written consent of Payless communicated by Payless directly to the registrar/transfer agent.

c. Giving Payless advance notice regarding any representation or factual statement relating to the Rental Business, which is contained in any public document and agreeing that no shareholder shall make disclosures concerning Payless or the Rental Business other than those required by law.

d. Including in all filings and offering documents a disclaimer that Payless (and its parents, affiliates, and subsidiaries) is not participating in, or in any way approving of, the underwriting or other accounting procedures utilized in the offering.

e. Having all beneficial owners execute Payless' Non-Disclosure/Non-Compete Agreement.

f. Making certain that the word "Payless" is not used in any other business of the shareholders.

g. Fulfilling at all times, the obligation to maintain confidentiality of elements of the System, including all disclosures made to licensees and not to the general public.

h. Having all shareholders agree to adhere to the in term and post term restrictions of nondisclosure and non-competition contained in the License Agreement.

i. Having all shareholders personally guarantee payments due Payless under the License Agreement.

H. NO PUBLIC OFFERING

Licensee acknowledges and agrees that it is in the intent of both Payless and Licensee that Licensee not be or become, and Licensee covenants not to be or become, a public company directly or indirectly including, without limitation, by way of an initial public offering or transfer to or merger with an existing public company. Accordingly, Licensee agrees that securities of Licensee or an entity owning a direct or indirect equity interest in Licensee, the Payless License Agreement, any of Licensee's assets or any of Licensee's Rental Business locations may not be offered pursuant to a public offering or merged with an existing public company.

I. PAYLESS DISCLAIMER

Payless' review and approval of any proposed transfer or stock offering shall not in any way imply that the documents or their representations and warranties are complete or correct in any respect; that the terms thereof are fair and reasonable; or that the Transferee can or will earn a profit from its investment.

EXHIBIT G
OWNERSHIP AND MANAGEMENT

The Owners of _____ d/b/a Licensee of _____, as _____ follows:

I. Corporation:

A. State of Incorporation	_____	
B. Shares		
	Total number of shares of common voting stock issued and outstanding:	
	Total number of preferred shares issued and outstanding:	Voting Non-voting
	Total number of non-voting common shares issued and outstanding	
C. Stockholders		
	Name and Address (Printed)	Type of Stock/# of Shares
D. Directors		
	Name	Address

E. Officers		
	Name/Position	Address

II. Limited Liability Company:

A. Established under the laws of:		
B. Total number of units of interest issued and outstanding:	_____ units	
C. Total number of voting units of interest equal:	_____ units	
D. Total number of non-voting units of interest:	_____ units	
E. Members		
	Type of Membership/# of Units	Name and Home Address
F. Management (designated in the Operating Agreement)		
	Name	Home Address

III. Partnership:

Name	Status	Home Address

Exhibit H-1

SBA Addendum

ADDENDUM TO LICENSE [1] AGREEMENT

THIS ADDENDUM ("Addendum") is made and entered into on _____, 20____, by and between Payless Car Rental System, Inc. ("Franchisor"), located at 379 INTERPACE PARKWAY, PARSIPPANY, NEW JERSEY 07054, and _____ ("Franchisee"), located at _____.

Franchisor and Franchisee entered into a License Agreement on _____, 20___, (such Agreement, together with any amendments, the "License Agreement"). Franchisee is applying for financing(s) from a lender in which funding is provided with the assistance of the U. S. Small Business Administration ("SBA"). SBA requires the execution of this Addendum as a condition for obtaining SBA-assisted financing.

In consideration of the mutual promises below and for good and valuable consideration, the receipt and sufficiency of which the parties acknowledge the parties agree that notwithstanding any other terms in the License Agreement or any other document Franchisor requires Franchisee to sign:

CHANGE OF OWNERSHIP

- If Franchisee is proposing to transfer a partial interest in Franchisee and Franchisor has an option to purchase or a right of first refusal with respect to that partial interest, Franchisor may exercise such option or right only if the proposed transferee is not a current owner or family member of a current owner of Franchisee. If the Franchisor's consent is required for any transfer (full or partial), Franchisor will not unreasonably withhold such consent. In the event of an approved transfer of the franchise interest or any portion thereof, the transferor will not be liable for the actions of the transferee Franchisee.

FORCED SALE OF ASSETS

- If Franchisor has the option to purchase the business personal assets upon default or termination of the License Agreement and the parties are unable to agree on the value of the assets, the value will be determined by an appraiser chosen by both parties. If the Franchisee owns the real estate where the franchised location is operating, Franchisee will not be required to sell the real estate upon default or termination, but Franchisee may be required to lease the real estate for the remainder of the franchise term (excluding additional renewals) for fair market value.

[1] While relationships established under license, jobber, dealer and similar agreements are not generally described as ''franchise'' relationships, if such relationships meet the Federal Trade Commission's (FTC's) definition of a franchise (see 16 CFR § 436), they are treated by SBA as franchise relationships for franchise affiliation determinations per 13 CFR § 121.301(f)(5).

COVENANTS

- If the Franchisee owns the real estate where the franchised location is operating, Franchisor has not and will not during the term of the License Agreement record against the real estate any restrictions on the use of the property, including any restrictive covenants, branding covenants or environmental use restrictions. If any such restrictions are currently recorded against the Franchisee's real estate, they must be removed in order for the Franchisee to obtain SBA-assisted financing.

EMPLOYMENT

- Franchisor will not directly control (hire, fire or schedule) Franchisee's employees. For temporary personnel franchises, the temporary employees will be employed by the Franchisee not the Franchisor.

As to the referenced License Agreement, this Addendum automatically terminates when SBA no longer has any interest in any SBA-assisted financing provided to the Franchisee.

Except as amended by this Addendum, the License Agreement remains in full force and effect according to its terms.

Franchisor and Franchisee acknowledge that submission of false information to SBA, or the withholding of material information from SBA, can result in criminal prosecution under 18 U.S.C. 1001 and other provisions, including liability for treble damages under the False Claims Act, 31 U.S.C. §§ 3729 - 3733.

Authorized Representative of FRANCHISOR:

By: _____

Print Name: _____

Title:_____

Authorized Representative of FRANCHISEE:

By: _____

Print Name: _____

Title:_____

Note to Parties: This Addendum only addresses "affiliation" between the Franchisor and Franchisee. Additionally, the applicant Franchisee and the franchise system must meet all SBA eligibility requirements.

Exhibit I
Rental System Agreement

RENTAL SYSTEM AGREEMENT

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EXHIBIT I

RENTAL SYSTEM AGREEMENT

THIS RENTAL SYSTEM AGREEMENT (the "**Agreement**") is made an entered into as of _____, 20__ (the "**Effective Date**") by and between **Avis Budget Car Rental, LLC**, a Delaware limited liability company ("**ABCR**"), itself and by its subsidiaries **Wizard Services, Inc.** and **Payless Car Rental System, Inc.** ("**Payless**"), and _____ ("**Licensee**").

WITNESSETH:

WHEREAS, Licensee is party to a License Agreement with Payless and pursuant to that License Agreement operates a Payless Rent A Car Business (the "**Business**"); and

WHEREAS, Licensee desires to receive and process car rental reservations for the Business , transmitted via the Wizard System ("**Wizard**"), ABCR's proprietary reservation and rental system. Such reservations are made through Payless reservation centers, Global Display Systems or "GDS", websites (including www.paylesscar.com, electronic GDS websites, and airline partner websites) and other direct links to Wizard (the "Reservation System"); and

WHEREAS, Licensee desires to process all of the rental agreements entered into with customers in connection with the operation of the Business at its locations through Wizard (the "Transactions"); and

WHEREAS, ABCR, pursuant to the terms and conditions specified herein, also desires to process Licensee's Transactions through Wizard and to provide Licensee with the rental system functionality available in Wizard as further described in **Schedule A** hereto (the "System").

NOW, THEREFORE, the parties agree as follows:

I. SERVICES

1. Pursuant to the terms and conditions of this Agreement, Licensee will process through Wizard all of its Transactions and ABCR will provide Licensee with access to the System in order to utilize its features and functions in connection with Licensee's Business. ABCR hereby grants Licensee a limited, non-exclusive, non-transferable license to utilize the System for such purpose in accordance with the terms of this Agreement. ABCR will provide specialized computer services to Licensee through Wizard as set forth in the **Administrative Services Addendum** attached to this Agreement as **Schedule E**.

2. ABCR will provide to Licensee at an additional charge, and Licensee will subscribe to, ABCR's 24-hour telephone Help Desk support service (the "Help Desk"). ABCR's charges for the Help Desk will be uniform for all users of the System, may be changed from time to time upon written notice to Licensee and are currently in the amounts set forth in the **Charges Schedule** attached to this Agreement as **Schedule B**. Help Desk services are provided by telephone and includes coordination of computer equipment installation, troubleshooting computer hardware, software and communication facilities and ongoing technical support of the System.

Licensee acknowledges that the Help Desk exists to support System problems and that it cannot address problems related to a Licensee's PC or its Internet Service Provider ("ISP").

II. RESERVATION SYSTEM

1. Licensee's Responsibilities.

(a) Reservation Fees.

(i) Licensee agrees to pay to ABCR, the amounts contained within the monthly billing Composite Statement (the "**Composite Statement**") monthly fees as listed below ("**Reservation Fees**") for all reservations which are made for Licensee by customers, airlines, travel sources, tour sources, Internet, E-commerce or otherwise through the Reservation System during the preceding month.

(ii) Such Reservation Fees, unless otherwise specified below, shall be in accordance with Schedule F, as amended from time to time pursuant to the terms and conditions contained herein, which Schedule is attached hereto and incorporated herein by reference. The Reservation Fees will be due for all such reservations including, without limitation, reservations which Payless attempts to transmit to Licensee but which Licensee or its employee(s) fail to accept for any reason whatsoever, and shall be paid without any setoff or deduction of any kind. The Reservation Fees Licensee agrees to pay to ABCR consist of the following:

(1) ABCR will make the Composite Statement available to the Licensee electronically each month (unless mutually acceptable mailing arrangements have previously been arranged) (the "Composite Statement Date"). Licensee will pay to ABCR all amounts contained within the Composite Statement, including any late fees, administrative fees and or any contested fees that have not been resolved as further described below, within forty-five (45) days of the Composite Statement Date. Licensee will have forty-five (45) days from the Composite Statement Date, to contest and adequately address any charges or credits on the Composite Statement in accordance with the Standards (as defined in the License Agreement) (the "Review Period"). Licensee agrees that any changes or credits not properly contested or addressed within the Review Period will be considered final, due and payable to ABCR per the License Agreement and this Agreement. Licensee agrees that ABCR, at its sole discretion, will first apply any payments that it receives to the oldest balances first and that ABCR may modify the Review Period or any of the Standards relating to the Composite Statement upon written notice to the Licensee.

a. Reservation Fee. This fee is attributable to reservation operating expenses, which include reservations incoming from phone/GDS equipment, phone calls or internet/direct link reservations, including from paylesscar.com. This fee also covers the operating expenses of the Reservation System, including expenses for the acquisition, maintenance and enhancement of facilities, equipment, personnel, marketing, customer relations and corporate overhead for the Reservation System. A list of the current total Reservation Fees are specified in **Schedule F**, which is attached hereto and

incorporated herein by reference. These expenses may be periodically adjusted to compensate for any increase or decrease in actual cost.

b. Third Party Automated Reservation Fee. This fee covers the reservation transmission fee for all reservations generated by third parties booked through their proprietary systems (also known as a Global Display System or "GDS" and referred to elsewhere in this Agreement as a "GDS") and processed through the Reservation System on Licensee's behalf. The current rates for this fee are indicated in Schedule 2 to **Schedule F**, which is attached hereto and incorporated herein by reference, and are subject to change as and to the extent that the GDS reservation fee rates that ABCR is required to pay changes.

c. Payless Centralized Commission Services Program Fee. This fee will cover the expenses of processing and paying commissions for travel source generated reservations in accordance with Schedule 3 to **Schedule F**, which is attached hereto and incorporated herein by reference, as amended from time to time.

d. International Phone Reservation Fee. This fee covers expenses for reservations made by international phone sources. The current International Phone Reservation Fee is listed in **Schedule F**.

e. All fees due to be paid by Licensee to ABCR under this Agreement are due and payable by Licensee via the online Composite Statement for such fees.

(b) Joint Resolution Procedures.

(i) Licensee authorizes ABCR (through the Payless Customer Service Department or other department ABCR designates), in accordance with the then current Payless Joint Resolution Procedure ("Joint Resolution Procedure"), to act on Licensee's behalf to resolve customer complaints by payment on Licensee's behalf, of up to the amount periodically designated by ABCR (currently up to $50 without prior approval from Licensee, with adjustments greater than $50 requiring Licensee's prior approval). If ABCR receives a customer complaint relating to Licensee's Business that ABCR reasonably believes cannot be satisfied by ABCR's payment to the customer (on Licensee's behalf), Payless will refer the complaint to Licensee for resolution. Licensee will respond to the customer and resolve the complaint within the period set forth in the Joint Resolution Procedure. If ABCR does not receive written evidence of the complaint's resolution within such period, then Licensee authorizes ABCR to act on its behalf and resolve the complaint, on Licensee's behalf, as ABCR reasonably deems appropriate. The cost to administer the current program is included as part of the Reservation Fee.

(ii) Information Requests. When insufficient details regarding the complaint are provided by the customer, and/or otherwise available to ABCR, ABCR may request additional information or documentation (e.g., copy of the rental agreement) from Licensee to assist ABCR in reaching a resolution with respect to such complaint.

(iii) All requests for additional information or documentation made by ABCR must be in writing (via electronic mail or facsimile). Licensee must respond to such request in writing within the period set forth in the Joint Resolution Procedure but no more than ten (10) days. All responses made by Licensee must answer the question(s) raised and/or provide the information requested in such request.

(iv) Vehicle Damage.

(1) In the case of a complaint regarding charges imposed on a customer in connection with any vehicle damage, the Licensee must provide copies or sufficient evidence of the following:

a. itemized actual repair costs and charges of the damaged vehicle;

b. full disclosure to the customer of any damaged vehicle repair costs and charges;

c. customer's written authorization to charge any repair costs and charges to the credit card owned by such customer; and

d. an accident report.

(2) Failure to provide the information listed in clauses (a) through (d) above within the period set forth in the Joint Resolution Procedure will be deemed an authorization to make further adjustments and such adjustments shall be fully reimbursable by the Licensee.

(3) Licensee will receive a monthly Composite Statement which will include amounts paid by ABCR during the prior month to customers in accordance with the Joint Resolution Procedure. Licensee shall pay this amount no later than 45 days from the date of the Composite Statement with payment of the other Reservation Fees identified above.

(c) Payless Centralized Commission Services Program. Licensee authorizes ABCR to act on its behalf for purposes of processing and paying for travel source reservations and agrees to comply with the terms and conditions of the then current Payless Centralized Commission Services Program, which is an integral part of the Reservation System, and the related policies and procedures, as established by ABCR from time to time, a current copy of which is attached hereto as Schedule 3 to **Schedule F**.

(d) Access to Information. Licensee agrees to designate in writing to Payless an individual(s) who will provide, and Licensee shall ensure that said individual provides, the Reservation System, either orally or in writing, with the most accurate and current information regarding Licensee's program participation, vehicle availability, rates, locations, days and hours of operation, as well as all other information applicable to Licensee and its various Payless rental locations which information Payless may reasonably deem, from time to time, to be necessary for the efficient operation of the Reservation System. Licensee agrees that Payless has the right to

rely and act upon the information provided by said individual(s) until receipt of written notification to the contrary by Licensee and designation of a new individual(s).

(e) Use of Symbols. Licensee agrees to use letter and number symbols for communicating rental rates, vehicle types, credit cards and other similar information related to the rental transaction which are compatible with and conform to all of the requirements, standards and specifications established from time to time by ABCR and/or the Air Traffic Conference, or other outside standard setting agency, as soon as practical but in no event later than six (6) months after notice from ABCR of said requirements, standards and specifications. The current symbol requirements are specified on Schedule 4 to **Schedule F**, which is attached hereto and incorporated herein by reference.

(f) Compliance with Law. Licensee agrees to fully comply with all applicable local, state and federal laws and regulations, including, for example, consumer protection laws and regulations relating to advertising, marketing and providing services offered and/or processed through a computer reservation system. ABCR reserves the right to refuse to communicate or otherwise transmit any information provided to it by Licensee through its designated individual(s), or otherwise, which would be in violation of any local, state or federal law or regulation and reserves the right to communicate to the public such additional information as ABCR, in its sole discretion, determines is necessary to comply with such laws and regulations.

(g) Prerequisites for Reservations Services. Licensee agrees that, as a prerequisite to receiving reservation services through the Reservation System, including, for example, the delivery of reservations to Licensee, Licensee will process all rental transactions resulting from reservations generated through the Reservation System in accordance with:

(1) The terms and conditions of this Agreement and the License Agreement;

(2) Payless's then current national account, CorpRate account and marketing programs in which Licensee has agreed to participate by separate agreement; and

(3) The terms and conditions of Licensee's reservations, including, without limitation, the class of vehicle and the rate; provided, however, that if there are no vehicles available within the reserved vehicle class: i) Licensee must provide renter with a vehicle in a higher class at the reserved rental rate; or ii) if there are no vehicles available within a higher class, Licensee must provide renter with a vehicle in the next lowest class as long as it also provides the renter with the best rate for a vehicle in that class, or with the reserved rate, whichever is lower.

2. ABCR's Responsibilities.

(a) Use of Fees. ABCR agrees to use all Reservation Fees received from Licensee to operate the Reservation System in accordance with the terms and conditions of this Agreement.

(b) Solicitation and Transmission of Reservations. ABCR agrees to provide facilities, equipment and personnel for the Reservation System that may be reasonably necessary for the

solicitation, reception and transmission of national and international reservations for and on behalf of Licensee.

3. Year End Reconciliation. At the end of each calendar year, ABCR will prepare a profit and loss statement for the Reservation System, reconcile the applicable fees and expenses, and adjust such fees for the then current year including any retroactive adjustment to the beginning of the then current calendar year as follows:

Reservation Fee/Third Party Automated Reservation/Network Access/ Internet/Tour Direct Fees.

(a) Credit Balance. If and to the extent the Reservation Fee, Third Party Automated Reservation, Network Access and Internet/Tour Direct Fees charged to all Payless licensees during the year exceed the corresponding expenses incurred during that year, the excess fees will be credited to the following year to offset future Reservation Fees and to reduce any increase in the Reservation Fee for such following year.

(b) Deficit Balance. If and to the extent the Reservation Fee, Third Party Automated Reservation, Network Access and Internet/Tour Direct expenses incurred during the year exceed the total Reservation Fee, Third Party Automated Reservation, Network Access and Internet/Tour Direct Fees charged to all Payless licensees during the year, ABCR may recover the deficit amount by increasing the Reservation Fee upon 30 days written notice to the Licensee, subject to the limitations of Section II.1.(a) above.

4. Other.

(a) Outstanding Indebtedness. In the event that this Agreement is terminated, Licensee agrees to pay all outstanding fees due ABCR arising from this Agreement within fifteen (15) days after receipt of a final Composite Statement from ABCR.

(b) License Agreement Obligations. Licensee acknowledges and agrees that as long as ABCR maintains the Reservation System and makes it available to Licensee in accordance with the terms of this Agreement or any substitute agreement (as amended from time to time), Payless shall have fulfilled its obligations to Licensee regarding reservations, if and to the extent such obligations arise from Licensee's License Agreement.

III. TERM

This Agreement will begin on the Effective Date and will remain in effect until the License Agreement between Payless and Licensee expires, terminates or is transferred pursuant to its terms. In any such event, this Agreement will simultaneously terminate or transfer, as appropriate. Licensee will, however, continue to be responsible for all of its obligations hereunder that arose prior to expiration, termination or transfer.

IV. CONNECTIVITY

1. ABCR reserves the right to modify or change the method of connectivity to the System, provided that such modification or change is applicable to Payless locations as well as Payless licensee locations.

2. In the event Licensee elects to connect to the System via Legacy SNA (Frame Relay), ABCR will, at Licensee's expense, acquire, install, manage and maintain the network communications equipment, interconnections and telephone services required by ABCR for Legacy SNA connectivity. Existing Legacy SNA requirements and costs are outlined in **Schedule B** hereto. ABCR may change these costs from time to time upon written notice to Licensee based upon increases in actual expenses incurred by ABCR to provide such services and obtain such equipment.

3. In the event Licensee elects to connect to the System via the Internet, Licensee will be required to execute the **Wizard System Network Access Addendum** attached hereto as **Schedule C** (the "Addendum"), which Addendum is incorporated herein by reference and is a part hereof.

4. Licensee may connect to the System using Thin Client, a Terminal purchased via ABCR that provides Licensee with a PCI-compliant infrastructure.

5. Licensee, at its option, may connect to the System using Thin Client either through (i) a Multiprotocol Label Switching ("**MPLS**") based solution or (ii) via the Aruba/DSL Connectivity. A Site Survey must be conducted prior to the implementation of Thin Client to determine the network and physical needs of Licensee's location ("**Site Survey**"). The Site Survey must be conducted by an ABCR approved third party vendor and the fees for the Site Survey are paid directly to the vendor by Licensee (**Schedule B**).

6. In the event Licensee elects to connect to the System via an Aruba/DSL, ABCR will, at Licensee's expense, acquire, install, manage and maintain the network communications equipment and interconnections required by ABCR for Aruba/DSL connectivity. Aruba/DSL requirements and costs are outlined in **Schedule B** and Schedule 4 to **Schedule E** herein. Aruba/DSL connectivity is reactively managed, as defined in **Schedule A** herein. ABCR may change these costs from time to time upon written notice to Licensee based upon increases in actual expenses incurred by ABCR to provide such services and obtain such equipment.

V. ACQUISITION OF EQUIPMENT

1. Except as provided in Article IV.2. above, Licensee, at its own expense, will acquire, install and maintain, all on-site computer/terminal equipment, computer/terminal interconnections, modems, controllers and other communication equipment, interconnections and services, including an ISP if Licensee elects to connect to the System via the Internet, backup capabilities and materials it may require from time to time in order to access and utilize the System (hereinafter, either individually or collectively, the "Equipment").

2. In order to maintain compatibility with operational and communications standards for the System: (i) all Equipment must be approved by ABCR prior to installation by Licensee and

(ii) during the term of this Agreement, Licensee may only use Equipment which is on ABCR's list of approved Equipment. Schedule 1 to the **Wizard System Network Access Addendum** contains a listing of approved Equipment for Internet connectivity. **Schedule D** hereto contains the currently approved Equipment for MPLS and Aruba/DSL Connectivity.

3. All Equipment will be maintained and operated in accordance with System standards and published vendor communication specifications approved by ABCR. If Licensee uses Equipment which has not been approved by ABCR or fails to install, maintain and operate Equipment as provided herein, Licensee will be responsible for any resulting damage or expense incurred by ABCR and other users of the System, ABCR will have no obligation to perform under this Agreement and at ABCR's request, Licensee will, at its expense, correct any nonconformity as specified by ABCR.

VI. EQUIPMENT INSTALLATION

1. Site Preparation.

Licensee will be responsible, at its own expense, to prepare each site where Equipment is to be installed in accordance with site preparation guidelines to be furnished by ABCR.

2. ABCR Assistance.

ABCR acknowledges that Licensee may require ABCR's cooperation and/or assistance during periods of acquisition and installation of Equipment. Therefore, if requested by Licensee, ABCR agrees to cooperate with Licensee's vendors by providing them with System compatibility standards and to assist Licensee to the extent reasonably necessary in order that Licensee may acquire and install Equipment for the System.

3. Training.

Licensee will, at its own expense, cause its personnel who will operate the Equipment and utilize the System to receive such training as Payless deems necessary to insure the proper operation of Licensee's Business with the System. Payless will offer Licensee, for an additional charge, System training and on-site assistance for such purpose.

VII. SYSTEM USE

1. Licensee Data.

(a) (i) All automobiles operated by Licensee from time to time in the conduct of its Business and all Transactions executed by Licensee in the conduct of such business, will be entered into the System.

(ii) Each automobile entered into the System will continue to be recorded in the System until such automobile will have become a total loss, or been sold or otherwise disposed of.

(b) Licensee will promptly enter into the System, in accordance with uniform procedures established by ABCR, all information necessary to enable ABCR to identify Licensee's automobiles in all city(ies) or area(s) in its franchise territories, as well as all replacements for and additions to such fleet.

(c) If the System is down for any reason, Licensee will cause any Transactions executed during such downtime to be entered into the System on a delayed basis.

(d) ABCR will enter Licensee's rental rates, location codes and other specific information relating to Licensee's Business into the System in such manner, and at such charges, as may be determined by ABCR from time to time.

(e) From time to time ABCR may delete from the System customer information contained in Licensee Data where there has been no rental activity for such customer after a period of time determined by ABCR, or where the customer requests deletion of his/her personal information. For the purposes of this Agreement, all of the data entered in the System by Licensee shall be referred to as "Licensee Data."

2. Integrity of Data.

Licensee will be responsible for the integrity of all of the Licensee Data. If ABCR enters data into the System on behalf of Licensee, Licensee must review such data in whatever format is provided to it and ensure that appropriate corrections are timely made, if necessary. Licensee must undertake the necessary steps to be in compliance with the Payment Card Industry Data Security Standards which are currently in effect ("PCI Standards") and agrees to remain in full compliance with all applicable PCI Standards. Licensee also understands and acknowledges that it is solely responsible for the compliance of any and all third parties (including but not limited to Internet and Host Service Providers) that are given access by Licensee, to Payless customer data. Licensee is responsible for promptly notifying Payless of any data security compromise and to fully cooperate and assist in any subsequent investigation.

3. License.

Licensee hereby grants ABCR a royalty-free, non-exclusive, right and license to adopt, display and utilize the Licensee Data for the purpose of performing ABCR's obligations hereunder.

4. Procedures.

Licensee will comply with all uniform procedures that ABCR may issue from time to time, governing the use and operation of the System, including, without limitation, procedures for emergency operation of the System in the event of disruption thereof.

VIII. SYSTEM SERVICE CHARGES

1. As consideration for ABCR's processing Transactions in Wizard and providing Licensee access to the System, Licensee will initially pay to ABCR a service charge of $.574 per Transaction (the "Service Charge"). ABCR will bill Licensee monthly for Transactions executed during the prior month. Commencing on the first January 1st after the execution of this Agreement

and on each January 1st thereafter during the term of this Agreement, the Service Charge may be increased or decreased by ABCR to reflect any increases or decreases in ABCR's cost of operating the System, which costs include, among other things, outsource provider fees, internal and consultant labor costs, System maintenance and upgrades, network charges and software amortization costs.

2. Billing and Payment.

ABCR may assess interest at the lesser rate of 18% per annum or the maximum lawful rate on any amounts unpaid hereunder that remain unpaid for more than forty-five (45) days past the Composite Statement Date. Further, Licensee hereby consents to ABCR's offsetting any monies due Licensee pursuant to separate agreement with ABCR against any amounts unpaid hereunder that remain unpaid for more than forty-five (45) days past the Composite Statement Date. Further, if any such unpaid amounts represent pass-through of charges payable to a third party, then ABCR may, without incurring any liability or obligation to Licensee by reason thereof, cease to make any further payment to such third party in respect of the goods or services that such third party provides for Licensee's benefit.

3. As used in this Article VIII, a Transaction will exclude any document or record evidencing a transfer movement, and will include one, and only one, Transaction per completed rental regardless of the form or number of documents involved in such a Transaction.

IX. SYSTEM MODIFICATIONS/WARRANTY

1. ABCR will have the exclusive right, in its sole discretion, at any time, or from time to time, without any liability to Licensee therefor, (i) to modify, amend, replace, sell, lease or otherwise dispose of the System; and (ii) to make other arrangements with any third party to provide installation, maintenance, communications or other services covering all users of the System in replacement for or in addition to any such services contemplated hereunder (but without prejudice to ABCR's continuing obligation to perform this Agreement).

2. EXCEPT AS OTHERWISE PROVIDED IN THIS AGREEMENT, ABCR PROVIDES THE SYSTEM "AS IS" AND "AS AVAILABLE" WITHOUT ANY WARRANTY OR CONDITION OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, USAGE OF TRADE, OR COURSE OF DEALING. ABCR DOES NOT GUARANTEE CONTINUOUS OR UNINTERRUPTED ACCESS TO THE SYSTEM OR THAT THE SAME WILL BE COMPLETELY SECURE OR ERROR FREE. OPERATION OF THE SYSTEM MAY BE INTERFERED BY NUMEROUS FACTORS OUTSIDE OF ABCR'S CONTROL. ABCR DOES NOT WARRANT THE ACCURACY OR RELIABILITY OF THE RESULTS OBTAINED THROUGH USE OF THE SYSTEM OR ANY DATA OR INFORMATION OBTAINED OR ACQUIRED THROUGH THE USE OF THE SYSTEM.

X. LICENSEE DEFAULT

If Licensee defaults on any term or provision of this Agreement, and fails to cure said default within thirty (30) days of Licensee's receipt of a written notice of default from ABCR,

Payless shall have the unqualified right, without liability of any kind, to terminate services provided hereunder and/or to terminate this Agreement, effective immediately upon expiration of the thirty (30) day cure period, without any obligation to deliver a written notice of termination to Licensee. Upon termination, ABCR may discontinue all services offered under this Agreement, including all such services directly or indirectly relating to reservations and to the Reservation System which are provided on behalf of Licensee, including, without limitation, the solicitation, reception and transmission of reservations for and on behalf of Licensee.

XI. TERMINATION

ABCR may automatically terminate this Agreement in the following events:

(i) In the event of the insolvency or dissolution of Licensee, the making by Licensee of an assignment for the benefit of, or entering into any composition or arrangement with, creditors, or the appointment of a receiver or trustee for liquidation of the business of Licensee, or if bankruptcy, reorganization, insolvency or arrangement proceedings or proceedings under any other laws relating to the relief of debtors are commenced by or against Licensee, then this Agreement will automatically terminate together with all rights and interests of Licensee hereunder, without any notice to Licensee.

(ii) If Licensee's License Agreement expires or is terminated for any reason, then this Agreement will terminate on such date of expiration or termination, without any notice to Licensee.

XII. MISCELLANEOUS

1. Assignment.

ABCR may assign this Agreement to, and its obligations hereunder may be performed by, any subsidiary, affiliate or third party who owns or manages the System. Neither this Agreement, nor any rights of Licensee herein, may be assigned, transferred or otherwise conveyed by Licensee without the prior written consent of ABCR, except that this Agreement may be assigned to any person who will have succeeded to the interest of Licensee in the License Agreement in accordance with the terms thereof, provided that the transferee first agrees in writing to be bound by the terms of this Agreement.

2. Limitation on Liability.

IN NO EVENT WILL ABCR BE LIABLE FOR ANY LOSS, DAMAGE, DELAY OR EXPENSE, RESULTING FROM OR ARISING OUT OF ANY FAILURE, INADEQUACY OR BREAKDOWN OF WIZARD OR ANY PART THEREOF, OR ANY FAILURE OF OR DELAY IN DELIVERY, INSTALLATION OR MAINTENANCE BY ANY OTHER PARTY, ANY ERRORS OR OMISSIONS WITH RESPECT TO INFORMATION PROCESSED OR DELIVERED OR TO BE PROCESSED OR DELIVERED THROUGH THE SYSTEM, OR ANY FAILURE OF THE SYSTEM TO FUNCTION AS CONTEMPLATED HEREUNDER, FOR ANY REASON WHATSOEVER, OTHER THAN ABCR'S WILLFUL MISCONDUCT. NOR WILL ABCR BE LIABLE FOR ANY LOSS OF BUSINESS, PROFITS, COSTS SAVINGS OR OTHER CONSEQUENTIAL, PUNITIVE OR SPECIAL DAMAGES RESULTING FROM OR

ARISING OUT OF ANY MATTERS REFERRED TO IN THE PRECEDING PROVISIONS OF THIS SENTENCE OR ANY FAILURE BY ABCR TO PERFORM OR CARRY OUT ANY OF ITS AGREEMENTS OR OBLIGATIONS CONTAINED IN THIS AGREEMENT, FOR ANY REASON WHATSOEVER.

3. Taxes.

There will be added to the charges for the services rendered hereunder, to be paid by Licensee, amounts equal to any taxes, however designated, levied or based on ABCR or any other supplier, or on this Agreement, with respect to such services, including without limitation value added taxes, state or local sales or use taxes, privilege or excise taxes based on gross revenue or any taxes or amounts in lieu thereof paid or payable by ABCR or any other supplier of such services in respect of the foregoing, exclusive, however, of taxes payable in respect of ABCR's net income.

4. Sole Agreement.

This Agreement, which includes all Schedules and Addenda attached hereto, constitutes the full understanding and entire agreement between the parties in regard to the subject matter and supersedes any prior agreements or writings. No terms, conditions, understandings, agreements or representations purporting to modify or vary this Agreement will be binding on the parties unless hereafter made in writing and signed by the party to be bound.

5. Governing Law.

(a) This Agreement will be governed by and construed in accordance with the laws of the State of New Jersey. In the event of any conflict of law, the laws of New Jersey will prevail, without regard to, and without giving effect to, the application of New Jersey conflict of law rules.

(b) The parties agree that any action brought by either party against the other will be brought only in the United States District Court for the District of New Jersey if filed in federal court or only in the Morris County Superior Court if filed in state court. The parties waive all objections to the personal jurisdiction of and venue in such courts for the purpose of carrying out this provision.

(c) ABCR and Licensee irrevocably waive trial by jury in any action, proceeding, or counterclaim, whether at law or in equity, brought by either of them against the other, whether or not there are other parties in such action or proceeding. Any and all claims and actions arising out of or relating to this Agreement, brought by any party hereto against the other, will be commenced within one (1) year from the occurrence of the facts giving rise to such claim or action, or such claim or action will be barred.

6. No Waivers.

No failure to exercise and no delay in exercising, on the part of either party, any right hereunder will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right. The rights and remedies herein provided will be in addition to all other rights or remedies provided by law. No notice or

demand given in any case hereunder will constitute a waiver of the right to take other action in the same, similar or other instances without such notice or demand.

7. Notices.

All communications provided for or given hereunder will be in writing and delivered by hand or sent by mail, facsimile (with proof of receipt), or express mail carrier, addressed, if to ABCR, c/o Payless Rent A Car System, Inc. at 379 Interpace Parkway, Parsippany, New Jersey 07054 Attention: General Counsel, or if to Licensee, _____ or such other address as either party will designate to the other party in writing. Such communication will be effective only upon receipt.

8. Proprietary Information.

(a) Each party agrees to take all reasonable precautions (i) to preserve the secrecy of all information of a confidential nature disclosed to it by the other party that is clearly designated or described as confidential, (ii) to keep such information secure and protected against unauthorized access and (iii) to ensure that these obligations are observed by its employees, officers, agents and contractors. Such obligations will survive termination of this Agreement.

(b) Neither party will be liable for disclosure to others of any such information or data if the same or similar information or data (i) was in the public domain at the time it was disclosed to others; (ii) was known and can be shown to have been known to the party receiving it at the time it was received; (iii) is disclosed inadvertently despite the exercise of the same measure of care as the disclosing party takes to preserve or safeguard its own proprietary or confidential information or data, but in no event less than ordinary care; or (iv) is disclosed to others with the prior written consent of the other party.

(c) Notwithstanding any other provision of this Agreement, Wizard, including all systems, software, methodology, and documentation thereof and all copyrights and other proprietary rights thereof or therein and the name "Wizard System" are owned by ABCR, and Licensee will use its best efforts to maintain all information relating to the System, such methodology and documentation in strict confidence by Licensee and its employees and agents, notwithstanding any completion or termination of this Agreement. Nothing herein will preclude or prevent Licensee from using such information as is necessary to conduct its business so as fully to realize the benefits of the System, or from disclosing such information in good faith to the extent necessary to obtain assistance from third parties that are engaged by Licensee or ABCR to assist Licensee in acquiring, using, maintaining or repairing Licensee's Equipment and that are advised of the proprietary and confidential nature of such information and have signed a non-disclosure agreement with respect thereto.

(d) Licensee agrees at all times to allow ABCR to use all reservation and Transaction data relating to customers of Licensee held on and processed by the System for ABCR's internal reporting and marketing purposes, subject to applicable privacy laws.

9. Merger and Integration.

This Agreement and the exhibits attached hereto contain the entire agreement of the parties with respect to the subject matter of this Agreement, and supersede all prior negotiations, agreements and understandings with respect thereto. This Agreement may only be amended by a written document duly executed by all parties.

10. Severability.

If any provision of this Agreement is held to be inoperative or unenforceable as applied in any particular case in any jurisdiction, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances will not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstances, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

11. No Agency or Partnership.

This Agreement will not be so construed as to constitute Licensee as the agent, representative, partner, co-venturer or fiduciary of ABCR for any purpose whatsoever, and Licensee agrees that it has no authority to assume or to incur any obligation or responsibility, express or implied, for or on behalf of or in the name of ABCR, or to bind, or attempt to bind, ABCR in any manner or thing whatsoever in connection with carrying out the obligations of this Agreement.

12. References.

The headings contained herein are used for convenience of reference only, are not intended to be a part of the text hereof, and shall not be used to construe the provisions contained herein. All references to "Agreement" in this document include all of the schedules attached hereto.

13. Processing and Delivery.

ABCR shall not be liable for any damages, including, for example, consequential damages, for delays in the performance of, or inability to perform, the services contemplated hereunder, or for any errors or omissions with respect to information or data processed or delivered, or to be processed or delivered through the Reservation System and Licensee hereby waives and releases ABCR from any such liability.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the date above written.

AVIS BUDGET CAR RENTAL, LLC	LICENSEE
By: _____	By: _____

Title: _____ Title: _____

ACKNOWLEDGED AND AGREED:

PAYLESS CAR RENTAL SYSTEM, INC.

By: _____

Title: _____

SCHEDULE A

RENTAL SYSTEM FUNCTIONALITY

Real-Time Check Out Transaction
Enables the rental location to automatically prepare a rental agreement from a reservation, customer number, credit card or walk-up customer. If the customer had a reservation or a customer number stored, the associated information will be displayed in the applicable fields.

Card Swipe Transaction
On any terminal equipped with a magnetic stripe reader, upon the rental sales agent swiping the card, the system will attempt to locate the associated reservation and if present, display the applicable fields including credit identification and method of payment. If no reservation is found, the system will auto fill the name, credit identification and method of payment fields. If a customer number is associated to the charge card swiped, the system will auto fill the information included in the customer's file.

Ready Line
Enables the rental location to display and select vehicles in the class requested during a real-time check-out transaction.

Preprint Rental Agreement Transaction
Enables the rental location to prepare a rental agreement one day in advance of arrival for customers having a complete reservation and customer number.

Delayed Check-Out and Check-In Transactions
Enables the rental location to enter information into the system from a rental agreement that was manually prepared at an earlier time.

Non-Revenue Ticket (NRT) Transaction
Enables the rental location to check-out a vehicle for an authorized movement, which is non-revenue generating.

Vehicle Transfer Contract (VTC) Transaction
Enables the rental location to check-out a vehicle, which is being shuttled.

Rapid Movement Transaction
Enables the rental location to perform VTC transactions for up to eight vehicles at a time.

Additional Prepayment
Enables the rental location to update the rental agreement record when an additional cash, check or travel voucher prepayment is received.

Check-In Real Time and Delayed Transaction
Enables the rental location to check-in a rental agreement, NRT or VTC transaction that had previously been entered into the system as a check-out.

Display and Modify Rental Agreement Transaction
Enables the rental location to extract and modify select information that relates to a particular rental agreement prior to rental being moved to history (currently 24-48 hours after check-in).

Expedited Check Out Transaction
Provide a facility whereby the system performs an automated check-out transaction for a customer with a completed reservation upon entry of the customer identification number or via credit card swipe by the rental agent.

Vehicle Exchange Tr***a***nsaction
Enables the rental location to perform a vehicle exchange on a real-time or delayed basis.

Station Cash/Voucher Display
Enables the rental location to display a daily list of all cash or voucher transactions at a particular location.

Cash Deposit Balancing
Enables the rental location to balance cash.

Miscellaneous Cash Receipt Transaction
Enables the rental location to enter information about miscellaneous cash received.

Risk Check
Enables the rental location to verify a customer's credit against the credit files without creating a rental agreement. A risk check can be performed by customer name or credit card number.

Void RA
Provides the facility to void a rental agreement when necessary.

Currency Exchange
Provide a facility to convert most currencies from/to other currencies. Presently GTIS is contracted as the provider who supplies updated currency data on a regular basis.

Special Account Display
Enables the rental location to display discount and rate information on a special account based on the Credit Identification or Customer Discount Number.

Message Service
Communicate to/from any terminal a free-form message.

Credit Files
Maintain a Credit Risk file (received from credit card issuers e.g. AMEX), which will indicate which credit cards are not to be honored. Maintain a Name Risk Database with the appropriate information, for credit risks deemed unacceptable as defined by the Customer.

Credit Authorization Link
Provides an automated link to the major credit cards to obtain credit authorization.

Availability Transaction (Reservations. Rentals. Vehicles)
Provides information on the number of cars that will be available at a location based on cars recorded in the system as on-hand, due-in and reserved.

Vehicle Display Transaction
Displays information stored in the system about a particular vehicle including vehicle status.

License Plate Trace
Links rental agreement information for a particular date and time to a particular license plate number if stored.

License Plate Inquiry Transaction
Provides a listing of vehicles ass***o***ciated to a particular license plate number.

Document Logs
Provides a listing of all rentals created and all rentals checked in.

Off Airport Locations
Provides a list of locations associated with a specific airport.

Driver's License Verification
Provide a facility to interface with an outside vendor (i.e. TML) which electronically verifies the status of a driver's license with the appropriate state motor vehicle agency at the rental counter prior to check-out.

Full Vehicle Addition/Change Transaction
Enables the fleet owner to input information about a vehicle into the system that is necessary for control of the vehicle.

Vehicle Status Transaction
Enables the vehicle owner to place a vehicle in multiple statuses (e.g. out of service).

Vehicle Reporting System
Provides the field location with vehicle reports. Status includes, inactive, overdue, open movements, mileage discrepancies, due-ins, missing and marshaled vehicles.

Fastbreak/Special Services Manifests
Provides special recognition (e.g. special manifests) of selected renters to assist the location in providing special services.

Proactive Network Management
Network connectivity is actively monitored twenty four hours a day, seven days a week, by ABCR's contracted Network service provider. This management feature provides the Licensee with the same level of benefits ABCR receives from service providers pursuant to Service Legal Agreements (SLA's) between ABCR and the providers.

Reactive Network Management

A cost effective network management solution providing best-effort, normal business hour support by ABCR's contracted Network service provider. A reactive network management approach does not include active monitoring of connectivity to individual sites, nor are the benefits received under SLAs available. Licensees must contact the ABCR Help Desk for assistance.

Signature Capture

A system providing the ability to display, interact and capture customer signatures electronically at the time of rental with the further capability of transmitting signed rental agreements to the ABCR storage data center. The system enables the rental location to provide a print out of the customer's signed rental agreement to them at the time of rental.

SCHEDULE B

CHARGES

Help Desk

The monthly fee for Help Desk support is $24.00 per workstation. This fee will be reviewed periodically and adjusted as necessary to cover increases in ABCR'S costs to provide this service.

Wizard Connection Fee

A one-time fee of $320 will be payable for each workstation connected to the Wizard System, including Thin Client Terminals.

MPLS based Network Pricing Options and Estimates:

Note: All pricing is subject to change depending on location, equipment availability, current vendor contracts, etc. The costs shown above do not include taxes and surcharges. The costs shown above are for illustration purposes only but should be substantially accurate in most instances. Unless otherwise noted, pricing does not include network hardware installation and will be passed on to Licensee.

Internet Access

If Internet access is chosen as the method of accessing Wizard, the fees pertaining to internet access will be assessed as specified in **Schedule 3** to **Schedule C**, the **Wizard System Internet Access Addendum**.

Thin Client

1. MPLS Frame Circuit Solution (redundancy optional)

- *Cisco 29xx Series Router (T1) (one-time) - $3,000.00 to $10,000.00*
- *Perle Terminal Server for Out-of-Band Management Access (one-time) - $425.00*
- *Verizon Equipment Staging and Shipping Fees (one-time) - $1,000.00 to $1,200.00*
- *Router Maintenance (monthly) - $60.00 to $100.00*
- *Verizon MPLS Frame Circuit Connection (128kbs to T1)(monthly) - $260.00 to $280.00*
- *AT&T Redundant MPLS Frame Connection (optional) (128kbs to T1)(monthly) - $295.00 to $305.00*
- *Out-of-Band Management Analog Line (monthly) - $35.00*
- *Verizon Business Management Fee (monthly) - $110.00*
- *Network Equipment Staging and Shipping Fees - $250.00 to $350.00*
- *Verizon Business Management Account Setup (one-time) - $550.00*

2. Aruba/DSL Based Network Solution

- *Aruba Router/Remote Access Point (one-time) - $750.00*

- *Aruba Router Maintenance (monthly) - $3.00*
- *Aruba Router Support (monthly) - $12.00*
- *ABCR Vendor Network Connectivity (DSL/Cable) (monthly) - $120.00 to $250.00*
- *Network Connectivity Setup (DSL/Cable) (one-time) - $300.00*
- *Aruba Staging and Setup (one-time) - $175.00*
- *Access Point License (one-time) - $100.00*
- *Access Point Vendor Support Fee (monthly) - $12.00*

3. Installation

- *A Site Survey must be conducted by a Payless approved third party vendor. The fee for the Site Survey may range from $350 to $1600 or more, depending upon the complexity of the installation and the accessibility of the location and equipment.*
- *An additional fee will be assessed for installation of all communications Equipment.*

4. Equipment charges for HP Thin Client Terminals:

- Hardware costs for Thin Client Terminals range from $1100.00 to $2500.00 plus shipping and handling. Please see the hardware and fee requirements set forth in **Schedule 4** of **Schedule E,** the **Administrative Services Addendum**, herein**.**
- The recurring charges per Terminal are approximately $40.25 and are set forth in **Schedule 4** to **Schedule E,** the **Administrative Services Addendum,** herein.

Notes:

- All pricing is subject to change depending on location, equipment availability, current vendor contracts, etc. The costs shown above are for illustration purposes only but should be substantially accurate in most instances. The Site Survey will determine the MPLS connections, network sizing and specific hardware needed based upon the number of Thin Client Terminals required and the anticipated usage. Unless otherwise noted above, pricing does not include network hardware installation *and cabling*. Actual cost for Site Survey for network hardware installation will be paid by Licensee directly to an ABCR approved third party vendor performing the Survey.

- An additional fee will be assessed for installation of all communications Equipment.

SCHEDULE C

WIZARD SYSTEM NETWORK ACCESS ADDENDUM

THIS WIZARD SYSTEM NETWORK ACCESS ADDENDUM is dated as of _____, 201_, by and between Avis Budget Car Rental, LLC ("**ABCR**") and _____ d/b/a _____ ("**Licensee**").

W I T N E S S E T H

WHEREAS, Licensee is a party to a Rental System Agreement dated as of the date hereof with ABCR whereby Licensee may utilize the rental system functionality available in the Wizard System (the "**System**"); and

WHEREAS, ABCR will permit network connectivity to the System for authorized locations of Licensee's car rental business.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

I. Definitions.

(a) All capitalized terms used and not defined herein will have the same meaning ascribed to such terms in the Rental System Agreement.

(b) ABCR, for the purposes of this Addendum, includes its affiliates, which are defined as any other entity controlling, controlled by or under common control with ABCR and each of their respective successors.

II. Licensee's Responsibilities.

(a) In order to maintain compatibility with System operational and communication standards, Licensee must use Equipment and software which meets minimum requirements determined by ABCR. Existing workstation requirements are outlined in **Schedule 1** hereto.

(b) Licensee, at its own expense, will acquire, install, maintain and implement controls (the "Controls") as required from time to time by ABCR in written procedures issued pursuant to the Rental System Agreement in order to safeguard the System from unauthorized use or activity, particularly via the Internet, or other network. The Controls must be implemented prior to any network connectivity at Licensee's place(s) of business. The current Controls are attached as **Schedule 2** hereto (the "Control List"). ABCR will evaluate and promulgate new Controls in light of ABCR'S assessment of cost versus risk, commercial reasonableness and other relevant factors. ABCR will promulgate revisions of the Control List by written notice and will provide at least thirty (30) days prior notice of required deployment unless ABCR reasonably believes a more immediate threat to security requires faster implementation, and ABCR itself implements a faster deployment of new security measures. In no event will Licensee be provided less time to deploy

new security measures than ABCR unless a specific, identified risk or threat uniquely exposes or affects Licensee.

(c) If Licensee fails to install, maintain, implement and observe the Controls as mandated by ABCR in written procedures, Licensee will be in material breach of the Rental System Agreement, the License Agreement and responsible for any resulting damage or expense incurred by ABCR and the System. Licensee will be responsible for the expense required to correct any non-conformity of Licensee's Equipment or communication systems employed by Licensee with the System, including non-PCI compliance. As a result of any such material breach, Licensee will be suspended from network access until the failure is remedied to ABCR'S satisfaction. If any such failure happens more than twice within any one-year period, ABCR may also, at its discretion, suspend permanently Licensee's connection to the System via the Internet, and require Licensee to follow dedicated connection procedures at Licensee's expense as provided in the Rental System Agreement.

(d) Licensee will be responsible for any damage suffered by ABCR and/or the System as a result of unauthorized access, use or code or file transmission from Licensee's Equipment during any period in which the Controls are not in place on Licensee's Equipment.

(e) Licensee is responsible for the actions of all of its authorized users who have access to Licensee's Equipment at Licensee's locations, regardless of the location of the persons or the means by which such persons access the Equipment. This responsibility exists regardless of the security mechanisms that are in place. This responsibility also extends to actions taken by persons who are not authorized to (i) use Licensee's Equipment but who use Licensee's Equipment while physically located at one of Licensee's locations or (ii) access the System remotely but nevertheless have such access due to Licensee's intentional or negligent act or omission. Licensee is expected to employ the Controls available, and commercially reasonable security mechanisms and procedures including those specified herein.

(f) Licensee is responsible for making best efforts to enforce a policy under which (i) its authorized users log off Licensee's business systems when not in use or lock their screens when leaving their Equipment unattended and (ii) the business systems cannot be remotely operated or accessed by an unauthorized user. Licensee must automatically log all remote logins through Licensee's Equipment, whether successful or failed, and the logs must be reviewed at least once per week by senior supervisory personnel of Licensee for signs of unauthorized access.

(g) Licensee will provide "administrator" or "super-user" access to Licensee's business systems only to Licensee's employees, agents and contractors to whom Licensee has assigned responsibility to maintain such systems.

(h) Licensee will appoint a password administrator who will assign to each of Licensee's authorized users a unique password and a unique User ID. Licensee will establish policies and make reasonable efforts to protect the confidentiality of each such password and User ID. Licensee must instruct its employees to keep such passwords and User ID information confidential and to avoid sharing or disclosing such passwords and User ID's except to the password administrator. Licensee must establish and enforce policies and procedures governing its authorized users. Unless ABCR for good reasons advises otherwise, Licensee will follow the

rules set forth in this paragraph. All users must identify themselves and be authenticated, whether accessing the System from Licensee's locations or some other location. Licensee must disable any "save password" features in software present on Licensee's Equipment.

(i) Licensee must establish and make best efforts to enforce policies that require Licensee's employees to scan all files obtained via the Internet, electronic mail, or diskette or other means for computer viruses, using the virus detection software specified in the Controls. Under no circumstances must Licensee knowingly permit any user of Licensee's Equipment to transfer or transmit any infected files, or files that have not been scanned as required by the Controls, to other individuals or organizations. If a computer virus is detected, Licensee's policy must require the individual to contact the Help Desk immediately.

(j) All of Licensee's business systems which have access to the System and have some form of access to the Internet, or which are connected to any network which has access to the Internet, must be protected by a firewall system specified in the Controls. The firewall must be placed so as to intercept and control all data traffic between the Internet and Licensee's business systems or networks so protected. No gateway or multi-user system with access to the System may be directly accessed from the Internet.

(k) The Licensee must implement a network intrusion detection system ("IDS") at all Internet access points and portals as specified in the Controls. ABCR may require the IDS to be positioned to monitor all traffic to and from the Internet.

(l) All of Licensee's Equipment which has access to the System, or connects to a network or via a network to such Equipment, must be installed and configured in accordance with the manufacturer's recommendations or provisions for a secure configuration. All default passwords and accounts must be changed or removed prior to access to the System.

(m) All operating systems and applications that reside on the Equipment must have all manufacturer-supplied service packs, security patches, updates or other corrective measures applied. The service packs, security patches, updates or measures must be reviewed by the administrator designated by Licensee at least every 60 days and updated as recommended by the manufacturer.

(n) All connections between remote users and Licensee's business systems that traverse the Internet in any form, over any protocol, must utilize strong encryption (at least 128-bit).

(o) In the event Licensee believes a security breach has occurred or is occurring, Licensee must contact the Help Desk immediately. Licensee will cooperate fully with ABCR or its designated agents when investigating or resolving any actual or potential incident.

III. <u>ABCR'S Responsibilities.</u>

(a) ABCR will assign Licensee the following in order to access the System:

- A unique Display and/or Printer Session

- A reasonable number of passwords and User ID's to allow Licensee's authorized users to access the System
- A unique address for access to the WebWiz Server
- A unique ID and Password to the WebWiz Server for Host Access

(b) ABCR will perform monthly outages in order to add new Licensee locations to the System.

(c) ABCR will provide necessary printing software to support Wizard printing.

(d) ABCR will be responsible for connectivity from the server to the gateway and then to the Host.

(e) ABCR or its designated agents may from time to time, during Licensee's normal hours of operation, and at the sole discretion of ABCR, conduct security reviews to verify compliance with this Addendum. Licensee will receive advance written notice of such a review. Failure to acknowledge such notice will in no way impede ABCR'S right or ability to conduct such a review. ABCR may conduct such a review outside normal hours of operation if ABCR reasonably believes that such action is necessary.

IV. Charges.

(a) Licensee will be responsible for the proportional cost of the System's U.S. Internet communications hub, which includes communications links, servers, gateways, and other facilities associated with achieving Internet connectivity. This cost is outlined in Schedule 3 hereto under the monthly "Wizard Access Charge" and applies to each Wizard Internet access ID that is issued to Licensee.

(b) The charge for participating in the System's U.S. Internet communications hub may be changed from time to time upon written notice to Licensee based upon actual pro rata expenses incurred by ABCR to establish and maintain such facilities.

(c) All charges from ABCR under this Addendum shall be due and payable pursuant to Article VIII of the Rental System Agreement (which Article VIII is incorporated herein in its entirety).

V. System Use.

(a) ABCR strictly prohibits use of the System and Internet connectivity for the following activities:

- Illegal purposes or purposes contrary to ABCR'S published ethics policies
- Harassing, intimidating, or defaming another individual, business or organization
- Sending, receiving, or searching for sexually oriented messages or images, or other images or messages that might be considered lewd or offensive

- Disrupting users, services or equipment at ABCR and/or other licensee locations or any other site accessible from Licensee's locations
- Issuing offensive or disparaging statements or language based upon race, culture, sex, age, disability, religion, or any other personal attribute
- Attempting to circumvent or subvert system or network security measures
- Intercepting or viewing network traffic for any reason
- Accessing files, data, or systems for which express prior authorization from the owner, whether ABCR or another company, has not been obtained
- Divulging passwords or access codes to any individual, whether or not employed by ABCR except in a bona fide security service procedure
- Sending or promoting the distribution of unsolicited "junk mail" (e.g. chain letters, spam, advertisements or other communications that represent a waste of valuable time or computer resources for either ABCR or Licensee and its affiliates, or others)
- Any commercial venture not related to the Business or promotional programs with other travel providers

VI. No Warranty.

(a) Licensee acknowledges that although ABCR may use and prescribe commercially reasonable means and methods to secure the System and Licensee's Equipment from unauthorized intrusion, use and access, no such means and methods are foolproof, absolute or perfect as security measures. ABCR does not warrant or guarantee that the System and Licensee's Equipment will be completely secure and free from unauthorized intrusion, use and access, even if the Controls are implemented and observed.

(b) ABCR acknowledges that although Licensee may use commercially reasonable efforts to install, maintain, implement and observe means and methods prescribed by ABCR to safeguard the System from unauthorized use, no such means and methods are foolproof, absolute or perfect as security measures. Licensee does not warrant or guarantee that the System will be completely secure and free from unauthorized intrusion, use and access, even if the Controls are implemented and observed.

VII. Term and Termination.

(a) This Addendum will become effective on the date of execution and will be coterminous with Licensee's Rental System Agreement. In the event Licensee's Rental System Agreement is terminated, then this Addendum will terminate as provided in paragraph (iv) below. In the event this Addendum is terminated, such termination will have no impact on the effectiveness of Licensee's Rental System Agreement.

(b) This Addendum may be terminated as follows:

(i) Licensee may terminate this Addendum with or without cause by providing ABCR with sixty (60) days prior written notice, provided that in the event Licensee determines not to install, maintain or operate Internet connectivity as mandated by ABCR pursuant to Section II hereof, Licensee may immediately terminate this Addendum by written notice. ABCR may terminate this Addendum on sixty (60) days prior written notice if it determines to discontinue offering all Payless Car Rental locations access to the System via Internet connectivity.

(ii) In the event Licensee violates any of the terms, covenants, conditions or provisions of this Addendum (other than the payment provisions which are governed by Article VIII of the Rental System Agreement) and the same is not cured within thirty (30) days after Licensee's receipt of notice from ABCR, then this Addendum will immediately terminate upon written notice to Licensee.

(iii) In the event of the insolvency or dissolution of Licensee, the making by Licensee of an assignment for the benefit of, or entering into any composition or arrangement with, creditors, or the appointment of a receiver or trustee for liquidation of the business of Licensee, or if bankruptcy, reorganization, insolvency or arrangement proceedings or proceedings under any other laws relating to the relief of debtors are commenced by or against Licensee, then this Addendum will immediately terminate together with all rights and interests of Licensee hereunder, without any notice to Licensee.

(iv) In the event Licensee's Rental System Agreement is terminated by ABCR or Licensee, or their respective successors and assigns, or by operation of law, then this Addendum will immediately terminate on the date of termination of Licensee's Rental System Agreement, without any notice to Licensee.

VIII. <u>Severability.</u>

In the event any one or more of the provisions of this Addendum is for any reason held to be invalid, illegal or unenforceable, the remaining provisions of this Addendum will remain unimpaired, and the invalid, illegal or unenforceable provision will be replaced by a mutually acceptable provision, which, being valid, legal and enforceable, comes closest to the intention of the parties underlying the invalid, illegal or unenforceable provision.

IN WITNESS WHEREOF, the parties have caused this Addendum to be executed and do each hereby warrant and represent that the respective signatory whose signature appears below has been and is on the date of this Addendum duly authorized by all necessary and appropriate corporate action to execute this Addendum.

AVIS BUDGET CAR RENTAL, LLC	**LICENSEE**
By: _____	**By:** _____
Name: _____	**Name:** _____
Title: _____	**Title:** _____

SCHEDULE 1

WORKSTATION SPECIFICATIONS

The System may be accessed by any workstation that meets the following minimum requirements:

Minimum Hardware:	Current Microsoft Office Operating System based computer that meets the minimum requirements for the Operating System with the following specific configurations	
	101 Keyboard and mouse	
	CD ROM or DVD Reader	
	300 MB of **available** hard drive space for the application and its files	
	1 GB of RAM	
Printer:	Okidata/Genicom	*for printings RAs
	Printek Printers	*for high volume locations
	Any Laser Printer	*for printing reports
PC Operating System:	Current Microsoft Office Operating System	
	Licensee is responsible to keep current with vendor patches	
Additional Software:	Microsoft Internet Explorer	
	(Latest Java Plugin Release)	
Printer Drive Software:	Generic Text Driver	
Connectivity:	Unlimited Internet Access via broadband, cable, modem or DSL.	

See Schedule 2 “Controls” for security requirements of this connection

Please Note: If Host Printing of reports is required, additional software will need to be installed.

SCHEDULE 2

CONTROLS

A. **REQUIRED CONTROLS:** Licensee must acquire, install, maintain and implement the following security Controls for its Equipment in accordance with ABCR'S Security Policies and Procedures:

1. **Hardware Firewall Protection** placed so as to intercept and control all electronic data traffic between the Internet and Licensee's business systems or networks with access to the System.

2. **Anti-Malware Protection** providing scanning for computer viruses and other malware of any (a) electronic data file or e-mail obtained via the Internet or other network or (b) removable media that is used in or transmitted by Licensee's business systems or networks with access to the System.

3. **Personal Firewall Protection** providing the client machine with firewall capabilities to locally protect the device.

4. **Intrusion Detection** at all Internet or Third Party access points and portals of Licensee's business systems or networks with access to the System. The intrusion detection controls must be positioned to monitor all electronic data traffic between such business systems or networks and the Internet or other Third Party connections.

5. **Encryption** of at least 128-bit must be employed for electronic data transmission that contains confidential, credit card and/or PII (Personally Identifiable Information) data that traverse any network and are processed by Licensee's business systems or networks with access to the System. For encryption in storage, such as email or local media, industry standard encryption tools must be utilized.

6. **Wireless Networking** is not generally acceptable for systems that will be interfacing with the System. Should Licensee have a requirement to utilize Wireless Networking for the devices that interface with the System, the wireless network must be protected with a minimum of WPA-2 encryption with keys rotated quarterly. Additionally, MAC address filtering should be implemented to only permit known devices on the wireless network.

B. **APPROVED PRODUCTS**: The security products approved by ABCR for use by Licensee as of the date of execution of this Addendum are listed below in order of preference. Any exceptions must be approved in advance, in writing, by ABCR Data Security. ABCR may modify this list, including adding or deleting products or categories, in accordance with the terms of this Addendum.

Personal Firewalls – software-based. The following products are approved for use as "personal firewalls" for individual computers:

- Symantec Endpoint Protection
- Norton 360
- McAfee Total Protection
- Current Microsoft Office Integrated Firewall
- ZoneAlarm Internet Security Suite

Hardware Based Firewall "SoHo" (Small Office/Home Office. The following products are approved for use as "personal firewalls" for individual computers, or for networks of fewer than 10 computers:

- Linksys SoHo devices (with firewall functionality)
- Netgear SoHo devices (with firewall functionality)
- SonicWALL Network devices

Hardware Based Firewalls. The following products are approved for use as firewalls for networks of any size:

- Firewall-1, Checkpoint Software (including Nokia versions)
- PIX/ASA, Cisco
- SonicWALL
- Juniper Networks Firewall(s)
- Firebox, Watchguard

Anti-Malware software. The following products are approved for the prevention, detection and removal of computer viruses and other malware:

- Symantec Internet Protection
- Norton 360 v2.0 or greater
- Trend Micco
- VirusScan, McAfee
- Sophos AntiVirus
- ZoneAlarm Internet Security Suite

"**Personal" Intrusion Detection Systems**. The following products are approved for use as network intrusion detection systems:

- Norton 360 2.0 or greater
- Symantec Endpoint Protection

- Symantec Internet Protect
- McAfee Total Protection Service
- ZoneAlarm Internet Security Suite

Standard Intrusion Detection Systems. The following products/vendors are approved for use as network intrusion detection systems:

- IBM/ISS Proventia Systems
- SNORT
- Symantec IPS Systems
- Cisco IPS/IDS systems
- Juniper Networks

Encryption Products. The following products are approved for the encryption of data files and e-mail.

- Voltage Email Encryption
- PGP Desktop Security Suite
- GnuPrivacy Guard (GPG)

SCHEDULE 3

WIZARD ACCESS CHARGE

I. A one-time fee of $320 will be payable for each workstation connected to the Wizard System via the Internet, including Thin Client Terminals. This fee covers the following items:

WebWiz client software
Telephone support to set up connection to the Data Center.

II. The monthly fee per workstation connected to the Wizard System via the Internet is $18. This fee covers the following items:

A. File server and backup server
B. Software required to operate servers
C. Software maintenance
D. Support by Data Center personnel for server equipment

Each workstation will have a maximum of four sessions (two display sessions and two printer sessions).

SCHEDULE D

APPROVED TERMINAL EQUIPMENT

- PC with emulation software which provides access to protocol
- 5250 compatible CRTs (only if a Licensee already owns such Equipment)
- HP 5730 or later Thin Client (via ABCR only)
- ELO 1215 APR Signature Capture Display

SCHEDULE E

ADMINISTRATIVE SERVICES ADDENDUM

This Administrative Services Addendum is made and entered into as of _____, 201___ by and between Avis Budget Car Rental, LLC ("ABCR") and _____ ("Licensee").

W I T N E S S E T H:

WHEREAS, Licensee operates a Payless Car Rental Business under a license agreement (the "License") with Payless Car Rental System, Inc. ("Payless").

WHEREAS, Licensee is a party to a Rental System Agreement with Avis Budget Car Rental, LLC ("ABCR") whereby Licensee receives rental agreement processing services from ABCR in connection with Licensee's Payless Car Rental business and has access to the Wizard System ("Wizard"); and

WHEREAS, ABCR desires to provide to Licensee, and Licensee desires to obtain from ABCR, the specialized computer services available through Wizard and more specifically described in the Schedule attached hereto and made part hereof (the "Services"):

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

1. **Definitions**.

(a) All capitalized terms used and not defined herein will have the same meaning ascribed to such terms in the Rental System Agreement.

(b) ABCR, for the purposes of this Addendum, includes its affiliates, which are defined as any other entity controlling, controlled by or under common control with ABCR and each of their respective successors.

2. **Term and Termination**.

(a) This Addendum will become effective on the date of execution and will be coterminous with Licensee's Rental System Agreement. In the event Licensee's Rental System Agreement is terminated, then this Addendum will terminate as provided in paragraph (c) below. In the event this Addendum is terminated, such termination will have no impact on the effectiveness of Licensee's Rental System Agreement.

(b) This Addendum may be terminated as follows:

(i) Either party may terminate this Addendum with or without cause by providing the other party with ninety (90) days prior written notice.

(ii) ABCR may terminate the Warranty Claim Processing Service upon ninety (90) days' prior written notice to Licensee.

(iii) In the event of the insolvency or dissolution of Licensee, the making by Licensee of an assignment for the benefit of, or entering into any composition or arrangement with, creditors, or the appointment of a receiver or trustee for liquidation of the business of Licensee, or if bankruptcy, reorganization, insolvency or arrangement proceedings or proceedings under any other laws relating to the relief of debtors are commenced by or against Licensee, then this Addendum will immediately terminate together with all rights and interests of Licensee hereunder, without any notice to Licensee.

(c) In the event Licensee's Rental System Agreement is terminated by ABCR or Licensee, or their respective successors and assigns, or by operation of law, then this Addendum will immediately terminate on the date of termination of Licensee's Rental System Agreement, without any notice to Licensee.

3. **Payment of Charges**. In consideration for the Services set forth in **Schedule 1**, Licensee will pay ABCR a monthly charge which, as of the Effective Date of the Rental System Agreement, is $150 plus $0.22 times the total value of the Club Billing transactions (with a minimum monthly Club Billing charge of $55.00). In the event that Licensee elects to receive the Services set forth in **Schedule 2** and/or **Schedule 3**, Licensee will pay ABCR monthly and/or one time the charge set forth therein, which will be billed to Licensee's Composite Statement and will be payable pursuant to the Rental System Agreement. ABCR reserves the right to adjust the charges contained within the Schedules (including this Schedule E) periodically with notice to Licensee.

4. **Warranty/Limitation on Liability**.

ABCR PROVIDES THE SERVICES WITHOUT ANY WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, USAGE OF TRADE, OR COURSE OF DEALING. ABCR WILL NOT BE LIABLE TO LICENSEE FOR ANY CLAIM FOR INDIRECT OR CONSEQUENTIAL DAMAGES RESULTING FROM ABCR'S FAILURE TO PROVIDE THE SERVICES IN A TIMELY MANNER OR TO PROCESS DATA ACCURATELY. LICENSEE'S SOLE REMEDY FOR ANY SUCH FAILURE IS TO TERMINATE THE AGREEMENT OR THE DEFICIENT SERVICE(S).

5. **Amendment**. This Addendum may only be amended in writing signed by both parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the day and year first above written.

AVIS BUDGET CAR RENTAL, LLC	**LICENSEE**
By: _____	By: _____
Title: _____	Title: _____

SCHEDULE 1

TO ADMINISTRATIVE SERVICES ADDENDUM

SERVICE TO BE PROVIDED

SERVICE DESCRIPTION - Club Billing Processing
Verification and accumulation of Licensee Credit Club billing (American Express, Visa, MasterCard, Carte Blanche, Diners Club and Discover).

All club billing transactions closed in Wizard will be included on the club billing tape 24-48 hours after check-in irrespective of where the check-in occurs. The below listed reports will be produced to record the processing and to aid in resolution of any discrepancies. ABCR will submit the transactions to the appropriate Credit Club (American Express, Diners Club, MasterCard, Visa, etc.) and a payment will be remitted directly from the club to the Licensee.

Unique merchant numbers must be secured from each club and used to designate payment recipients. ABCR'S vendor Number will be used to uniquely identify rentals to be included in the program. In the event ABCR processes additional Credit Clubs for its account, this Schedule may be amended to include such clubs.

As a condition to continued receipt of this Service, Licensee must comply with all the terms and conditions of any agreement signed by ABCR or Licensee with the Credit Clubs.

The following reports will be produced to record all processed transactions:

REPORT NAME
DAILY CREDIT CLUB BILLING TOTALS
24 HOUR SUMMARY REPORT DAILY BILLING
24 HOUR SUMMARY REPORT DISCREPANCY BILLING
YEAR-TO-DATE CREDIT CLUB BILLING TOTALS
DETAIL CREDIT CLUB TOTALS

SERVICE DESCRIPTION - Coupon Tracking Reporting
Ability to receive the following Coupon Tracking Reports on a monthly basis that identify the most popular coupons redeemed at Licensee's locations, as well as the revenue associated with the use of these coupons. These reports can be accessed at Zone, District and Station levels.

- **Top 100 Coupons Redeemed – Current Month**
- **CTSB013 US CURRENT TOP 100 COUPONS BY ZONE**
- **CTSB014 US CURRENT TOP 100 COUPONS BY DISTRICT**
- **CTSB015 US CURRENT TOP 100 COUPONS BY STATION**

SERVICE DESCRIPTION - Fleet Accounting and Reporting

The Fleet Accounting and Reporting System provides Licensee with the ability to Add, Update, Repurchase and display accounting information for vehicles in the Accounting System. It also enables entry of the Authorization Number and Sale Amount when cash is received for a Vehicle Sale.

The Fleet Accounting and Reporting System provides Licensee with the ability to establish up to 99 different depreciation and/or interest calculations per fleet owner.

All of the financial information relative to purchase, depreciation, interest and sales are reported on for posting into local general ledger.

The following reports will be provided:

OVERNIGHT RECONCILIATION REPORTS

Vehicle Add

A listing of all vehicles added and sorted by dealer code. Information includes MVA #, VIN, Basic Cost, License & Registration, Rebate, Misc. and Cap Cost.

Vehicle Change

A listing of all vehicles changed in the system. Information includes: MVA #, Use Code, Depreciation, Rebate, License & Registration, Misc., Cap Cost.

Vehicle Sales

A listing of all vehicles sold and sorted by customer/dealer Information includes MVA #, VIN and sales amount.

MONTHLY INVENTORY REPORT

This report is a detailed listing of Purchases, Sales and Turn backs, grouped by status code.

MOTOR VEHICLE FLEET SUMMARY

This report summarizes all vehicles on the Monthly Inventory Report.

MONTHLY SALVAGE VEHICLES SALES

This report details vehicles which are sold from a salvage (damaged-as is) status.

MISCELLANEOUS SALES ACCOUNTS

This report details by MVA the individual accounting entry for each vehicle sold.

FLEET JOURNAL ENTRY REPORT

This report summarizes all of the vehicle accounting entries for posting into general ledger.

RECONCILIATION REPORT

This report highlights vehicles that are in Wizard but not on Fleet Accounting and vice versa.

FLEET ACTIVITY REPORT

This report lists all vehicles and is sorted by MVA number.

TURN BACK ELIGIBLE REPORT

This report lists all vehicles eligible for Turn Back that are on-hand or due in sorted by due-in date for each station.

VEHICLE TRANSFER-IN

This report monitors vehicles transferred in from another owner.

TITLE TRACKING

This report lists the type of title and the title location, i.e., MSO, DMV.

TURN BACK EXCEPTIONS

This report lists all Turn Back, Hold and Disposal Vehicles not eligible for Turn Back.

DAYS AT AUCTION

This report tracks a vehicle from its last revenue movement to the actual auction location.

DAYS TO AUCTION

This report tracks a vehicle from its last revenue movement to Acceptance Date or Turn In Date, whichever is greater.

CONDITION REPORT – NO TURN IN

This report lists all vehicles with an acceptance date, but no turn in date.

TURN IN – NO CONDITION REPORT

This report lists all vehicles with a turn in date, but no acceptance date.

INTERCITY RENTAL REPORT

This report enables Fleet Owners to monitor vehicles due in at Foreign Locations.

DISPOSAL/TURNBACK DATE

This report displays the number of vehicles in each car group that will reach their Disposal or Turnback date, by day, for a selected period of time from a District to a Megazone Level.

MILEAGE REPORT

This report identifies vehicles approaching their mileage limit for Vehicles On Hand or Due In.

SERVICE DESCRIPTION - Counter Sales Incentive

All transactions entered in Wizard by rental agents who have been added to the CSI Program will be tracked for the purpose of measuring a rental agent's sales productivity selling Optional Services, Upsells, Walk-Ups and Prepaid Gas. Each station can establish its own thresholds that a rental agent must achieve to qualify for an incentive. All reports are available to display and print on Wizard terminals.

The following CSI screens will be provided:

- Rental Agent Update Screen (RAPB610)

  The Rental Agent Update Screen is used to display, add, delete or modify rental agents on the system. It is mandatory that rental agents have **unique ID numbers** under the Fleet owner level.

- Rental Agent Details Screen (RAPB615)

  The Rental Agent Details Screen is used to display or print rental agreement details checked out by an individual rental agent.

- Station Summary Revenue Screen (RAPB620)

  The Station Summary Revenue Screen is used to display or print a summary, by agent ID, of the revenue obtained on closed RA's for specific categories.

- Station Summary Screen (RAPB620)

  The Station Summary Screen is used to display or print the total percentage of optional services accepted, upsells and walk-up rentals based on closed RA's by agent ID at a specific station.

- RSA Denial/Payment Reduction Screen (RAPB710)

  The RSA Denial/Payment Reduction Screen allows managers to add and update denial codes to a specific agent's ID.

- RSA Summary/MTD Projected Payment Screen (RAPB781)

  The RSA Summary/MTD Projected Payment Screen is used to display or print specific rental details (summary of rental information) performed by an individual rental agent that relates to his/her incentive.

- Station Threshold/Range Screen (RAPB800)

Each station must establish its own thresholds and send the form(s) into Change Control at WHQ for input to the system. Once the thresholds are added to the system, it is the responsibility of the Licensee to verify their accuracy. Thresholds may be changed upon thirty days' prior notice.

- Denial Code Reduction Scale Screen

The Denial Code Reduction Scale Screen is used to display the descriptions of the denial code definitions to be used by managers for report #08-RSA Denial.

The following CSI Monthly Reports will be provide in INFOPAC:

- Station Summary Report (RAPB610)

The Station Summary Report is similar to the Station Summary Screen (07), but the data is for a full month. This report provides the total CSI eligible transactions by agent with a breakdown of rental counts and percentage for Optional Coverages accepted, Upsells, Walk-up and Prepaid Gas acceptance.

- Station Revenue Summary Report (RAPB615)

The Station Revenue Summary Report is similar to the Station Summary Revenue Screen (05), but the data is for a full month. This report provides the total CSI eligible revenue by agent with a breakdown of revenue obtained for Optional Coverages, Upsells, Walk-ups and Prepaid Gas.

- Station Revenue Comparison Report (RAPB620)

The Station Revenue Comparison Report provides a location summary of Revenue obtained for Optional Coverages accepted, Upsells, Walk-ups and Prepaid Gas for current month compared to prior year with a % of change. The prior year data is only available when a location utilizes CSI for a full year (13 months of CSI data will be stored).

- Rental Sales Agent Payment Report (RAPB710)

The Rental Sales Agent Payment Report provides management with the monthly incentive payments due Sales Agents based on the threshold/payment Schedule submitted at the beginning of each month.

- Station Manager Incentive Report (RAPB781)

The Station Manager Incentive Report is similar to the Station Revenue Comparison Report (RAPB620), but is used for Station Manager Incentives. This report provides a location summary of Revenue obtained for Optional Coverages accepted, Upsells, Walk-ups and Prepaid Gas for current month compared to prior year with a % of change. The prior year data is only available when a location utilizes CSI for a full year (13 months of CSI data will be stored).

- RSA Top Sellers Report (RAPB800)

The RSA Top Sellers Report provides the top 200 or applicable Sellers for Optional Coverages, Upsells, Walk-ups and Prepaid Gas to help motivate the sales agents and advise management of a sales agent's productivity.

RPS-RSVN Build Up Reporting

Provides a snapshot of "reservations holding" for a location (or a series of locations rolled together) by check-out date for the next three (3) months. Includes a comparison to prior year along with a calculation of percentage bookings attained in current year versus prior year.

REPORT ID	REPORT NAME
RPS002B	Reservation Build-Up Report

SERVICE DESCRIPTION – Worldwide Reporting System (WRS)

All closed rental transactions entered into Wizard will be processed through the Worldwide Reporting System (WRS). Statistical data pertinent to rental activity and revenues will be provided on a daily and month-to-date basis with a year-to-year comparison. All reports will be available on-line at a frequency to be determined by ABCR (however, not less than weekly). Security checking will be done to ensure that a station accessing a report is seeking data on that station or a station within its hierarchy reporting to it.

WORLDWIDE REPORTING SYSTEM (WRS) REPORTS

The following Rental Activity and Revenue Reports will be provided through the Worldwide Reporting System (WRS):

RENTAL ACTIVITY REPORTS

Report Name: Daily Rental Activity (WRSBDRA)-Retention 13 Months
Description: This report contains all statistical data pertinent to rental activity and revenues on a Daily, MTD with a Year to Year comparison.

Availability: Station, District, Fleet Owner, Megazone, Region, Division

Report Name: Summary Daily Rental Activity (WRSBSRA)-Retention 13 Months
Description: This report contains the same information as the Daily Rental Activity Report except it is designed for a station to obtain data on subordinate stations within its hierarchy.
Availability: District, Fleet Owner, Megazone, Region, Division

TURNDOWN REPORTS

Report Name: Daily Turndown Activity (WRSBDTA)-Retention 13 Months
Description: This report summarizes all turndowns due to vehicle class denials, request denied or geographic turndown.
Availability: Station, District, Fleet Owner, Megazone, Region, Division
Report Name: Turndown Denial Report (WRSBTDR)-Retention 13 Months
Description: This report contains the same information as the Daily Turndown Activity Report with the addition of a breakdown by car class.
Availability: Station, District, Fleet Owner, Megazone, Region, Division

VEHICLE GROUP REPORTS

Report Name: Vehicle Group Analysis (WRSBVGA)-Retention 2 Months
Description: This report contains statistical data pertinent to rental activity and revenues generated by vehicle class.
Availability: Station, District, Fleet Owner, Megazone, Region

Report Name: Vehicle Movement Patterns (WRSBVMP)-Retention 2 Months
Description: This report provides statistical data on all vehicles that are returned to different cities.
Availability: District, Fleet Owner

Report Name: Statistics by Vehicle Group (WRSBSVG)-Retention 2 Months
Description: This report provides statistics pertinent to fleet activity and revenue generation. Provides utilization, revenue per unit and usage data based on average fleet size by vehicle group.
Availability: Station, District, Fleet Owner, Megazone, Region

RATE REPORTS

Report Name: Rate Analysis (WRSBRTE)-Retention 25 Months
Description: This report provides key statistical data by specific rate code with prior year comparison. The ability exists to segregate data from rentals that contain an PDN number from those that are non-PDN.
Availability: District, Fleet Owner, Megazone

Report Name: Rate Group Analysis/Summary (WRSBRGA)-Retention 25 Months
Description: This report provides statistical data for the top four (4) rate codes in each rate group table for the current year with a prior year comparison.
Availability: District, Fleet Owner, Megazone

Report Name: Period Rate Group Analysis (WRSBPGA)-Retention 25 Months
Description: This report provides a comparison of current year to prior year by month for given rate tables.
Availability: District, Fleet Owner, Megazone

FLEET REPORT

Report Name: Detailed Fleet Report (FRC003)-Retention 1 Day
Description: This report provides a detailed list of each vehicle in the fleet and its current status.
Availability: Fleet owner.

OPTIONAL SERVICE REPORT

Report Name: Optional Service Acceptance Rate Report (WRSBOSA)-Retention 13 Months
Description: This report provides percentage acceptance rates for all optional services offered to the renter.
Availability: District, Fleet Owner, Megazone, Region

Each of the stations within the hierarchy will receive summaries of the stations that directly report to it. For example, for a Fleet Owner all of its subordinate districts, for a Megazone all of its subordinate Fleet Owners, etc.

SERVICE DESCRIPTION - Revenue Distribution Reporting

All rental transactions input in Wizard will be processed through the Revenue Distribution System, and reports will be produced monthly highlighting the accounting entries associated with the rental transactions processed. These reports will provide proper detail to enable postings to local general ledgers and to research extraordinary items. Rentals that involve inter-city splits or occur at foreign locations will reflect the appropriate accounting entries.

The following Revenue Distribution Reports will be provided:

Control Statement

RDSB294 WEEKLY ACCOUNTING DISTRIBUTION

This report will reflect a summary of all rentals by General Ledger Account number for a given accounting period. The report lists activity, by location, and can be used to post to a local general ledger.

Posting Statement

LRDB055 MONTHLY POSTING REPORT

This report lists, in detail, all rentals and amounts as reported on the Control Statement. Detailed on the report is the Inter-City rental activity for other Payless licensees and Payless corporate locations, separated by payables and receivables for each vendor.

Audit Report

US LICENSEE AUDIT REPORT

This report lists, in detail, all rentals at a location that checked in during the accounting period. This report can be used as backup support for airport commission payments and also highlights missing rentals with an '*'.

Licensee will not be obligated to keep the final check-in copy of the rental agreement/rental document, except for those rental agreements that are Adjusted, Voided, or No Charged after the final calculations are performed. Licensee must continue to retain the signed/imprinted copy of the rental agreement/rental document (checkout copy).

General Ledger Interface

The Revenue Distribution System will provide licensee participants with a standard file format of summary rental accounting data. This data will be made available on a monthly basis and the licensee will need to work with the ABCR IT group to agree and test the method of file delivery.

SERVICE DESCRIPTION –

Interactive Adjustments

Ability to perform adjustments to the Licensee's rental agreements that have been closed in Wizard for up to six (6) months after the date of entry. A rental that has been purged from the database can be recalled within one (1) week after purge by performing a Purged Rental Agreement function. Adjustments to Payless honored charge cards (American Express, Visa, MasterCard, etc.) will be reflected in the credit club billing tape no later than three (3) days after the adjustment is completed. Debit adjustments to receivables purchased by ABCR will not be allowed. These adjustments will continue to be sent to ABCR for entry.

Ability to display a rental agreement that reflects the adjusted values and original values of the rental agreement. Car exchange details are available reflecting the revenue distribution of all car exchanges that are part of a rental agreement.

Output reflecting the adjustments performed will be available in report format.

The following screens will be available to Licensee:

MONETARY (IAJBMON)

Display and/or adjust the monetary fields of an individual rental agreement.

NON-MONETARY (IAJBNMO)

Display and/or process adjustments that will enhance the non-monetary information (i.e., customer address).

MISCELLANEOUS ADJUSTMENTS (IAJBMIS)

To display and process adjustments other than those handled on the monetary screen.

ADJUSTMENT HISTORY (IAJBSHIS)

Display all payments and adjustments made to a rental agreement.

PRORATED RECORDS (IAJBPRO)

Display the prorated record of a rental which resulted from a vehicle exchange.

ORIGINAL AND CURRENT (IAJBORI)

Display the original monetary field (before adjustments) and the current values on a rental agreement.

PURGED RENTAL AGREEMENT (IAJBPUR)

This screen is used to recall rental agreements onto the database after they have been purged (after six months).

REPORT ID	REPORT NAME
IAJB824	LICENSEE ADJUSTMENT REPORT
IAJB831	LICENSEE SUMMARY BY DEPARTMENT
IAJB871	MONTHLY LICENSEE POSTINGS

SCHEDULE 2

TO ADMINISTRATIVE SERVICES ADDENDUM SERVICE TO BE PROVIDED AND COST

SERVICE DESCRIPTION	SERVICE CHARGE
Warranty Claim Processing	
Reviewing, Coding and Processing of Warranty repairs based on the guidelines set forth by the manufacturers.	10% of total dollars collected from the manufacturer, billed monthly.

A Licensee that has submitted and been granted repair authorization by the manufacturers will submit completed repair orders once weekly to the warranty processing center at Avis Budget Car Rental, LLC, Warranty Department, 379 Interpace Parkway, Parsippany, NJ 07054. These repair orders must meet manufacturers' policy and procedure for submission; if not, they will be returned to Licensee for correction or returned as non-warranty.

Prior to claim submission to the manufacturer, ABCR will attach the appropriate labor operation. Upon submission, the manufacturer will approve or deny the claim. If the claim is approved a credit will be issued; if the claim is rejected and able to be corrected within manufacturer's guidelines, ABCR will do so. All approved and denied claims will be mailed back to Licensee during the first week of each month. All approved claims must be held by Licensee for audit purposes.

The ABCR Warranty Department will receive all of Licensee's checks/credits and statements, debit the Service Charges related thereto from Licensee's total warranty credit monthly, and mail a check for the credit balance to Licensee monthly along with a warranty statement.

The Warranty Department reserves the right to deny coding/processing of any warranty claim that it deems fraudulent or inappropriate after using its standard methods to validate claims of this nature. Further, the Warranty Department reserves the right to perform in-house warranty reviews in accordance with the manufacturers' policy and procedure. The Warranty Department expects full cooperation from Licensee during these reviews and warranty reviews by the manufacturers.

AVIS BUDGET CAR RENTAL, LLC	**LICENSEE**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

SCHEDULE 3

TO ADMINISTRATIVE SERVICES ADDENDUM

SERVICE TO BE PROVIDED AND COST

SERVICE DESCRIPTION

WLB Reporting

The Wizard Licensee Billing file will be provided to Licensee and can be used by it to perform inquiries and create reports from its summary rental agreement data. This data will be made available on a daily or weekly basis and Licensee will need to work with the ABCR IT group to agree upon and test the method of file delivery.

Setup Charge

To modify the WLB Reporting System to create the file needed for Licensee's use, a one-time charge of $3,000 will be assessed.

AVIS BUDGET CAR RENTAL, LLC	**LICENSEE**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

SCHEDULE 4

TO ADMINISTRATIVE SERVICES ADDENDUM

DETAIL OF HP THIN CLIENT HARDWARE & SUPPORT COSTS

Hardware Costs per Unit or Terminal:

HP 5730 or later Thin Client - $475.00
HP t620 WES8 QuadCore 8GB 64GB – PS2 setup DP2DVI cable - $465.00
NEC AccuSync monitor - $134.73
Display Port To DVI-D Adapter - $12.00
2Meter DVI D M/M Video Cable - $15.00
Cherry 3 in 1 Keyboard - $128.20
Belkin USB - Parallel Printer Adapter – $9.60
OkiData Series Printer - $530.00
Shipping & handling - $125.00
Thin Client Imaging - $200.00

ELO Touch 1215 APR w/ Stylus & tether - without bracket - $565.00
ELO Replacement Cost of $70.86 per Event. Overnight shipping costs are additional.
Custom Avis bracket for ELO monitor must be ordered with each ELO monitor - $0.01

Recurring Charges per Unit/Terminal

HP Monthly Break Fix Support (TC, Keyboard, Monitor) (monthly) - $15.00
SPM (Symantec Policy Manager) License (monthly) - $1.25
ABCR Help Desk Support (monthly) - $24.00

Note: Mounting hardware for the Signature Capture Pad and Thin Clients vary based on counter/shelf dimensions. ABCR purchases standard bracket kits for $30.00 per kit and the kits may be used at Licensee locations; however, this use is subject to Airport rules and location configurations. The Site Survey will provide configuration information.

AVIS BUDGET CAR RENTAL, LLC	**LICENSEE**
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

SCHEDULE F

RESERVATION FEES

List of subschedules:

Schedule 1: Operating Expenses
Schedule 2: Third Party Automated Reservation Fees
Schedule 3: Payless Centralized Commission Services Program
Schedule 4: Communication Symbols

The Reservation Fees listed below, as amended from time to time pursuant to the terms and conditions of the Reservation System Agreement, are cumulative for all reservations made for delivery to United States locations.

1. **Reservation Fee**. This fee is $6.25 per reservation and includes reservations from phone/GDS equipment, phone calls or internet/direct link, including paylesscar.com). This fee includes the corporate overhead expenses, promotional expenses for paylesscar.com and customer complaint service expenses.

2. **International Phone Reservation Fee**. This fee is $6.25 per reservation made using an international phone source

3. **Automated Reservation Fee**. The Automated Reservation Fee will be determined in accordance with Schedule 3, as amended from time to time.

4. **ABCR Centralized Commission Services Program Fee**. The Payless Centralized Commission Services Program fee will be determined in accordance with the PCCS terms and conditions as stated in Schedule 4, as amended from time to time.

SCHEDULE 1

TO RESERVATION FEES

OPERATING EXPENSES

Reservation processing costs:

Computer processing charges and reports
In Watts, automated reservation processing charges
Out Watts, telex and telephone charges
Terminal depreciation, network, maintenance and other costs, telephony hardware
Transborder reservation adjustments

Advertising, Marketing and Promotion:

Frequent Renter Program Yellow
pages advertising Worldwide
directory productions Third party
reservation promotions

Occupancy:

Rent –all Contact Centers
Utilities and repairs
Equipment rental and depreciation

Personnel:

Recruiting and training
Salaries and wages
Taxes and fringe benefits

General and Administrative:

Net carrying cost of receivables and bad debts
Business taxes, insurance and professional fees
Postage, supplies and other office expenses
Software development. Telecom and IT expenses
Travel and other administrative expenses
Research and Development expenses

SCHEDULE 2

TO RESERVATION FEES

THIRD PARTY AUTOMATED RESERVATION FEES

AIRLINE CODE	AIRLINES	FEES
1A	Amadeus	$4.87
AA	SABRE	$6.03
UA	Galileo	$4.69
TW	WorldSpan	$4.69

SCHEDULE 3

TO RESERVATION FEES

PAYLESS CENTRALIZED COMMISSION SERVICES PROGRAM (PCCS)

POLICIES AND PROCEDURES (U.S.)

A. **SCOPE**

1. The Payless Centralized Commission Services Program ("PCCS"), operated by Payless on behalf of Avis Budget Car Rental, LLC. ("ABCR") is designed to pay travel sources on a worldwide basis, on behalf of all Payless car rental properties, worldwide commissions for both local and one-way car rentals via one central payment method. The current PCCS Instruction Package ("Instruction Package") provides general details of the program together with specific operating instructions.

2. All reservations generated by travel sources must be reconciled through PCCS, whether made directly with the travel source or received from Payless's Worldwide Reservation Center. The reservations must be reported to PCCS in accordance with the Instruction Package provisions as commissionable or specific non-commissionable categories. This reporting must be done in the same month, or PCCS processing cycle, in which the rental transactions close or the vehicles were due to be rented in the case of non-commissionable categories.

3. The PCCS database currently includes some 170,000 airline appointed travel sources, usually designated as either ARC appointed (U.S.) or IATA (International). These are acronyms for Airline Reporting Corporation and International Air Transport Association as defined in the Instruction Package. You may also see reference to TIDS or PSEUDO numbers. These are 8 character ID numbers usually issued on a temporary basis until the travel sources receive their certifications and permanent numbers from either ARC or IATA.

B. **COMMISSION PAYMENT BASIS**

1. **Currency**. Payments made by Licensees not on Wizard must be paid to Payless only in U.S. or Canadian dollars converted with respect to local currency, using ABCR'S then applicable exchange rates used for other currency conversion purposes. Wizard automatically converts the local currency to U.S. dollars for those licensees on Wizard, so that Payless or ABCR may issue payment to travel sources.

2. **Frequency of Payment**. PCCS disburses payment twice per month either directly to the travel sources or via a third party vendor.

3. **Commission Calculations**. Regardless of how Payless licensees submit data, the current Payless commission calculation policy is to pay travel sources a percentage of net time and mileage (kilometer) charges, as follows:

Leisure business	**10%**
Contracted business, including corporate accounts with less than $100,000.00 in revenue	**5%**

Travel Source bookings for corporate accounts with greater than $100,000 in Payless annual revenue do not earn commissions and as such the Licensee will not be charged commissions for these rentals.

Notwithstanding the standard commission calculations referenced above, any individual travel source(s) or group of travel sources (regardless of location) may be selected by Payless to receive a unique, non-standard commission arrangement (which commissions may be higher than the standard commissions) as part of a particular promotion or program, regardless of duration. Any such promotion or program will be processed through PCCS. Compensation payments may be calculated as a percentage of revenue, a flat dollar amount or any other calculation method selected by Payless. A rental transaction may be eligible for compensation with any vehicle type, rate type/code (including, without limitation, discounted rates), rental period and/or any other category of rental deemed appropriate for such promotion or programs.

4. **Commission Policy**. The current commission percentages described in paragraph 3 above are mandatory for Payless licensees. They may be reviewed and revised by Payless in the future to meet business objectives. Payless licensees shall not deviate from, manipulate or change these mandatory commission percentages in any manner, as part of any PCCS submission, nor use other commission percentages on a local basis to pay any travel source commissions.

5. **Override/Bonus Program**. Payless also provides, as a part of PCCS, an Override/Bonus Program by which eligible individual travel sources or preferred groups may earn a bonus by achieving certain preset goals for business generated throughout the Payless system. By participating in joint marketing promotions or programs with Payless, these preferred accounts are also eligible for special bonus marketing funds.

The primary difference between the base commission Schedule and the Override/Bonus Program is that any override/bonus is based on achieving the preset targets for business directed to Payless U.S. properties as a whole and is not based on any property by property calculation.

When an override/bonus is due, all properties receiving the business are charged an override/bonus at the same preset payout rate. It is important to note that properties are only charged an override/bonus on business which has been generated by the eligible travel sources for those properties.

C. OPERATING PROCEDURES

1. Input by Properties. The Instruction Package provides details on the currently approved methods of input to PCCS by properties.

2. Output by Payless (standard). The Wizard System will automatically retrieve and process travel source referred rentals for those licensees on Wizard.

3. Direct Reservations. Licensee should advise a travel source to re-direct any rentals made directly to the location through the centralized reservation system to ensure that the rental is properly recorded and the rates are charged accurately. Should this not occur, licensee must ensure at all times that any travel source reservations received directly from travel sources are reported by Licensee through PCCS in accordance with the same procedures as published for those travel source reservations transmitted to Licensee's properties through the Reservation System.

D. AUTOMATIC PAYMENT OF COMMISSIONS

1. Licensee will be notified of each travel source reservation for which it has not provided the required information. If after the specified time from such notification, Licensee does not submit information regarding time, mileage, commission percentage, and whether the reservation was canceled, was a duplicate, or the renter was a no-show, or such other information as may then be required for submissions, ABCR will pay the travel source commission based on estimated rental amounts on the reservation. Licensee will make diligent efforts to resolve all travel source commission complaints and resolve all other travel source commission issues so that commissions can be paid based on actual submissions prior to the trigger of the automatic commission payments in accordance with the Instruction Package.

2. Payless reserves the right to reject any Licensee's submission which contains time and mileage calculations and/or no-show items that demonstrate a variance from either the Licensee's or Payless's current commission averages, no-show percentages or Licensee's historical data, if available.

E. ASSESSMENT CHARGES - AUTOMATIC COMMISSION PAYMENTS

1. Licensee is required to report the status of travel source reservations to the Commission Services Department within 30 days of the completion of the applicable rental or no show reservation. Failure to report the status of such reservations results in a communication to the Licensee which documents unreported reservations from the previous month. This report is referred to as the Commission Exception Report.

2. The Licensee must respond within 30 days to the disposition (no-show, cancellation, completed rental information) of each reservation listed on their customized report. The Licensee's failure to respond results in the classification of the reservation as a completed reservation and the Commission Services Department uses the estimated time and mileage from the reservation to calculate a commission payment to the referring travel agency.

3. A processing fee of $5.00 per reservation is assessed to cover administrative fees.

4. Licensee can avoid the AutoPay Penalty by timely reporting the status of commissionable reservations or responding to the Commission Exception Report as required.

F. **REIMBURSEMENT BY LICENSEE**

The Composite Statement will include the actual amount of commissions (including any special override/bonus payments) to be paid by Payless or ABCR on Licensee's behalf to travel sources for commissionable rentals. Also included on the Composite Statement will be any automatic commission payments made due to Licensee's failure to respond to travel source inquiries. On occasion, there may also be commission charges, separately listed, covering commission inquiries received at PCCS for which no responses have been received from Licensee within the established time period for resolution. This Composite Statement will be sent monthly and will include the amount of commissions due as soon as they are calculated. Licensee will pay Payless for these charges no later than forty-five (45) days from the date of the Composite Statement. Every attempt will be made by Payless to ensure such Composite Statements are mailed promptly or sent electronically to Licensee. There may be occasions however where circumstances beyond Payless's control cause some delay in the processing of said the Composite Statements. Such delays, if any, do not in any way shorten the reimbursement time requirement as specified herein.

G. **POLICY DETERMINATION**

Any questions regarding the PCCS policy should be sent in writing to:

Manager
Payless Centralized Commission Services Program
300 Centre Point Drive
Virginia Beach, VA 23462

SCHEDULE 4

TO RESERVATION FEES

RATE CODES

All rate codes must be approved by the Revenue Management Department who will obtain new codes from ABCR. This is required in order to have standardized reporting.

Rate codes in the Reservation System are 2 characters with a 3rd character of 'I' (international) added to all rate codes for arrival locations outside of the U.S.

SCHEDULE 4

TO RESERVATION FEES

VEHICLE CLASS/TYPE MATRIX

SIZE (1)CLASS	TYPE (2)	SHIFT (3) TRANSMISSION	FUEL/AIR (4)
C COMPACT	B 2/3 DOOR	A AUTOMATIC	R UNSPEC FUEL/PWR
D COMPACT ELITE	C 2/4 DOOR	B AUTO 4WD	N UNSPEC FUEL/PWR
E ECONOMY	D 4-5 DOOR	M MANUAL DRIVE D DIESEL AIR	
F FULL SIZE	E COUPE	N MANUAL 4WD	Q DIESEL NO AIR
G FULL SIZE ELITE	F SUV	D AUTO AWD	H HYBRID AIR
H ECONOMY ELITE	G CROSSOVER		I HYBRID NO AIR
I INTERMEDIATE	H MOTOR HOME		E ELECTRIC AIR
J INTERMEDIATE ELITE	OPEN AIR ALL TERRAIN		C ELECTRIC NO AIR
L LUXURY	K TRUCK not part of SIPP definition, used for trucks only		L LPG/ COMPRESSED GAS/AIR
M MINI	L LIMOUSINE		S LPG/COMP GAS/NO AIR
N MINI ELITE	M MONOSPACE		A HYDROGEN AIR
O OVERSIZE	N ROADSTER		B HYD NO AIR
P PREMIUM	P PICK UP REGULAR CAB		M MULTI FUEL/PWR AIR
R STANDARD ELITE	Q PICK UP EXTEND CAB		F MULTI FUEL/PWR AIR
S STANDARD	R RECREATIONAL VEH		V PETROL AIR

U PREMIUM ELITE	S SPORT	Z PETROL NO AIR
W LUXURY ELITE	T CONVERTIBLE	U ETHANOL AIR
X SPECIAL	V PASSENGER VAN	X ETHANOL NO AIR
	W WAGON/ESTATE	
	X SPECIAL	
	Y 2 WHEEL VEHICLE	

Exhibit J
Intercity Rules and Regulations

EXHIBIT J

INTER–CITY RULES AND REGULATIONS

AVIS

INTERCITY

RULES AND

REGULATIONS

AVIS RENT A CAR SYSTEMS INTERCITY RULES AND REGULATIONS

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InterCity Program Objectives

These rules and regulations ensure that by utilizing the proper Vehicles on One-Way rentals, all Avis Operators and their Vehicles are treated equally, and that revenue generation increases. The primary goals of the program are to ensure prompt return of Vehicles to Owning Cities' control, to improve utilization when outside of Owning Cities' control, and to ensure Non-Owned Vehicles are treated the same as Owned vehicles regarding maintenance, security, and disposal. The rules in this document are designed to reinforce these goals and ensure Non-Owned Vehicles are consistently and optimally utilized by requiring rentals of these Vehicles to or toward the Owning City.

All communications, verbal and written, between locations, Avis Budget Group, and customers will be professional and occur in a timely manner.

To allow for both Licensee and Corporate teams to adopt the Intercity Program, there will be a ninety (90) day grace period from the effective date of this document through August 31st where the following penalties will not apply: Improper Use Penalty, Missed Assignment Penalty, Loss of Use (PM) Penalty, Excessive Storage Penalty, return to MRC/Auction site Penalty and Turnback Penalties. In addition, any increases to missing miles charges from the prior document, will become effective from September 1st, 2024.The Improper use penalty of one hundred ($100) per day is suspended at minimum, until next document review.

I. GENERAL

A. These rules apply to all Avis Operators in the continental United States.

B. This document supersedes any previous version and is effective as of June 1, 2024.

C. "**Renting City"** is the city that initiates the movement of a Vehicle. "**Owning City**" is the city that owns the Vehicle being moved by the Renting City. "**Receiving City**" is the city at which a Vehicle checks in. "**Custodial City"** is the city in which a Vehicle is sitting idle.

D. "**Authorization**" for intercity transactions that are not automatically approved, must be documented in writing by recording the name of the authorizing party, the date and time of the authorization, the dollar amount authorized, and other pertinent information of the authorized transaction.

E. To the extent any provision (or part thereof) of this Document is invalid or unenforceable under any applicable state or local law or regulation of a jurisdiction in which the Document is performed, such invalidity or unenforceability shall not affect the other provisions hereof. In such event, this Document shall be modified to the extent necessary to be in conformance with, and performable pursuant to, such law or regulation of the jurisdiction including, if necessary, omitting the invalid or unenforceable provision(s).

F. **Business Solicitation**

1. Each Avis Rent a Car Operator **("Operator")** will actively solicit via the Reservation Center, reservations from those renters wishing to reserve a vehicle to be rented from one Operator's location to another Operator's location **("one-way rentals"**).

2. Operator may substitute its own vehicle on a one-way rental with:

a. A vehicle owned by another franchisee/licensee Operator ("**Foreign Licensee Vehicle**") when the rental destination is to or toward the Owning City, or

b. A vehicle owned by a corporate location ("**Corporate Vehicle**") when the return destination is to any authorized location regardless of direction.

c. Foreign Licensee Vehicles and Foreign Corporate Vehicles are collectively called "**Non-Owned Vehicles**".

3. Each Operator will honor confirmed One-Way reservations. This requirement shall be governed by the reservation availability status indicated in Wizard at the time of such request.

II. RECORD MAINTENANCE

A. Operator will designate a specific individual or department as its Intercity Control, to centralize communication regarding Non-Owned Vehicles or Contracts. The Intercity Control Dept/Person will:

1. Maintain records of all the rental agreements opened and closed involving Non-Owned Vehicles. This department will ensure all movement information is properly updated in Wizard within one (1) business day of the transaction.

2. Maintain records of all non-revenue movements of Non-Owned Vehicles including vehicle number, dates of movement, and miles in and out of a location.

3. Act as the contact for authorization of rentals and repairs, purchase orders, and non-revenue movement.

4. Forward all information for Non-Wizard rental agreement to the Licensee Operations Department by using the following link: ONEWAYREQUESTFORM. Non-Wizard/Non-Data Bridge Locations will forward the same information for all Rentals and Check-ins.

"Non-Wizard Rental Agreement" – A Rental Agreement that did not originate from the Wizard system or Download through the Data Bridge into the Wizard system. **"Data Bridge"-** A system that automatically downloads Non-Wizard contracts into Wizard. **"Non-Wizard Location"** – A Location that does not use Wizard.

III. RECEIVING CITY PROCEDURES

A. Non-Owned Vehicle Inspection and Accident Reporting

1. The Receiving City will inspect all Vehicles and note any damage and/or missing vehicle parts.

2. If an accident has occurred, the Receiving City will obtain an accident report from the renter or driver, as applicable, upon check-in.

3. All notification to the Owning City should be documented by email. **ALL Owner Reporting is Centralized. ALL Accident reports and documentation will be placed in the damage portal**: https://mobileapps.avisbudget.com/dpa/

4. Within ten (10) business days after check-in, the Receiving City will send to the Owning City copies of the accident report, ***** and upon request, all other necessary

documentation, and a repair estimate when it becomes available, or upon discovery of unreported damage.

5. The Receiving City is responsible for body damage incurred or parts missing after it has taken custody of the Vehicle.
6. **Duties of the Owning City -** The Owning City has ten (10) business days to respond regarding requesting repairs of their vehicle.

B. Check-In Procedures

1. No changes may be made to the rental agreement without authorization of the Renting City. Authorization must be noted in the Wizard system.

2. The Receiving City will follow standard and proper closing procedures at check-in. The Receiving City will make a reasonable attempt to collect any additional amount due under the rental agreement when the charges exceed the renter's credit authorization.

3. If a customer drops a Vehicle at a location that is not the destination approved by the Renting City, the Receiving City will close the contract and charge the customer as the system is programmed.

    a. Any manual modification to programmed charges on an Unauthorized Drop, that the Renting City did not authorize, will result in a charge back of the difference to the Receiving City.
    b. **Unauthorized Drop –** A vehicle dropped at a location other than the destination entered and approved, by the Renting City, on the contract.

4. Any adjustments (such as additional fuel, Electric Vehicle Charging fees, or key replacement charges), will be made by the Receiving City within two (2) business days after check-in.

5. Renting City will handle all customer service issues and adjustments.

    a. Exception: Managers at the Receiving City are authorized to adjust for "**On the Road Expenses**", – A minor expense incurred by the customer during the rental period to maintain mechanical integrity and safety.
        i. Receipts must be provided by the customer to receive an adjustment.
        ii. Adjustments are authorized up to Two Hundred dollars ($200).

    b. The Renting City may apply a Drop fee/Intercity fee to an Unauthorized drop. The Drop fee may not exceed the One Way Fees loaded in Wizard or be more than the normal mileage rate loaded in Wizard.

6. Errors in handling Intercity transactions, such as check in location errors or mileage errors, are the responsibility of the city in which the error occurred.

    a. The Receiving City is financially responsible for errors that result in the customer not being charged properly when a Drop Fee or rate adjustment would automatically occur for an Unauthorized Drop.

7. For a Non-Wizard Location or Non Wizard Rental Agreement Check-in, the Receiving City will notify the Licensee Operations Team of the closed rental agreement, or the information listed below by the following business day, by using the following link: ONEWAYREQUESTFORM.

IV. RENTING CITY PROCEDURES

A. The following steps are required procedures at the time of rental.

1. The Renting City will follow standard procedure to qualify the renter for a Non-Owned Vehicle the same as the Renting City would qualify a renter for their Owned Vehicles. This should meet the requirements of the Avis system qualification standards.

2. The Renting City will routinely clean and maintain all Vehicles prior to rental.

a. Licensee Vehicles should be placed on the designated Licensee Ready Line.
b. The Renting City will not rent a Vehicle that is out of service or requires maintenance.

3. The Renting City will not rent any Vehicles that have been placed on hold without prior written approval by the owner via email.

4. A Corporate Renting City will substitute its own vehicle with a Licensee Vehicle when:

a. The destination is to or toward the Licensee Owner.
b. The vehicle exchange will send the vehicle to or closer to the Licensee Owner.

5. A Licensee Renting City will substitute its own vehicle with a Non-Owned Licensee Vehicle when:

a. The destination is to or toward the Licensee Owner.
b. The vehicle exchange will send the vehicle to or closer to the Licensee Owner.

6. A Licensee Renting City will substitute its own vehicle with a Corporate Vehicle when:

a. The destination is a corporate location.
b. The vehicle exchange will send the vehicle to a corporate location.

B. Maximize Fleet & Revenue - To maximize available Fleet and improve Revenue, the **Rule of First-In, First-Out** must be followed:

1. In order of priority, the Renting City will assign a Vehicle to a One-Way Rental, as follows:
   a. A Licensee Vehicle Owned by the Destination City; then
   b. A Licensee Vehicle Owned by a City toward the destination; then
   c. Any Corporate Vehicle.

C. Rates

1. Vehicles will be rented at the Renting City's then-current one-way rates for one-way rentals.

2. Local rentals will be rented at the Renting City's then-current standard local rates.

3. Other exceptions that waive, or reduce the rate, Intercity fee, or charges, are optional at the discretion of the Owning City.

4. Violations of rate procedures for One-Way and local rentals will be billed to the Renting City. The Owning City is authorized to bill the Custodial City for the difference of the rate-shopped result from Wizard system generated rates.

   NOTE: Seasonal rates or Fleet movement rates: **DO NOT** use Non-Owned Vehicles on rentals using any rate designed to move Owned fleet from one location to another.

D. Authorized Rentals/Destinations

1. Non-Owned Vehicles shall have priority to be rented first on all One-Way Rentals/reservations to or toward the Owning City.

2. No prior authorization is required from the Owning City for the following rentals of Non-Owned Vehicles:
   a. Direct rentals back to the Owning City;
   b. Rentals to destinations that are closer to the Owning City than the Renting City;
   c. Vehicle Exchanges that will send a Licensee Vehicle to or toward the Owning City;
   d. Local rentals unless advised and documented to the contrary by the Owning City; and
   e. Rentals of a Corporate Vehicle to any authorized city regardless of direction.

3. A Renting City may rent any Licensee Vehicle regardless of Brand (Avis, Budget, Payless) to or toward the Owning City in the order of priority as outlined in this document.

4. A Renting City may rent a Licensee Vehicle other than as provided in section D,#2 & #3 above upon receipt of authorization from the Owning City.

5. A Renting City is contractually responsible for the collection of all charges associated with the rental of a Non-Owned Vehicle, excluding subrogation, the collection of which will be the responsibility of the Owning City.

6. A Non-Owned U.S. Vehicle may not be rented or car exchanged into Mexico or Alaska.

   a. Canada -Corporate Vehicles may be rented or car exchanged into Canada. The Inter-City policies in this document apply to those rentals.

7. A Vehicle Owned by Canada, Mexico or Alaska may only be rented back to or toward the Owner to comply with U.S. custom laws.

8. Operator will share revenue with other Operators for rentals of Non-Owned Vehicles in accordance with **Addendum A – Revenue Split Chart.**

E. Improper Use of a Non-Owned Vehicle

1. Any use not defined above as authorized is a violation of the Intercity rules. All of the following actions are PROHIBITED:

a. **DO NOT** rent a Licensee Vehicle in the wrong direction, i.e., further away from the Owning City than the Renting City;
b. **DO NOT** rent a Non-Owned Vehicle that is not documented on a rental agreement or in the Wizard system;
c. **DO NOT** use Non-Owned Vehicle on rentals using any Fleet movement rates, without approval from the Owner;

d. **DO NOT** rent a Corporate owned Vehicle One-Way if a Licensee Vehicle is available that meets the requirements for rental outlined in "**Authorized rentals/Destinations"**;
e. **DO NOT** use a Non-Owned Vehicle for Manager or employee use;
f. **DO NOT** rent a Vehicle the Owning City has placed on ALT 1 (one) or ALT 2 (two) hold in Wizard;
g. **DO NOT** rent a Vehicle to a destination that does not have an operating location;
h. **DO NOT** shuttle a Non-Owned Vehicle without proper documentation and authorization;
i. **DO NOT** rent a Vehicle in Turnback or Wholesale status; and
j. **DO NOT** violate rate policy.

2. Performing any of the above listed actions will result in additional Fees. **See Improper Use Fee Chart.**

Improper Use Fee Chart

Forfeiture of Revenue Splits for Improper Use	**Renting City Licensee**				**Renting City Corporate**		**Additional Fees**			**Reference**
	Licensee Vehicle		**Corporate Vehicle**		**Licensee Vehicle**		Fees to Retrieve	Fees for Attempted Retrieval	Non-Performance Fee	See Section Listed
Rental Revenue*	*Owning City*	*Renting City*	*Owning City*	*Renting City*	*Owning City*	*Renting City*				
Wrong Way Rental	100%	0%	N/A	N/A	100%	0%	Maybe	N/A	N/A	Section **IV**, F, 1
Unauthorized Drop (Customer)	100%	0%	-----	-----	100%	0%	N/A	N/A	N/A	Section **IV**, F, 2
Rental of Vehicles on Hold	100%	0%	100%	0%	100%	0%	**YES**	**YES**	NO	Section **IV**, F, 3
Rental of Turnback	100%	0%	100%	0	100%	0%	Maybe	Maybe	Maybe	Section **IV**, F, 7
Non-Rev - Unauthorized	-----	-----	-----	-----	-----	-----	**------**	Maybe	$.75 cents per Mile	Section **IV**, F, 5
Non-Rev of Hold Vehicle	-----	-----	-----	-----	-----	-----	**------**	**YES**	$.75 cents per Mile	Section **IV**, F, 5
Missing Miles	-----	-----	-----	-----	-----	-----	**------**	**-----**	$.75 cents per Mile	Section **V**, G, 6
Undocumented Movements	-----	-----	-----	-----	-----	-----	**------**	**-----**	$.75 cents per Mile	Section **V**, G, 7
Improper Use	-----	-----	-----	-----	-----	-----	**------**	**-----**	$100 per day	Section **IV**, F, 4
Missed Assignments – Licensee Vehicle	-----	-----	-----	-----	-----	-----	**YES**	**-----**	$50 per day	Section **IV**, F, 8
See Below for Explanation of Charges for Improper Use	For ALL Turnback Fees see Page 17, Section VIII Sale of Vehicles, C / For Conversion from Unqualified Renter see Page 11, Section V Custodial City Responsibilities, D / For Rate Violations see Page 5 Section III Receiving City, B, 4, a & Page 5, Section IV Renting City, C, 4									

*Rental Revenue is defined as Time & Mileage including Upsell revenue.

F. Improper Use Fees

1. If a Licensee Vehicle is rented in the Wrong direction from the Owning City, the Renting City will pay the Owning City one hundred percent (100%) of the rental revenue, and all costs related to the Vehicle's return to the Owning City, including, without limitation, fuel costs, transfer fees, and shuttler wages.
    a. The Owning City will allow the Renting City fourteen days (14) to arrange for the Vehicle to be rented prior to picking up the Vehicle. The Owning City has sole discretion regarding retrieval of unit (after fourteen (14) days) from the Custodial City.
2. If a Licensee Vehicle is returned to an unauthorized destination, (a location other than the location indicated on the rental agreement), and is farther away from the Owning City, the Renting City will pay the Owning City one hundred percent (100%) of the rental revenue.

3. If a Non-Owned Vehicle is rented within seven (7) business days after it has been put on hold for pick-up, the Renting City will pay the Owning City one hundred percent (100%) of the rental revenue and, if the Vehicle is not available for retrieval when scheduled, all costs related to the Owning City's attempted retrieval of the Vehicle including, without limitation, fuel costs, transfer fees and shuttler wages.

    a. Owning City must provide proof of hold either using email documentation and/or Wizard documentation. Non-Wizard locations should request the status of the Vehicle be updated in Wizard to a Hold status.

4. If a Non-Owned Vehicle is used improperly, by a manager or employee, or used without proper documentation on an Avis rental agreement, or outside of the Avis/Budget/Payless platform or Rental System (Wizard), or approved non-rev agreement, or vehicle transport, or without the Owning City's approval, the Custodial city will pay the Owning City, One Hundred Dollars ($100) per day for each day the car was used on the unauthorized movement.

    a. This fee will cover lost revenue including missing mileage; therefore, the Owning City will not bill for missing miles in this case.

    b. The Custodial City will pay the Owning City for retrieval of a Vehicle if the Vehicle was transported farther away from the Owning City.

5. If a Non-Owned Vehicle is used for a non-revenue movement without the Owning City's approval, the sending city will pay the Owning City Seventy-Five Cents ($.75) per mile driven and if the Vehicle was on Hold for pick-up, will also pay the Owning City for all costs related to the Owning City's attempted retrieval of the Vehicle including, without limitation, fuel costs, transfer fees, and shuttler wages.

6. If a Non-Owned Vehicle is rented to a city without an operating location, the Renting City will pay the Owning City one hundred percent (100%) of the rental revenue and all costs related to the Vehicle's safekeeping and return to an authorized location including, without limitation, fuel costs, storage costs, transfer fees, and shuttler wages.

7. If a Non-Owned Vehicle was in a Turnback status in Wizard and was then rented, the Renting City will pay the Owning City one hundred percent (100%) of the rental revenue.

    a. See the Turnback section for other Penalties related to Turnback Vehicles.

8. Missed Assignment - If a Licensee Vehicle has not been rented after three (3) separate email requests by the Owning City, the Custodial City will pay the Owning City any costs associated

with retrieval of the Vehicle. Each email can contain multiple reservation options and will count as one request. In addition, the Custodial City will pay the Owning City Fifty Dollars ($50) per day from date of third occurrence of missed assignment, until the Vehicle is retrieved by the Owning City, and the maximum per day charge will be no more than fourteen (14) days.

a. The Owning City is required to provide email documentation to the Custodial City. Each request must have the idle MVA, vehicle class and the reservation numbers for which the Custodial city failed to assign the vehicle. A missed assignment cannot be considered if the Custodial City has responded via email in a timely manner to the Owning City with reasons of why the vehicle could not be placed on the rental.

b. Missed assignments to reservations can only be considered if the Vehicle class is the same or larger than the reserved class.

c. At the Owning City's discretion, after the third (3rd) occurrence, the Custodial City may still rent the Vehicle to or toward home. The per-day penalty will still apply until the Vehicle is placed on a valid rental to or toward home.

d. A Missed Assignment occurrence is not billable, if on any occurrence, another Licensee Owned Vehicle was used.

e. One (1) day notice is required for vehicle assignment requests.

f. The Fifty Dollars ($50) per day penalty is paid from the date of third occurrence of missed assignment to a maximum of fourteen (14) days, per Vehicle.

V. CUSTODIAL CITY RESPONSIBILITIES

A. **Vehicle Registration**

1. The Custodial City will contact the Owning City regarding an expiring Vehicle Registration. Provide the MVA, license plate number and registered state.
    a. Corporate Vehicles: Contact the Fleet Processing Department at: reg.renewal@avisbudget.com.

    b. Licensee Vehicles: Contact the Owning City.

B. Preventative Maintenance

Preventative Maintenance (PM) will be performed by a Custodial City on Non-Owned Vehicles, when notified of PM service requirements, with the same level of care the Custodial City performs PM's on its own vehicles.

1. The Custodial City is responsible for performing PM's prior to the next rental or within seven (7) business days.
    a. The Owning City will notify Custodial City of any Preventative Maintenance (PM) requirements. Notification will be provided via the Wizard PM alert system or email to the Custodial City. The vehicle diagnostic system may also provide a service required alert on the vehicle information screen.
    b. Within 24 hours or next business day, the Custodial City will update the PM information in Wizard and/or notify the Owning City via email and update or reset the in-vehicle oil change indicator following completion of the PM service.

2. If a Custodial City does not perform or outsource a required PM prior to renting a Non-Owned Vehicle, the Owning City can bill the Custodial City for all damages as a result of failure to perform the PM and loss of use at Twenty-Five Dollars ($25) per day for the period the Vehicle is out of service.

3. Non-mechanized Custodial Cities will notify a Licensee Owning City via email upon completion of PM service. For vehicles owned by ABG, a non-mechanized Custodial Licensee City will provide notification of completion with MVA and Mileage to PMFaxes@aivsbudget.com.

B. Damage & Repairs

1. The Custodial City will notify the Owning City of any Vehicle damage or repairs necessary within ten (10) business days of reported or discovered damage and will repair the Vehicle prior to the next rental. The Owning City will reimburse the Custodial City for all repairs made in accordance with this paragraph.
    a. The Custodial City will notify the Owning City within ten (10) business days of an accident or any damage to a Vehicle that is identified or occurs after check in.
    b. The Custodial City is responsible for body damage incurred or parts missing while in the Custodial City's custody.

2. The Custodial City has automatic authorization from the Owning City to spend up to Five Hundred Dollars ($500) to repair the Vehicle.

3. Approval from the Owning City is required on any repair estimated to exceed Five Hundred Dollars ($500). Approvals must be documented through email.

4. All Repairs regardless of cost must be submitted with proper receipts to the Owning City for reimbursement.

5. If a Non-Owned Vehicle is improperly used, the Custodial City is responsible for all damage, not to exceed book value.

6. The Custodial City is responsible for all damage (except those resulting from Acts of God), originating from theft, unauthorized shuttling, fire, unauthorized employee use or damage from failure to perform PM's. The Owning City shall bill within one hundred and twenty (120) days from date the loss was reported to Owning City. No billing shall exceed book value.

    a. Acts of God: In cases of flood, hail, tornado, hurricane and fire damage, the Owning City may ask the Custodial City to file a claim in cases where the Custodial City has coverage and the Custodial City is adding to an existing claim, where the Custodial City Vehicles were also damaged.

7. Excessive storage of Non-Rentable Non-Owned Vehicles – A storage fee may be charged to the Owning City for vehicles that are not rentable and have not been authorized for repair or are not repairable. If after fourteen (14) days the owning city does not pick up the vehicle, or authorize its repair, the owning location is authorized to charge fifty dollars ($50) per day for storage until the vehicle has been retrieved. Vehicles subject to manufacturers recalls or pending insurance claims are exempt from storage fees.

C. Vehicle Security

1. **Book Value** will be based on the Owning City's actual cost of a vehicle including rebates, if any, and tax, less 2.083% depreciation per month from date of purchase.

2. The Custodial City will treat a Non-Owned Vehicle with at least the same level of care and with the same level of security controls as its own fleet, including, without limitation, by taking proper precautions against the theft of a Non-Owned Vehicle once a rental agreement is closed or a non-revenue movement is complete.

3. The Owning City is responsible for all loss and damage to its Vehicles except as outlined in this document.

4. Once it is determined that a conversion or theft has occurred, it is the Renting or Custodial City's responsibility to notify the Owning City by email within twenty-four (24) hours of incident.

5. The Custodial City will transfer ownership of a Vehicle within thirty (30) days after a title has been provided by the Owning City.

D. Theft from Lot

1. The Custodial City shall pay the Owning City for all damage, not to exceed book value, to Vehicles that are recovered within sixty (60) days.
2. The Custodial City is responsible to pay an invoice from the Owning City for the current Book value of a Vehicle that is Stolen from the Custodial City's lot and not recovered by sixty (60) days.
    a. The Owning City shall immediately provide the Custodial City with all legal documents including but not limited to, Title and Dealer Invoices, for transfer of ownership upon receipt of payment.

E. Converted Vehicles

1. **Converted Car -** Any vehicle rented which subsequently is not returned upon demand.

2. If a converted Vehicle from an authorized rental by a qualified renter is not recovered, the Renting City's liability to the Owning City will be limited to the normal Revenue split of all monies collected.

3. If a Vehicle is converted due to improper qualification of a renter, the Renting City will purchase the Vehicle at the book value as of the date of commencement of the rental, The Owning city can request payment after sixty (60) days of the due-in-date.

4. If a converted car from an unqualified renter is recovered within sixty (60) days of due in date, the Renting City shall forfeit its percentage of all revenue splits on collected revenue up to date of recovery.

5. If a converted Vehicle from an unqualified renter is damaged the Renting City's liability to the Owning City will be the full amount of any damages not to exceed the book value.

6. If a vehicle is stolen from a qualified renter, the Owning City assumes full liability.

7. In all cases the Renting City/Custodial City will Cooperate with the Owning City to ensure the Vehicle is reported stolen.

F. Impounds

1. All impound notifications of a Vehicle should be entered into the corporate Impound Portal.
   All Vehicles: https://mobileapps.avisbudget.com/dpa/app/multiRoles.

2. The Impound Department will work with the Owning City/Custodial City to set up recovery of the Vehicle.

3. The Impound Department will inform the Renting City to process the Impound fees on the Rental Agreement.

G. Vehicle Holds

1. The Owning City may notify another Operator that its Vehicle should be held for sale or a non-revenue movement. The Custodial City will send back confirmation of the hold if requested.

   a. The Owning City will not pick up Vehicles that have a confirmed one-way reservation to or toward the Owning City.

   b. Corporate Owners may place holds on Vehicles and may pick-up Vehicles that do not have a confirmed one-way reservation. Corporate Vehicles will be left to cover booked reservation demand and Vehicle Exchange requirements. Inbound flow will also be considered when retrieving Owned Vehicles.

   c. Any Vehicle placed on hold for pick-up requires a One-Day (1) notice to the Custodial City.

2. Hard Hold in Wizard: After a Vehicle is placed on a hard hold in Wizard, the Owner will email the Custodial City. All Vehicles put on hold and not retrieved within ten (10) business days after the designated pick-up date may be made available for rental.

H. Non-Revenue Movement & Mileage Accountability

1. The Custodial City will not use a Non-Owned Vehicle for any purpose other than a movement to facilitate its timely rental.

2. Movement of a Non-Owned Vehicle within the Custodial Cities operating area, within fifty (50) miles or less is authorized to facilitate a timelier rental to or toward the Owner. The Custodial City assumes responsibility for any damages.

3. Movement of a Non-Owned Vehicle to an Operator more than fifty miles (50) away from Custodial City requires prior authorization from the Owning City. If approved by the Owner, any refueling charges for such movements are the responsibility of the Owning City. The Owning City is responsible for any damage incurred during the non-revenue movement.

   a. Unauthorized movements are chargeable at the missing mileage rate.

4. Operator will use a non-revenue form for all non-revenue movements. The form will identify the party authorizing the movement and the date the authorization was received. This Documentation should contain an email backup. An NRT form printed from Wizard is considered acceptable.

5. The Custodial City will maintain records of all movements of Non-Owned Vehicles in its possession or under its control.

6. Missing miles shall be billed at Seventy-Five Cents ($.75) for each missing mile from the first mile, excluding miles resulting from a theft or conversion.

    a. The Owning City is required to bill for missing miles within one-hundred twenty (120) days of occurrence.
    b. A response to the missing mileage or payment is expected within sixty (60) days of submission.
    c. Google Maps should be used to determine the mileage to be billed.

    Note: A GPS tracking device installed on a Vehicle can be presented as backup to Google maps for missing miles if presented alongside its accompanying data.

7. **Undocumented Movements** - If a Vehicle's location changed but the mileage was not updated in Wizard.
    a. Charges can be billed even if the mileage wasn't properly updated in Wizard.
    b. The Owning City will have the option to use Google Maps to determine distance between the sending and receiving location, or a GPS tracking device installed on their Vehicle.
    c. The Custodial City will pay the Owning City Seventy-Five Cents ($.75) per mile, based on the distance as determined in Google Maps or the information from a GPS tracking device.

VI. REVENUE AND EXPENSE

A. General Invoicing

1. Operator will send an invoice for monies due hereunder to other Operators. No invoice will include charges which accrued more than one-hundred twenty (120) Days after the close of the rental except for new charges resulting from a missing mileage claim, or conversion or stolen vehicle.

2. The Operator receiving the invoice will pay the invoice amount within sixty (60) days after invoice receipt, without any setoff or deduction**.**

3. Miscellaneous invoices will not be billed until an item is greater than Ten dollars ($10).

4. All parts are invoiced at cost with no markup.

5. All miscellaneous invoices billed to a Corporate location will be sent to the Corporate Virginia Beach Processing Center at: oneway@avisbudget.com

    a. Disputes arising from invoices denied or underpaid, must be submitted: oneway@avisbudget.com with documentation within sixty (60) days from advisement of denial.

B. Rental Revenue Collection and Splits

1. The Renting City will be responsible for the collection of all charges associated with the rental of a Non-Owned Vehicle, excluding subrogation, the collection of which will be the responsibility of the Owning City.

2. Operator will share revenue with other Operators for rentals of Non-Owned Vehicles in accordance with **Addendum A**.

    a. **Note:** Any additional items added to the system will follow one hundred percent (100%) to the renting location unless otherwise disclosed.

3. Revenue splits will be paid on chargebacks and forced charges to the extent of the actual funds received.

C. Expenses

1. Operators will share expenses with other Operators related to Non-Owned Vehicles in accordance with **Addendum A**.
2. Gasoline Expense/Refueling Charges & Electric Vehicle Charging

    a. Operators will rent a Vehicle with a full tank of fuel or a minimum sixty percent (60%) EV charge, whichever applies, except to the extent prohibited by law.

    b. Refueling/recharging costs will be based on the amount charged on the rental agreement at the receiving City

    c. Fuel/ EV charges are billable back to the renting city if the vehicle checks in not full of gas or fully charged. This process is automated in Wizard.

3. Oil Changes & Other Fluids & lubricate.

    a. The Owning City will pay for all preventative maintenance costs, oil changes and fluid replacements, such as anti-freeze.

    b. The Custodial city is authorized to bill in-house Oil changes **at**:

        i. Sixty dollars ($60); for semi-synthetic or,

        ii. Eighty dollars ($80) for full synthetic oil.

    c. Locations using outside vendors for Oil changes must provide an invoice from the vendor and can bill without prior approval, **up to**:

        i. Sixty dollars ($60) for semi synthetic oil, or

        ii. Eighty dollars ($80) for full synthetic oil.

        iii. Ninety dollars ($90) for large vehicles such as SUV's that require six (6) quarts or more,

    d. Oil changes that exceed these amounts need the Owning City or local Corporate stores authorization in writing prior to servicing.

        i. If authorization is not provided the Owning City must retrieve Vehicles within fourteen (14) days.

        ii. If Vehicles are not retrieved in fourteen (14) days, the Custodial City may immediately perform the oil change and the Owner must pay the amount listed on the invoice.

    e. The Custodial City can request a monthly or an extended approval of ninety (90) days, for an exception to be paid for shuttling costs when such shuttling is considered a hardship, such as if the location is in a rural area, the shuttle to the vendor takes an excessive amount of time and/or the cost to using an outside vendor exceeds the approved amounts listed above.

4. Key Replacement

a. The Custodial City is responsible for ensuring all keys are replaced. Requests for keys should be done immediately or within seven (7) days to facilitate the timely rental of the Non-Owned Vehicle.

b. Corporate Vehicles - The Licensee Custodial City will verify in Wizard using the 313 screen if spare keys are available.

   i. View the Trunk Key Field - Available spare keys are indicated by: **VAB STRD**.
   ii. If populated with **VAB STRD** send key replacement requests to VABkey@avisbudget.com.
   iii. If not populated with **VAB STRD** there is no spare key. Start process to have a spare key made.

c. Licensee Vehicles – Call Vehicle Owner or send key replacement requests to VABkey@avisbudget.com.

d. If keys are not returned with the Vehicle, the Receiving City will adjust the rental agreement for key replacement fees within two (2) business days after check-in by adding a charge of Three hundred dollars ($300) or the cost of the key if higher.

   i. Send invoices to VAB for reimbursement.

5. Traffic Violations

   Process is subject to state law.

   a. The Owning City, if aware of fines, will provide the Renting City with traffic violation fines immediately upon notification so they can charge the customer, and must bill the Renting City to recover any costs associated with paying traffic violations.

   b. Wizard locations that do not have access to IAJ must contact the station adjustment department at the Virginia Beach Processing center to have the charges added to the rental agreement. stationadjustmentsvab@avisbudget.com.

      i. A copy of the letter sent to the customer must be provided explaining the charges.

      ii. A Station Adjustment Form must be completed for charges to be applied.

VII. EMERGENCY ROADSIDE ASSISTANCE & VEHICLE BREAKDOWN/EXCHANGES

An Emergency Road Service ("**ERS"**) **1-800-number** will connect customers with the ERS department or authorized third-party vendor to handle emergency road service calls.

An Operator which provides breakdown assistance shall be referred to as an "**Exchange City"** Emergency Road Service shall be referred to as **"ERS"**
A.ERS and the Exchange City will make every effort to expedite the repair or vehicle exchange in a manner consistent with professional renter care. All Operators are required to assist customers experiencing mechanical failure or a safety hazard.

1. Operators who refuse to assist customers with repair or replacement vehicles shall be subject to all costs resulting from their refusal to assist the customer. ERS Refusal Report shall be reviewed, and charges applied as necessary, as determined by a Corporate Licensee Department member and a Licensee Intercity member.

2. ERS and/or the Exchange City has automatic authorization from the Renting City to reimburse customers out of pocket on the road expenses up to Two Hundred-Fifty Dollars ($250). This will be completed in Wizard on the rental contract.

    a. Authorization includes, but is not limited to, expenses that result from a Vehicle's mechanical failure that is not the fault of the customer.

    b. Excluding from this provision are customer-reporting of stolen vehicles and lodging for customers involved in accidents.

B. If a vehicle needs repair and NO Vehicle Exchange is needed:

1. The Exchange City will immediately conduct all repairs that can be completed in less than two (2) hours, i.e., tires, fuses, wipers, etc. Total elapsed time (renter inconvenience) should not exceed two (2) hours. If the assisting City will not be able to complete the repairs within this time frame, it will provide the renter with a replacement vehicle.

2. The Exchange City has automatic authorization from the Owning City to spend up to Five Hundred Dollars ($500) to repair vehicle. For repairs over Five Hundred Dollars ($500) the Exchange City must get prior approval from the Licensee Owner or designated representative for Corporate Owned Vehicles. The Owning City will reimburse the Exchange City for all repairs made in accordance with this paragraph.

C. If a Vehicle needs repair and a <u>Vehicle Exchange is needed:</u>

1. The Exchange City will provide the renter with a vehicle. If possible, the Exchange City will make every effort to provide the customer with a comparable Vehicle.

2. In order of priority, the Exchange City will replace a breakdown Vehicle with:

    a. A Vehicle Owned by the Destination City;

    b. A Vehicle Owned by a City toward Destination;

    c. Any Corporate Vehicle; or

    d. Exchange City's Vehicle.

3. In the event a Licensee Exchange City must use their Vehicle, and the Destination is greater than two hundred fifty (250) miles away from the Exchange City, the Owning City agrees to reimburse the Licensee Exchange City for all fees to retrieve their Vehicle, ONLY if the Vehicle cannot be rented toward the Owning City within 14 days.

    a. An Owning City may NOT bill for both retrieval of unit and Missed Assignment fees.

D. Exchange Procedures

1. When the exchange is done at the counter with the customer present, the Exchange City must do the following prior to a Vehicle Exchange:

    a. Verify the customer's credit I.D. and driver's license.

    b. Verify with the customer the due-in date and time and modify the rental agreement if necessary.

    c. Do not perform a Vehicle Exchange on an overdue Rental Agreement.

2. The Exchange City will cooperate with ERS when there is an on the road exchange and the Vehicle must be towed to the customer.

    a. Exchange City will verify the due-in-date and modify the rental agreement if necessary.

3. After the Vehicle Exchange or the Exchange City must: Update Wizard to ensure new Vehicle is on the Rental Agreement.
    a. Provide the following: Rental Agreement number
        i. Breakdown Vehicle MVA#, gas level, mileage
        ii. Replacement Vehicle MVA# and mileage.
4. In no event will the renter be charged more than he would be charged if the breakdown had not occurred.
5. Additional drivers listed on the contract are permitted to exchange a vehicle, except as otherwise required by law.
6. Any fuel put into a breakdown Vehicle will be billed to the Owning City.
7. Licensee Vehicles are not allowed to be Exchanged on to a rental agreement that originated in Canada, Mexico, or Alaska.
8. The Exchange City will immediately notify the Renting City if an Exchanged Vehicle is listed on the Exchange City's overdue report. After such notification, the original Renting City shall be responsible for resolving the overdue rental agreement.
9. Operators will share rental revenue in accordance with **Addendum A, with the exception that**
    a. The final Exchange City will receive one hundred percent (100%) of all revenue if,
        i. The entire rental period is less than one day: OR
        ii. A previous Exchange was done, and the Vehicle was on the Rental Agreement less than twenty-four (24) hours.

VIII. SALE of VEHICLES – Turnbacks & Wholesale

At the Owning City's discretion, direction, control and pursuant to manufacturer's program rules, all Avis Operators as Custodial Cities, are required to assist Owning locations with the Turnback of any eligible manufacturer program Vehicle to a Manufacturers Return Center, **"MRC"**

A. **Owning City will:**

1. Determine Vehicles eligible for Turnback or Wholesale.
2. Place Vehicles "On Turnback or Wholesale Status" in Wizard. Alt one (1) Hold. Use the appropriate fleet use code.
3. Communicate with Custodial City via email regarding hold of Vehicles and preparation for return to manufacturer or auction.
4. Assume all Liability if damage occurs during the turnback process.
5. Handle all communications with Inspection Company/MRC and distribution of necessary paperwork.

B. **Custodial City is responsible for:**

1. Not renting a Vehicle in Turnback or Wholesale Status.
2. Returning the Vehicle to the **MRC** or Auction within fourteen (14) days of check-in, or status update in Wizard.
    a. If requested by the Owner, the Custodial City will expedite the return based on & because of manufacturer's program restrictions such as time and/or mileage.

3. Inspecting and Preparing the Vehicle for Turnback to the manufacturers program standards.

    a. The Owning City will pay the Custodial City a Preparation fee of forty-five dollars ($45), which includes shuttling to the Auction within twenty-five (25) miles.

    b. Oil changes will be billed separately and chargeable as indicated in section, **VI Revenue & Expense.**

4. Arrange transport to **MRC** Turnback location or Auction.

    a. The Owning City will make arrangements with either the Custodial City or an Outside Vendor for transportation of Vehicles to Auctions beyond twenty-five (25) miles from Custodial City and will pay all fees associated with these movements.

5. Notify Owner vehicle has been transported to **MRC** Turnback location or Auction.

C. Penalties

1. If a Vehicle was not returned to the MRC/Auction within fourteen (14) days or was not expedited at the Owning City's request because of manufacturer's time and/or mileage restrictions, then the Custodial City will pay the Owning City Twenty dollars ($20) per day for each day (as listed below) for any vehicle that had the status updated in Wizard for Turnback **TBK** or Wholesale **SEL.**

    a. Vehicles that had the status changed while on rent. Payment will be based between the check-in date and the date of return to the manufacturer's return center/Auction.
    OR
    b. Vehicles that had the status updated in Wizard while sitting idle. Payment will be based between the date the status was changed and the date of return to the manufacturer's return center/auction.

2. If a Vehicle was in Turnback status in Wizard, and was rented, and that rental did not result in a manufacturers program rejection, the Renting City will pay the Owning City a Two-Hundred Dollar ($200) penalty.

3. If a Vehicle was in Turnback status in Wizard, and was rented, and that rental resulted in the vehicle being rejected from the manufacturers repurchase program, the Renting City will pay the Owning City Five-Hundred Dollars ($500).

IX. LIABILITY & INSURANCE

A. Each Avis Licensee shall provide insurance as provided in their License Agreement.

B. Except as provided for in this Paragraph IX and except for the responsibilities of a renter under the terms of a signed rental agreement,

    1. The Owning City is responsible for all third-party liability and all loss and damage to its vehicles, and related expenses, except as set forth in section IX, part F.

    2. The Owning City must fulfill that responsibility with collision and comprehensive commercial insurance or self-insurance covering the Owning City's vehicles which complies with the insurance requirements of the state where the Owner is located.

    3. Insurance or self-insurance must follow the Owning City's vehicles and apply to the vehicles when on rent pursuant to the terms of the signed rental agreement, or when in the Receiving/Custodial City's or Renting City's possession.

    4. If a Non-Owned Vehicle is improperly used, the Custodial City is responsible for all damage, not to exceed book value.

C. If a Vehicle is damaged beyond repair due to improper service or storage, or converted, or otherwise due to a violation of any Intercity procedures,

1. The Receiving City/Custodial City or Renting City, as applicable, will purchase that Vehicle, at the Owning City's book value as of the date of the damage.

2. If a Vehicle is converted due to improper qualification of a renter, the Renting City, as applicable, will purchase the Vehicle for the Owning City's Book Value as of the date of commencement of the rental after a sixty (60) day waiting period and has not been recovered.

D. An Operator's liability for a Non-Owned Vehicle will be limited to the Owning City's book value. Net of any recovery monies such as salvage, LDW collection, insurance, or subrogation.

1. **Book Value** will be based on the Owning City's actual cost of a vehicle including rebates, if any, and tax, less 2.083% depreciation per month from date of purchase

E. The Renting, Exchange and/or Receiving cities will cooperate fully with the Owning City in the reporting and processing of liability or damage claims.

F. ALI, PAI & PAI Plus and PEP: The Renting City will process all claims submitted under these coverages and follow the process through completion, including any underlying coverage provided to the renter as part of the purchase of these coverages. This includes but is not limited to all administration and payments made on claims. The Receiving City or Exchange City is responsible for obtaining all information and documents related to such claims.

X. DISPUTE RESOLUTION

If a dispute arises regarding a Foreign Vehicle, the Operators making and receiving the claim will act in good faith and use best efforts to try to resolve the dispute within thirty (30) days after the claim is presented. A Mediation Committee will be responsible for resolving disputes that cannot be settled between Operators. This Committee will consist of one Corporate Licensee Department member, one Licensee Association Officer, and one Licensee member who is not involved in the dispute. The Licensee member chosen to help mediate the dispute must be agreed upon by both Corporate and the Licensee Association officer. The decision of the Mediation Committee regarding the dispute will be final and binding upon all parties involved. Upon receipt of notice of a dispute by the Mediation Committee, the Mediation Committee will notify all interested parties. Operators will supply the Mediation Committee with all relevant facts and documentation within fifteen (15) days of a written request and shall agree to mediate the dispute within thirty (30) days thereafter. Throughout the Mediation process, the applicable Operators will continue to act in good faith and use best efforts to resolve the dispute.

XI. INTERCITY RULES REVIEW

An Intercity Committee will review and update the Intercity Document as necessary. The Intercity Committee comprises Corporate and Licensee members.

XII. Definitions

Time and Mileage Charges - The amount listed in that section on rental agreement after a discount.

Turnback - Vehicles purchased by Avis System Members, which are enrolled in a manufacturer's repurchase program, are eligible to be returned to the manufacturer subject to the manufacturer's

stated terms and conditions.

Wholesale - Vehicles that were purchased outside of a manufacturer's repurchase program. The Owner has purchased the vehicle as a risk to the Owner to sell. These vehicles can be sold in various ways including by being sent to an auction.

ADDENDUM A
REVENUE AND EXPENSE RESPONSIBILITIES

Revenue Splits	**Renting City Licensee**				**Renting City Corporate**	
	Corporate Vehicle		**Licensee Vehicle**		**Licensee Vehicle**	
REVENUE	*Owning City*	*Renting City*	*Owning City*	*Renting City*	*Owning City*	*Renting City*
*Rental Revenue – One Way	60%	40%	-----	-----	-----	-----
--to or toward Owning City	-----	-----	60%	40%	60%	40%
Local Use	75%	25%	75%	25%	75%	25%
Drop Charge/One Way Fee	100%	0%	100%	0%	100%	0%
Underage Driver Revenue (UAS)	100%	0%	100%	0%	100%	0%
Additional Driver (ADR)	0%	100%	0%	100%	0%	100%
Delivery Fee	0%	100%	0%	100%	0%	100%
GARS	0%	100%	0%	100%	0%	100%
Miscellaneous Add On Charges	0%	100%	0%	100%	0%	100%
Coverages						
Loss Damage Waiver (LDW)	100%	0%	100%	0%	100%	0%
Glass Damage Waiver (GDW)	100%	0%	100%	0%	100%	0%
Personal Accident Insurance (PAI)	0%	100%	0%	100%	0%	100%
Personal Effects Protection (PEP)	0%	100%	0%	100%	0%	100%
Additional Liability Insurance (ALI)	0%	100%	0%	100%	0%	100%
Renters Liability Protection (RLI/RLP)	0%	100%	0%	100%	0%	100%
Ancillary Items						
Child Safety Seats (CIS/CSS/CBS)	0%	100%	0%	100%	0%	100%
Rental Extension/Late Fee	0%	100%	0%	100%	0%	100%
Roadside Safety Net (RSN)	0%	100%	0%	100%	0%	100%
Ski Racks (SKR)	0%	100%	0%	100%	0%	100%
Tablets (TAB)	0%	100%	0%	100%	0%	100%
Tire Chains	0%	100%	0%	100%	0%	100%
XM Radio (XMR)	0%	100%	0%	100%	0%	100%
Misc. P.O.S. Accessories	0%	100%	0%	100%	0%	100%

EXPENSES						
Vehicle Repairs-Rental Damage	100%	0%	100%	0%	100%	0%
Impounds & Towing ERS	0%	100%	0%	100%	0%	100%
Tolls, Parking Tickets, Traffic Violations	0%	100%	0%	100%	0%	100%
Routine Cleaning & Maintenance	0%	100%	0%	100%	0%	100%

*Rental Revenue is defined as Time & Mileage including Upsell revenue.

Exhibit K
State Addenda to FDD and License Agreement

STATE ADDENDA TO THE PAYLESS CAR RENTAL SYSTEM, INC.
MULTI-STATE DISCLOSURE DOCUMENT AND LICENSE AGREEMENT

ADDENDUM TO PAYLESS CAR RENTAL SYSTEM, INC.
DISCLOSURE DOCUMENT FOR THE STATE OF CALIFORNIA

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the commissioner.

The following information applies to franchises and franchisees subject to the California Franchise Investment Act. Item numbers correspond to those in the main body:

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT AT LEAST 14 DAYS PRIOR TO EXECUTION OF AGREEMENT(S).

OUR WEBSITE (www.PaylessCar.com) HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION & INNOVATION AT www.dfpi.ca.gov.

Before the franchisor can ask you to materially modify your existing franchise agreement, Section 31125 of the California Corporations Code requires the franchisor to file a material modification application with the Department that includes a disclosure document showing the existing terms and the proposed new terms of your franchise agreement. Once the application is registered, the franchisor must provide you with that disclosure document with an explanation that the changes are voluntary.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Any interest rate charged to a California franchisee shall comply with the California Constitution. The interest rate shall not exceed either (a) 10% annually or (b) 5% annually plus the prevailing interest rate charged to banks by the Federal Reserve Bank of San Francisco, whichever is higher.

Under California law, an agreement between a seller and a buyer regarding the price at which the buyer can resell a product (known as vertical price-fixing or resale price maintenance) is illegal. Therefore, requirements on franchisees to sell goods or services at specific prices set by the franchisor may be unenforceable.

Item 3.

Item 3 is amended to provide that neither we nor any other person identified in Item 2 is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities Exchange Act of 1934, 15 U.S.C.A. 78a et seq., suspending or expelling such persons from membership in such association.

Item 5.

The following is added as the first paragraph of Item 5:

The Department has determined that we, the franchisor, have not demonstrated we are adequately capitalized and/or that we must rely on franchise fees to fund our operations. The Commissioner has imposed a fee deferral condition, which requires that we defer the collection of all initial fees from California franchises until we have completed all of our pre-opening obligations and you are open for business.

Item 17.

1. California Business & Professions Code Sections 20000 through 20043 provide rights to franchisees concerning termination or nonrenewal of a franchise. If the License Agreement contains a provision that is inconsistent with the law, the law will control.

2. Termination of the License Agreement by us because of your insolvency or bankruptcy may not be enforceable under applicable federal law (11 U.S.C.A. 101 *et seq*.).

3. The License Agreement contains a covenant not to compete which extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code Section 16600.

4. You must sign a general release of claims (attached as Exhibit L) if you renew of transfer your franchise. This provision may be unenforceable under California law. California Corporations Code 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code 31000 through 31516). Business and Professions Code 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code 20000 through 20043).

5. The License Agreement requires the application of the laws of New Jersey. This provision may not be enforceable under California law.

6. The License Agreement requires all litigation to be brought in New Jersey. Prospective franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281) to any provisions of a franchise agreement restricting venue to a forum outside of California.

7. Pursuant to the CA 2023 Corporations Code Book, Section 31512.1, Franchise Agreement Provisions Void as Contrary to Public Policy:

Any provision of a franchise agreement, franchise disclosure document, acknowledgement, questionnaire, or other writing, including any exhibit thereto, disclaiming or denying any of the following shall be deemed contrary to public policy and shall be void and unenforceable:

(a) Representations made by the franchisor or its personnel or agents to a prospective franchisee.
(b) Reliance by a franchisee on any representations made by the franchisor or its personnel or agents.
(c) Reliance by a franchisee on the franchise disclosure document, including any exhibit thereto.
(d) Violations of any provision of this division.

AMENDMENT TO
PAYLESS CAR RENTAL SYSTEM, INC.
LICENSE AGREEMENT FOR THE
STATE OF CALIFORNIA

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES THAT A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE DISCLOSURE DOCUMENT.

This Amendment pertains to franchises sold in the State of California and is for the purpose of complying with California statutes and regulations. Notwithstanding anything which may be contained in the body of the License Agreement to the contrary, the Agreement is amended to include the following:

1. The License Agreement contains a covenant not to compete which extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business is to that extent void under California Business and Professions Code Section 16600.

2. The License Agreement requires application of the laws of New Jersey with certain exceptions. This provision may not be enforceable under California law.

3. For franchisees operating outlets located in California, the California Franchise Investment Law and the California Franchise Relations Act will apply regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the Franchise Agreement or any amendment thereto or any agreement to the contrary is superseded by this condition.

4. In all other respects, the License Agreement will be construed and enforced according to its terms.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

Each of the undersigned hereby acknowledges having read and understood this Amendment and consents to be bound by all of its terms.

YOU:_____

By_____
Its_____

WE: PAYLESS CAR RENTAL SYSTEM, INC.

By_____
Its_____

ADDENDUM TO
PAYLESS CAR RENTAL SYSTEM, INC.
DISCLOSURE DOCUMENT FOR THE
STATE OF HAWAII

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE, AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS, AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

AMENDMENT TO
PAYLESS CAR RENTAL SYSTEM, INC.
LICENSE AGREEMENT FOR THE
STATE OF HAWAII

This Amendment pertains to franchises sold in the State of Hawaii and is for the purpose of complying with Hawaii statutes and regulations. Notwithstanding anything which may be contained in the body of the License Agreement to the contrary, the Agreement is amended to include the following:

1. Each provision of this Amendment is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to this Amendment.

2. Except as amended herein, the License Agreement will be construed and enforced in accordance with its terms.

Each of the undersigned hereby acknowledges having read and understood this Amendment and consents to be bound by all of its terms.

YOU:_____

By_____
Its_____

WE: PAYLESS CAR RENTAL SYSTEM, INC.

By_____
Its_____

TO BE SIGNED IN DUPLICATE

ADDENDUM TO
PAYLESS CAR RENTAL SYSTEM, INC.
DISCLOSURE DOCUMENT FOR THE
STATE OF ILLINOIS

1. The following language is added to Item 1 under the subtitle "Regulations Specific to the Car Rental Industry" as subparagraph (c.1):

> c.1. Customer Responsibility Law. Illinois limits the amount for which a car rental customer can be held liable for damage to a rented car. In Illinois, from June 1, 2012 through May 31, 2013, the amount that may be collected is $15,500; the maximum amount that can be recovered increases by $500 annually thereafter. The Illinois statute is found at: 625 ILCS 5/6-305.2.

2. Payment of initial fees will be deferred until Franchisor has met its initial obligations to franchisee, and franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

3. Illinois law governs the Franchise Agreement.

4. In conformance with Section 4 of the Illinois Franchise Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void. However, a franchise agreement may provide for arbitration to take place outside of Illinois.

5. Franchisees' rights upon Termination and Non-Renewal are set forth in Section 19 and 20 of the Illinois Franchise Disclosure Act.

6. In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

7. There is extensive litigation involving Avis/Budget disclosed I Item 3 of the disclosure document. Make certain to review Item 3 in the disclosure document, along with the document attached as Exhibit B – the Announcement of the Department of Justice – Settlement Agreement.

8. Item 6 in the disclosure document contain 7+ pages of "Additional Fees" that you must pay throughout the term of the franchise.

9. The following language is added to the table in Item 17 at the end of the Summary section of provision (c) entitled **Requirements for franchisee to renew or extend**:

> Any release signed by you shall be void with respect to claims arising under the Illinois Franchise Disclosure Act of 1987.

10. The following language is added to the table in Item 17 at the end of the Summary section of provision (m) entitled **Conditions for franchisor approval of transfer by you**:

> Any release signed by you shall be void with respect to claims arising under the Illinois Franchise Disclosure Act of 1987.

11. The following language is added to the table in Item 17 at the end of the Summary section of provision (v) entitled **Choice of forum**:

(except as required by Illinois law for any claims arising under the Illinois Franchise Disclosure Act of 1987).

12. The following language is added to the table in Item 17 at the end of the Summary section of provision (w) entitled **Choice of Law**:

(except as required by Illinois law for any claims arising under the Illinois Franchise Disclosure Act of 1987).

13. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

AMENDMENT TO
PAYLESS CAR RENTAL SYSTEM, INC.
LICENSE AGREEMENT FOR THE
STATE OF ILLINOIS

This Amendment is made and entered into this ___day of____ by and between **PAYLESS CAR RENTAL SYSTEM, INC.**, a Florida corporation ("Payless"), and _____ ("Franchisee").

1. **Background**. Payless and Franchisee are parties to that certain Franchise Agreement dated, _____ (the "License Agreement") that has been executed concurrently with the execution of this Amendment. This Amendment is annexed to and forms part of the License Agreement. This Amendment is being executed because (a) the offer or sale of the Licensed Business that Franchisee will operate under the License Agreement was made in the State of Illinois and Franchisee will operate the Licensed Business in the State of Illinois; and/or (b) Franchisee is a resident of the State of Illinois.

2. Payment of Initial Fees will be deferred until Franchisor has met its initial obligations to Franchisee, and Franchisee has commenced doing business. This financial assurance requirement was imposed by the Office of the Illinois Attorney General due to Franchisor's financial condition.

3. Governing Law/Consent to Jurisdiction. In conformance with Section 4 of the Illinois Disclosure Act, any provision in a franchise agreement that designates jurisdiction and venue in a forum outside of the State of Illinois is void, However, a franchise agreement may provide for arbitration to take place outside of Illinois.

4. Construction**.** Illinois law shall govern the Agreement**(s).**

5. In conformance with Section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waiver compliance with the Illinois Franchise Disclosure Act or any other law of Illinois is void.

6. There is extensive litigation involving Avis/Budget disclosed in Item 3 of the disclosure document. Make certain to review Item 3 in the disclosure document, along with the document attached as Exhibit B – the Announcement of the Department of Justice – Settlement Agreement.

7. Item 6 in the disclosure document contain 7+ pages of "Additional Fees" that you must pay throughout the term of the franchise.

8. No statement, questionnaire or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of: (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on behalf of the Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Amendment on the day and year first above written.

YOU:_____

By_____
Its_____

WE: PAYLESS CAR RENTAL SYSTEM, INC.

By_____
Its_____

ADDENDUM TO
PAYLESS CAR RENTAL SYSTEM, INC.
DISCLOSURE DOCUMENT FOR THE
STATE OF MARYLAND

1. Subsection (e) of the Summary section of Item 17(c) entitled **Requirements for franchisee to renew or extend** is amended by the addition of the following language:

> , however, this release will not apply to any liability Payless may have under the Maryland Franchise Registration and Disclosure Law.

2. The following language is added to the Summary section of Item 17(h) entitled **"Cause" defined – non-curable defaults**:

> The License Agreement provides for termination upon bankruptcy of the Franchisee. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Section 101, *et seq.*).

3. The Summary section of Item 17(m) entitled **Conditions for franchisor approval of transfer** is amended to read as follows:

> You are in full compliance with the Agreement, new Franchisee qualifies, transferee assumes all your obligations, you pay all amounts owed to Payless and others, transferee completes training, transferee signs the then current form of Payless License Agreement and related documents, a transfer fee is paid to Payless, Payless approves the terms of the transfer, you sign a general release of any claims against Payless; however, Maryland law requires that this general release will not apply to any liability Payless may have under the Maryland Franchise Registration and Disclosure Law, and you sign a non-competition covenant.

4. The following is added at the end of Item 17:

Any claims arising under the Maryland Franchise Registration and Disclosure Law may be filed in the courts of the state of Maryland and shall be commenced within 3 years after the grant of the franchise.

AMENDMENT TO
PAYLESS CAR RENTAL SYSTEM, INC.
LICENSE AGREEMENT FOR THE
STATE OF MARYLAND

This Amendment is made and entered into this ___day of____ by and between **PAYLESS CAR RENTAL SYSTEM, INC.**, a Florida corporation ("Payless"), and _____ ("Franchisee").

1. Background. Payless and Franchisee are parties to that certain License Agreement dated _____ , _____ (the "License Agreement") that has been executed concurrently with the execution of this Amendment. This Amendment is annexed to and forms part of the License Agreement. This Amendment is being executed because (a) Franchisee is a resident of the State of Maryland, and/or (b) the Licensed Business that Franchisee will operate under the License Agreement is located in the State of Maryland.

2. Renewal. The following statement is hereby added at the end of Section 11.1:

The general release shall not apply to any liability Payless may have under the Maryland Franchise Registration and Disclosure Law.

3. Conditions for Approval of Assignment. The following statement is hereby added at the end of Section 12.2

The general release shall not apply to any liability Payless may have under the Maryland Franchise Registration and Disclosure Law.

4. Litigation of Disputes The following is added to the end of Section 14.8:

Any claim arising under the Maryland Franchise Registration and Disclosure Law may be filed in the courts of the state of Maryland.

All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration Disclosure Law.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Amendment on the day and year first above written.

YOU:_____

By_____
Its_____

WE: PAYLESS CAR RENTAL SYSTEM, INC.

By_____
Its_____

ADDENDUM TO
PAYLESS CAR RENTAL SYSTEM, INC.
DISCLOSURE DOCUMENT FOR THE
STATE OF MICHIGAN

1. The following language is additional cover page disclosures which is required by the State of Michigan:

> THE STATE OF MICHIGAN PROHIBITS CERTAIN UNFAIR PROVISIONS THAT ARE SOMETIMES IN FRANCHISE DOCUMENTS. IF ANY OF THE FOLLOWING PROVISIONS ARE IN THESE FRANCHISE DOCUMENTS, THE PROVISIONS ARE VOID AND CANNOT BE ENFORCED AGAINST YOU.

Each of the following provisions is void and unenforceable if contained in any documents relating to a franchise:

a. A prohibition on the right of a Franchisee to join an association of Franchisees.

b. A requirement that a Franchisee assent to a release, assignment, novation, waiver or estoppel which deprives a Franchisee of rights and protection provided in this act. This shall not preclude a Franchisee, after entering into a franchise agreement, from settling any and all claims.

c. A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the Franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.

d. A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the Franchisee by repurchase or other means for the fair market value at the time of expiration of the Franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the Franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising or other commercial symbol in the same area subsequent to the expiration of the franchise or the Franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.

e. A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other Franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.

f. A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the Franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.

g. A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

(1) The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

(2) The fact that the proposed transferee is a competitor of the franchisor or subfranchisor.

(3) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

(4) The failure of the Franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

h. A provision that requires the Franchisee to resell to the franchisor items that are not uniquely identified with the franchisor. This subdivision does not prohibit a provision that grants to a franchisor a right of first refusal to purchase the assets of a franchise on the same terms and conditions as a bona fide third party willing and able to purchase those assets, nor does this subdivision prohibit a provision that grants the franchisor the right to acquire the assets of a franchise for the market or appraised value of such assets if the Franchisee has breached the lawful provisions of the franchise agreement and has failed to cure the breach in the manner provided in subdivision (c).

i. A provision which permits the franchisor to directly or indirectly convey, assign or otherwise transfer its obligations to fulfill contractual obligations to the Franchisee unless provision has been made for providing the required contractual services.

If the franchisor's most recent financial statements are unaudited and show a net worth of less than $100,000.00, the Franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the Franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENFORCEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
670 G. Mennen Williams Building
525 West Ottawa
Lansing, Michigan 48913
Telephone Number: (517) 373-3800

ADDENDUM TO
PAYLESS CAR RENTAL SYSTEM, INC.
DISCLOSURE DOCUMENT FOR THE
STATE OF MINNESOTA

1. Item 5 and Item 7, "Initial Fees" shall be amended by the addition of the following:

"Payment of all initial fees are postponed until after all of franchisor's pre-opening obligations are complete and franchisee is open for business."

2. Item 13, "Trademarks," is amended by adding the following paragraph:

Payless is not obligated to take action to protect or defend the Marks but will indemnify you for damages or costs you sustain in any proceeding arising from your authorized use of the Marks.

3. Item 17 "Renewal, Termination, Transfer, and Dispute Resolution," is amended by the addition of the following paragraphs:

With respect to franchises governed by Minnesota law, Payless will comply with Minn. Stat. § 80C.14, Subds. 3, 4, and 5 which require, except in certain specified cases, that you be given 90 days notice of termination (with 60 days to cure) and 180 days notice for non-renewal of the License Agreement and that consent of the transfer of the franchise not be unreasonably withheld.

Minn. Stat. § 80C.21 and Minn. Rule Part 2860.4400J prohibit Payless from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or License Agreement can require to waive, abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum or remedies provided for by the laws of the jurisdiction.

Pursuant to Minn. Rule 2860.4400J, the Franchisee cannot consent to Payless obtaining injunctive relief. Payless may seek injunctive relief. Also, a court will determine if a bond is required.

Any release required as a condition of renewal and/or assignment/transfer will not apply to any claims that may arise under the Minnesota Franchises Law.

Pursuant to Minn. Stat. §80C.17, Minnesota law provides that no action may be commenced more than three (3) years after the cause of action accrues.

Each provision of this Addendum to the Disclosure Document shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act, Minn. Stat. §§ 80C.01 through 80C.22 and of the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930 are met independently without reference to this Addendum to the Disclosure Document.

4. No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

AMENDMENT TO
PAYLESS CAR RENTAL SYSTEM, INC.
LICENSE AGREEMENT FOR THE
STATE OF MINNESOTA

This Amendment is made and entered into this ___day of____ by and between **PAYLESS CAR RENTAL SYSTEM, INC.**, a Florida corporation ("Payless"), and _____ ("Franchisee").

1. Background. Payless and Franchisee are parties to that certain License Agreement dated _____, _____ (the "License Agreement") that has been executed concurrently with the execution of this Amendment. This Amendment is annexed to and forms part of the License Agreement. This Amendment is being executed because (a) the Licensed Business that Franchisee will operate under the License Agreement will be located in the State of Minnesota, and/or (b) the offer or sale of the Franchise occurred in the State of Minnesota.

2. Initial Fees. Notwithstanding anything to the contrary set forth in the License Agreement, and in particular Summary Pages (Section 10(b)) and Section 7.1 thereof, Franchisee shall pay any initial fees to Payless when Payless has fulfilled its initial pre-opening obligations to Franchisee and Franchisee's Licensed Business is open for business.

3. Trademark Litigation. The following language is added at the end of Section 2.2 of the License Agreement:

> Payless is not obligated to take action to protect or defend the Marks but will indemnify Franchisee for damages or costs Franchisee sustains in any proceeding arising from Franchisee's authorized use of the Marks.

4. Conditions for Approval of Assignment. The following language is added at the end of Section 12.2 of the License Agreement:

> The general release shall not apply to any claim arising under the Minnesota Franchise Law.

5. Termination of the Franchise By Payless. The following statement is hereby added at the end of Section 11.3:

> Minnesota law provides Franchisee with certain termination and non-renewal rights. Minn. Stat. Sec. 80C.14 Subd.3, 4 and 5 require, except in certain specified cases, that Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of this Agreement.

6. Governing Law. The following statement is hereby added to Section 14.7:

> This Section shall not in any way abrogate or reduce Franchisee's rights as provided for in Minnesota Statutes 1984, Chapter 80C, to any procedure, forum or remedies provided for by the laws of the jurisdiction.

7. Consent to Jurisdiction. The following statement is hereby added to Section 14.8: Minn. Stat. §80C.21 and Minn. Rule 2860.4400J, prohibit Payless from requiring litigation to be conducted outside Minnesota. Additionally, this Section shall not in any way abrogate or

reduce Franchisee's rights as provided for in Minnesota Statutes 1984, Chapter 80C, to any procedure, forum or remedies provided for by the laws of the jurisdiction.

8. Special and Punitive Damages Jury Trial. Section 14.10 of the License Agreement is hereby deleted.

9. Limitations of Actions. The following is added to Section 14.9:

Minnesota law provides that no action may be commenced pursuant to Minn. Stat. §80C.17 more than three (3) years after the cause of action accrues.

9. **Injunctive Relief.** The parties agree that any provision of the License Agreement that requires Franchisee to consent to Payless' obtaining injunctive relief is hereby modified to provide that, pursuant to Minn. Rule 2860.4400J, Franchisee cannot give such consent, provided, however nothing herein shall prevent Payless from applying to a forum for injunctive relief. The parties also agree that a court will determine if a bond is required.

10. **No Waiver of Rights**. The parties agree that nothing in the License Agreement can abrogate or reduce (1) any of Franchisee's rights as provided for in Minnesota Statutes, Chapter 80C or (2) Franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

No statement, questionnaire, or acknowledgement signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including, fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed with the franchise.

Each provision of this Amendment shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act, Minn. Stat. §§ 80C.01 through 80C.22, and the Rules and Regulations promulgated thereunder by the Minnesota Commissioner of Commerce, Minn. Rules §§ 2860.0100 through 2860.9930, are met independently without reference to this Amendment.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Amendment on the day and year first above written.

YOU:_____

By_____
Its_____

WE: PAYLESS CAR RENTAL SYSTEM, INC.

By_____
Its_____

ADDENDUM TO
PAYLESS CAR RENTAL SYSTEM, INC.
DISCLOSURE DOCUMENT FOR THE
STATE OF NEW YORK

1. The paragraph in Item 4 "Bankruptcy" is deleted and replaced by the following:

Pursuant to N.Y. State Franchise Regulation 200.4, neither Payless, its predecessor, its affiliates, nor its principal officers, during the 10-year period immediately before the date of this disclosure document, filed as debtor, had any petition filed against it or obtained a discharge of its debts under the U.S. Bankruptcy Code. Therefore no bankruptcy information is required to be disclosed in this disclosure document.

2. Item 17(d) "Termination by Franchisee," is deleted and replaced by the following:

With respect to franchises governed by New York law, you may terminate the License Agreement upon any grounds as available by law.

3. Item 17(j) "Assignment of Contract by Franchisor," is amended by the addition of the following paragraph:

However, no assignment will be made by Payless except to an Assignee who, in the good faith judgment of Payless, is willing and able to assume the obligations of Payless under the License Agreement.

AMENDMENT TO
PAYLESS CAR RENTAL SYSTEM, INC.
LICENSE AGREEMENT FOR THE
STATE OF NEW YORK

This Amendment is made and entered into this ___day of____ by and between **PAYLESS CAR RENTAL SYSTEM, INC.**, a Florida corporation ("Payless"), and _____ ("Franchisee").

1. Background. Payless and Franchisee are parties to that certain License Agreement dated _____ , _____ (the "License Agreement") that has been executed concurrently with the execution of this Amendment. This Amendment is annexed to and forms part of the License Agreement.

2. Termination of This Agreement by Franchisee. Section 11.2 of the License Agreement is hereby deleted and replaced in its entirety by the following:

> Franchisee shall have the right to terminate this Agreement upon any grounds available by law.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Amendment on the day and year first above written.

YOU:_____

By_____
Its_____

WE: PAYLESS CAR RENTAL SYSTEM, INC.

By_____
Its_____

ADDENDUM TO
PAYLESS CAR RENTAL SYSTEM, INC.
DISCLOSURE DOCUMENT FOR THE
STATE OF NORTH DAKOTA

1. The following language is added to the Summary section of Item 17(r) entitled **Non-competition covenants after the franchise is terminated or expires**:

Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.

2. The following language is added to the Summary section of Item 17(w) entitled **Choice of law**:

(Except as required by North Dakota law for claims arising out of the North Dakota Franchise Investment Law)

3. The following language is added to the Summary section of Item 17(i) **Your obligations on termination**:

The Securities Commissioner has held the above to be unfair, unjust or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.).

4. The following paragraphs are added to the Franchise Disclosure Document:

Payment of all initial fees is deferred until Franchisor has satisfied its pre-opening obligations and Franchisee's Franchised Business opens to the public.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

AMENDMENT TO
PAYLESS CAR RENTAL SYSTEM, INC.
LICENSE AGREEMENT FOR THE
STATE OF NORTH DAKOTA

This Amendment is made and entered into this ___day of____ by and between **PAYLESS CAR RENTAL SYSTEM, INC.**, a Florida corporation ("Payless"), and _____ ("Franchisee").

1. Background. Payless and Franchisee are parties to that certain License Agreement dated _____ , _____ (the "License Agreement") that has been executed concurrently with the execution of this Amendment. This Amendment is annexed to and forms part of the License Agreement. This Amendment is being executed because (a) Franchisee is a resident of the State of North Dakota and the Licensed Business that Franchisee will operate under the License Agreement is located in the State of North Dakota, and/or (b) the offering or sales activity occurs within the State of North Dakota.

2. Renewal. The following statement is hereby added to Section 11.1:

(Any release executed in connection herewith shall not apply to any claims that may arise under North Dakota law.)

3. Term and Termination. The following language is added to Sections of 11.2. 11.3, 11.4 and 11.6:

The Securities Commissioner has held the above to be unfair, unjust or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.).

4. Conditions for Approval of Assignment. The following statements are hereby added to Section 12.2:

(Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.)

(Any release executed in connection herewith shall not apply to any claims that may arise under North Dakota law.)

5. Covenant Not to Compete. The following statement is hereby added to Section 11.9:

(Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.)

6. Jurisdiction; Venue. Section 14.8 of the License Agreement is hereby deleted.

7. Jury Trial and Punitive Damages. Section 14.10 of the License Agreement is hereby deleted.

8. Costs and Attorneys' Fees. Section 14.9 of the License Agreement is hereby amended by adding the following paragraph:

If Franchisee asserts a claim for amounts owed by Payless to Franchisee in any legal proceeding before a court, or if Franchisee is required to enforce any other of its rights under this Agreement in a judicial proceeding, Franchisee and Payless shall each pay its own costs and expenses associated with such proceeding, including all attorneys' and accountants' fees.

9. Governing Law. Section 14.7 of the License Agreement is hereby deleted in its entirety and is replaced with the following:

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) and except as required by North Dakota law, this Agreement and the Franchise shall be governed by the laws of the State of New Jersey.

10. The following paragraphs are added to the License Agreement:

Payment of all initial fees is deferred until Franchisor has satisfied its pre-opening obligations and Franchisee's Franchised Business opens to the public.

No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Amendment on the day and year first above written.

YOU:_____

By_____
Its_____

WE: PAYLESS CAR RENTAL SYSTEM, INC.

By_____
Its_____

ADDENDUM TO
PAYLESS CAR RENTAL SYSTEM, INC.
DISCLOSURE DOCUMENT FOR THE
STATE OF RHODE ISLAND

1. The following language is added to the Summary section of Item 17(v) entitled **Choice of forum** and to the Summary section of Item 17(w) entitled **Choice of law**:

> § 19-28.1-14 of the Rhode Island Franchise Investment Act provides that: "A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act."

AMENDMENT TO
PAYLESS CAR RENTAL SYSTEM, INC.
LICENSE AGREEMENT FOR THE
STATE OF RHODE ISLAND

This Amendment is made and entered into this ___day of____ by and between **PAYLESS CAR RENTAL SYSTEM, INC.**, a Florida corporation ("Payless"), and _____ ("Franchisee").

1. Background. Payless and Franchisee are parties to that certain License Agreement dated _____, _____ (the "License Agreement") that has been executed concurrently with the execution of this Amendment. This Amendment is annexed to and forms part of the License Agreement. This Amendment is being executed because (a) the offer or sale of the franchise for the Licensed Business that Franchisee will operate under the License Agreement was made in the State of Rhode Island; and/or (b) Franchisee is a resident of the State of Rhode Island and will operate the Licensed Business in the State of Rhode Island.

2. Governing Law. The first sentence of Section 14.7 is hereby deleted in its entirety and the following shall be substituted in its place:

> Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et Seq.) and excluding claims arising under the Rhode Island Franchise Investment Act, this Agreement and the Franchise shall be governed by the laws of the State of New Jersey.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Amendment on the day and year first above written.

YOU:_____

By_____
Its_____

WE: PAYLESS CAR RENTAL SYSTEM, INC.

By_____
Its_____

ADDENDUM TO
PAYLESS CAR RENTAL SYSTEM, INC.
DISCLOSURE DOCUMENT FOR THE
STATE OF SOUTH DAKOTA

1. The following language is added to the Summary section of Item 17(v) entitled **Choice of forum**:

(Except as required by South Dakota law for claims arising out of the South Dakota Franchise Act)

AMENDMENT TO
PAYLESS CAR RENTAL SYSTEM, INC.
LICENSE AGREEMENT FOR THE
STATE OF SOUTH DAKOTA

This Amendment is made and entered into this ___day of____ by and between **PAYLESS CAR RENTAL SYSTEM, INC.**, a Florida corporation ("Payless"), and _____ ("Franchisee").

1. Background. Payless and Franchisee are parties to that certain License Agreement dated _____, _____ (the "License Agreement") that has been executed concurrently with the execution of this Amendment. This Amendment is annexed to and forms part of the License Agreement. This Amendment is being executed because (a) the offer or sale of the franchise for the Licensed Business that Franchisee will operate under the License Agreement was made in the State of South Dakota, and/or (b) Franchisee is a resident of the State of South Dakota and will operate the Licensed Business in the State of South Dakota.

2. Conditions for Approval of Assignment. The following statement is hereby added at the end of Section 12.2:

> (Covenants not to compete are generally unenforceable in the State of South Dakota, except in certain instances provided by law.)

3. Termination of This Agreement By Payless. The following statement is hereby added at the end of Section 11.3:

> Notwithstanding the above provisions of this Section 11.3, if Payless may terminate this Agreement for Franchisee's breach hereof, failure to meet performance and quality standards or failure to make royalty payments, Payless shall give Franchisee thirty (30) days' written notice of default with an opportunity to cure such default prior to terminating this Agreement; provided, however, that such written notice and opportunity to cure shall apply only to the first default by Franchisee.

4. Covenant Not to Compete. The following statement is hereby added at the end of Section 11.9:

> (Covenants not to compete are generally unenforceable in the State of South Dakota, except in certain instances provided by law.)

5. Governing Law. Section 14.7 of the License Agreement is hereby deleted in its entirety and is replaced with the following:

> Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) and except as required under the South Dakota Franchises for Brand-Name Goods and Services Law, this Agreement and the Franchise shall be governed by the laws of the State of New Jersey.

6. Jury Trial. The portion of Section 14.10 of the License Agreement pertaining to jury trials is hereby deleted.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Amendment on the day and year first above written.

YOU:_____

By_____
Its_____

WE: PAYLESS CAR RENTAL SYSTEM, INC.

By_____
Its_____

ADDENDUM TO
PAYLESS CAR RENTAL SYSTEM, INC.
DISCLOSURE DOCUMENT FOR THE
COMMONWEALTH OF VIRGINIA

The following language is added to disclosure document:

Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the License Agreement or Assignment Agreement does not constitute "reasonable cause" as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

AMENDMENT TO
PAYLESS CAR RENTAL SYSTEM, INC.
LICENSE AGREEMENT FOR THE
COMMONWEALTH OF VIRGINIA

This Amendment is made and entered into this ___day of____ by and between **PAYLESS CAR RENTAL SYSTEM, INC.**, a Florida corporation ("Payless"), and _____ ("Franchisee").

The Virginia State Corporation Commission's Division of Securities and Retail Franchising requires us to defer payment of the initial franchise fee and other initial payments owed by franchisees to the franchisor until the franchisor has completed its pre-opening obligations under the franchise agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Amendment on the day and year first above written.

YOU:_____

By_____
Its_____

WE: PAYLESS CAR RENTAL SYSTEM, INC.

By_____
Its_____

ADDENDUM TO
PAYLESS CAR RENTAL SYSTEM, INC.
DISCLOSURE DOCUMENT FOR THE
STATE OF WASHINGTON

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

16. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the

franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

19. Item 5 and Item 7, "Initial Fees" shall be amended by the addition of the following:

"Payment of all initial fees are deferred until after all of franchisor's pre-opening obligations are complete and franchisee is open for business."

AMENDMENT TO
PAYLESS CAR RENTAL SYSTEM, INC.
LICENSE AGREEMENT FOR THE
STATE OF WASHINGTON

This Amendment is made and entered into this ___day of____ by and between **PAYLESS CAR RENTAL SYSTEM, INC.**, a Florida corporation ("Payless"), and _____ ("Franchisee").

1. **Background**. Payless and Franchisee are parties to that certain License Agreement dated _____, _____ (the "License Agreement") that has been executed concurrently with the execution of this Amendment. The provisions of this Amendment form an integral part of, are incorporated into, and modify the License Agreement regardless of anything to the contrary contained therein. This Amendment applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

2. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

3. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

4. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

5. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

6. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

7. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

8. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

9. **Certain Buy-Back Provisions.** Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

10. **Fair and Reasonable Pricing.** Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

11. **Waiver of Exemplary & Punitive Damages.** RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

12. **Franchisor's Business Judgement.** Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

13. **Indemnification.** Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

14. **Attorneys' Fees.** If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

15. **Noncompetition Covenants.** Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed $250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

16. **Nonsolicitation Agreements.** RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in Washington.

17. **Questionnaires and Acknowledgments.** No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

18. **Prohibitions on Communicating with Regulators.** Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

19. **Advisory Regarding Franchise Brokers.** Under the Washington Franchise Investment Protection Act, a "franchise broker" is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

20. **Representations.** Section 14.2(b) of the License Agreement is hereby deleted.

21. **Representation.** Section 14.22 of the License Agreement is hereby deleted.

22. The Acknowledgement of the License Agreement does not apply to Washington franchisees, and Washington franchisees should not sign the Acknowledgement.

IN WITNESS WHEREOF, the parties hereto have duly executed, sealed, and delivered this Amendment on the day and year first above written.

YOU:_____

By_____
Its_____

WE: PAYLESS CAR RENTAL SYSTEM, INC.

By_____
Its_____

Exhibit L
General Release

In consideration of the consent of Payless Car Rental System, Inc. ("Payless"), Franchisor, to the (renewal/transfer) of that certain License Agreement dated,_____, between Payless and _____,
(the "License Agreement") and other good and valuable consideration, the undersigned hereby for themselves, their heirs, executors, administrators, successors, and assigns release and forever discharge Payless Car Rental System, Inc., its officers, directors, agents, employees, successors, predecessors, affiliates, and assigns from any and all claims, causes of actions, and demands for relief, known and unknown, from the beginning of time to the date of these presents. This Release does not in any way affect the undersigned's agreement to indemnify and hold harmless Payless Car Rental System, Inc. from any claims, causes of action, and demands for relief that have arisen or may arise out of the performance of the License Agreement or the renewal of the License Agreement.

This general release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder.

Corporate Name of Franchise

_____

President

_____

Guarantors:

_____

_____

Exhibit M
Manual Table of Contents

SUBJECT:

INTRODUCTION

SECTION:

Index

Introduction	01.01
Chapter Index	01.02
Subject Index	01.03
Forms Index	01.04

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SUBJECT:	SECTION:
INTRODUCTION AND INDEX	Introduction

GENERAL

1. This manual is written to inform employees of standard company guidelines and procedures.

   The company reserves the right to change, suspend, revoke, terminate or supersede policies described herein with or without notice in any manner that it believes to be in the company's best interest and consistent with applicable laws. Nothing in this handbook is to be construed as constituting the terms of an employment contract.

2. This manual is company property and its contents are restricted to use by company personnel in determining policies and procedures.

3. The basic objective of the manual is to provide an organized method of communicating policy and procedures to company stations and offices in order to attain uniform preparation and reporting of rental and any affiliated business.

MANUAL CONTROL

1. The manual is produced and distributed by Office Services, World Headquarters.

2. Each manual is assigned to a manager by title and location. The employee holding the title at the assigned location is accountable for the manual upon request from World Headquarters.

3. Each manual is assigned a control number. Since the control number contains a computer oriented code, this manual is non-transferable from the assigned location.

4. Managers are to safeguard manuals against unauthorized use. If the manual assigned to a location cannot be located, write a memo to Office Services, World Headquarters, with a copy to the Security Department, and include:

   - the inventory control number of the manual assigned to the location, and
   - the reason for requesting a replacement manual(s).

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INFORMATION RETRIEVAL

1. This manual has a numeric coding index system.
2. Pages are filed in the manual binder from the lowest subject section numeric code to the highest.
3. Subject Index: This is a alphabetical listing of all subjects covered in the manual system. Each subject is assigned a numeric code (see 01.03).
4. Forms Index: This is a numerical listing of F-series forms.
5. To locate a procedure, look in the subject index then turn to the chapter and section indicated.

REVISIONS

1. Revisions are issued to announce procedure changes and transmit new and revised pages to manual holders.
2. Each revision is assigned a number indicating two elements as below:
   - last two digits of the year;
   - yearly sequence number.
3. Upon receipt of a revision, the manual holder is to follow the steps below.
   - Read the revision, noting the effect on current operations.
   - If required, remove obsolete pages and replace with pages attached to the revision.
   - File the revision cover sheet behind the revision (broadcast) tab sheet, following Chapter 20.
   - Notify Office Services, World Headquarters, of any missing revisions as soon as possible.

PROCUREMENT OF FORMS

1. To procure forms described and illustrated in this manual, prepare System Supply Requisition (F-366) and mail to:

   Avis Rent A Car
   900 Old Country Road
   Garden City, New York 11530
   Attn: System Supply

2. If the procurement source is other than Avis System Supply Department, the instructions applicable to that form will state where the form can be procured.

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SUBJECT:	SECTION:
INTRODUCTION AND INDEX	**Chapter Index**

Section

Introduction and Index 01.00
Purchasing and Accounts Payable 02.00
Chart of Accounts 03.00
Personnel and Payroll 04.00
Reservations 05.00
Rental Procedures 06.00
Cash Control 07.00
Business Reports 08.00
Billing and Accounts Receivable 09.00
Operators 10.00
One-Way Service 11.00
Vehicle Accounting 12.00
Insurance and Accidents 13.00
Reports and Records 14.00
Policy Guide 15.00
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State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	Pending
Hawaii	Not registered
Illinois	Not registered
Indiana	Not registered
Maryland	Not registered
Michigan	Pending
Minnesota	Not registered
New York	Not registered
North Dakota	Pending
Rhode Island	Not registered
South Dakota	Not registered
Virginia	Not registered
Washington	Not registered
Wisconsin	Pending

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

Exhibit N
Receipts
(See attached)

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Payless Car Rental System, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Several states, including Michigan require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Payless Car Rental System, Inc. does not deliver this disclosure document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency identified in Exhibit A.

Payless Car Rental System, Inc. authorizes the agents listed in Exhibit A to receive service of process on our behalf.

The name, principal business address, and telephone number of each franchise seller offering the franchise is:

☐ _____

☐ _____

Issuance Date: April 29, 2026

I have received a disclosure document dated April 29, 2026 that included the following Exhibits:

A	List of Agencies/Agents For Service of Process
B	Disclosures Regarding Americans with Disabilities Act
C	FTC Consent Order regarding Payless Rent-A-Car System Inc.
D	Confidentiality Agreement
E	List of Franchisees
F	Franchisees Who Have Left the System
G	Financial Statements
H	Form of License Agreement and
H-1	SBA Addendum
I	Rental System Agreement
J	Intercity Rules and Regulations
K	State Addenda to FDD and License Agreement
L	General Release
M	Manual Table of Contents
N	Receipts For Disclosure Document

_____	_____	_____
Date	Signature	Printed Name

Please sign this copy of the receipt, date your signature, and keep this copy for your records.

Prospective Franchisee's Copy

RECEIPT

This disclosure document summarizes certain provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Payless Car Rental System, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, us or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. Several states, including Michigan, require that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

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Payless Car Rental System, Inc. authorizes the agents listed in Exhibit A to receive service of process on our behalf.

The name, principal business address, and telephone number of each franchise seller offering the franchise is:

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K	State Addenda to FDD and License Agreement
L	General Release
M	Manual Table of Contents
N	Receipts For Disclosure Document

_____	_____	_____
Date	Signature	Printed Name

Please sign this copy of the receipt, date your signature, and return it to Payless Car Rental System, Inc., 379 Interpace Parkway, Parsippany, NJ 07054

Franchisor's Copy