

FRANCHISE DISCLOSURE DOCUMENT



Budget Rent A Car System, Inc.
A Delaware corporation
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Parsippany, New Jersey 07054
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www.budget.com

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

The total investment necessary to begin operation of a Budget Franchise, assuming that you finance 100% of your rental car fleet, ranges from \$605,500 to \$1,568,400 for a Budget Franchise with a 30-car fleet and a territory of 55,000 people. This includes the Initial License Purchase Fee of up to \$30,000 (\$25,000 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 exhibits carefully. You must receive this 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. **Note, however, that no governmental 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 6 Sylvan Way, 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 your entire contract carefully. Show your contract and this disclosure document to an advisor, like a lawyer or an 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, NW, Washington, D.C. 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 be laws on franchising in your state. Ask your state agency about them.

Issuance date of this Franchise Disclosure Document: April 27, 2023

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 Budget Rent A Car 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 Budget 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 K.

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:

BUDGET FDD

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 Delaware. 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 Delaware 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 result in loss of any territorial rights you are granted, termination of your franchise, and loss of your investment.
4. **Mandatory Minimum Payments.** You must make minimum royalty or advertising fund payments, regardless of your sales levels. Your inability to make the payments may result in 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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- B Laws and Regulations Concerning the Car Rental Industry
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- C FTC Consent Order
- D Confidentiality Agreement
- E List of Franchisees
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Noncompetition Agreement
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- J Intercity Rules and Regulations
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- L Table of Contents of Manual

APPLICABLE STATE LAW MAY REQUIRE ADDITIONAL DISCLOSURES RELATED TO THE INFORMATION CONTAINED IN THIS DISCLOSURE DOCUMENT. THESE ADDITIONAL DISCLOSURES, IF ANY, APPEAR IN **EXHIBIT K**.

ITEM 1
THE FRANCHISOR, AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

The Franchisor

In this disclosure document, “**Budget**” means Budget Rent A Car System, Inc., the franchisor. “**You**” or “**Your**” means the person awarded a Budget Franchise. If you are a corporation, partnership, limited liability company, or other business entity, certain provisions of the Budget Rent A Car System License Agreement (together with all Exhibits and ancillary agreements, the “**Budget License Agreement**” or “**License Agreement**”) (**Exhibit H**) also will apply to your owners under the Nondisclosure and Noncompetition Agreement (**Exhibit C** to the Budget License Agreement) and Personal Guarantee (**Exhibit A** to the Budget License Agreement).

Budget incorporated in Delaware on July 26, 2002. Its principal business address is 6 Sylvan Way, Parsippany, New Jersey 07054. Budget does not do business under any other name. Budget is a wholly owned subsidiary of Avis Budget Car Rental, LLC (“**ABCR**”), which in turn is a subsidiary of Avis Budget Group, Inc. (“**ABG**”), formerly known as Cendant Corporation (“**Cendant**”). Budget’s agents for service of process are listed in **Exhibit A**.

The Budget Franchise

Budget franchises the right to own and operate a business under Budget’s Proprietary Marks (as defined below) (a “**Budget 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 Budget owns and licenses to you to use, including “Budget Rent A Car” (collectively, “**Budget’s Proprietary Marks**”), and that uses uniform operating methods distinctively associated with Budget’s Proprietary Marks, which Budget may periodically supplement and modify (the “**Rent A Car System**”). (In this disclosure document, the word “including” means “for example.”) A network of mutually interdependent vehicle rental businesses operating under the “Budget” name (“**Budget Rent A Car businesses**”), including those that Budget, its subsidiaries and affiliates, and its franchisees operate (collectively, the “**Network**”), promotes the Rent A Car System. Budget has offered Budget Franchises since April 2003 and has operated vehicle rental businesses, both directly and through independent agents, since November 2002. Budget may waive or negotiate the License Fee, Development Requirements, and certain other provisions of the Budget License Agreement.

While using Budget’s Proprietary Marks, Budget Franchises also perform various services associated with the car rental industry and identified in the Budget License Agreement, including the sale of loss damage waivers. Subject to Budget’s approval, Budget Franchises may, and if Budget 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 Budget Franchise must offer all the products and services that Budget requires for your Budget Franchise, and may not offer any products and services that Budget has not authorized. You are not authorized to sell used vehicles using Budget’s 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 Budget 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.)

Budget 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 Budget 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.

Certain laws and regulations apply to the car rental industry. Refer to Exhibit B for a general description of those laws. In July 1997, Budget entered into a Settlement Agreement with the U.S. Department of Justice regarding obligations under the Americans with Disabilities Act to persons with disabilities that prevent them from driving, such as blindness or epilepsy. Under the Settlement Agreement, the Predecessor agreed to strongly urge its franchisees to comply with the terms of the Settlement Agreement. A copy of the Announcement setting forth the terms of the Settlement Agreement is contained in Exhibit B. You must also follow all other local, state, and federal laws that apply to you and businesses generally. Budget urges you to investigate these laws in order to understand your potential legal obligations.

Budget's Predecessor and Affiliates

Budget's predecessor is Budget Rent A Car Corporation (the "**Predecessor**"). The Predecessor's principal business address was 4225 Naperville Road, Lisle, Illinois 60532. Budget acquired the rights to Budget's Proprietary Marks and the Rent A Car System from the Predecessor on November 22, 2002 (the "**Acquisition**") (see Item 4). In the Acquisition, Budget also acquired certain assets and liabilities of Budget Rent A Car International, Inc. ("**RACII**"), an affiliate of the Predecessor. The Predecessor (directly or through subsidiaries) operated Budget Rent A Car businesses and offered Budget Franchises from 1987 until 2002. Budget has been franchising car rental services since 1960 through various predecessors. Other than issuing franchises for retail car sales through a subsidiary, the Predecessor did not offer franchises in any other line of business.

Avis Budget Car Rental, LLC (referred to as ABCR or Avis Budget Car Rental, LLC in this document), by itself and through its subsidiaries, including Wizard Services, Inc. ("**WSI**"), provides rental system and reservation services to Budget Franchises under the **Rental System Agreement (Exhibit I)** (see Items 6, 8, and 11). The business address for both WSI and ABCR is 6 Sylvan Way, Parsippany, New Jersey 07054. As of the Cendant Separation described below, neither ABCR, previously known as Cendant Car Rental Group, LLC, nor Avis or Budget, are currently affiliated with Cendant's other former subsidiaries, which offer and grant franchises in various industries.

On August 23, 2006, Cendant completed a separation into four separate companies (the "**Cendant Separation**"), one for each of its former Real Estate Services businesses (Realogy Corporation), its former Hospitality Services businesses (Wyndham Worldwide Corporation), its former Travel Distribution Services businesses (Travelport), and its Vehicle Rental businesses (Cendant, now Avis Budget Group). Following completion of the Cendant Separation, Cendant changed its name to Avis Budget Group, Inc. and our common stock currently trades on the NASDAQ Global Select Market under the symbol "CAR."

Avis Rent A Car System, LLC ("**Avis**") is a Budget affiliate that 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 businesses 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. Avis Budget Car Rental, LLC provides certain reservation and rental agreement processing services to Avis locations.

Avis' principal business address is the same as Budget's address. Avis has offered licenses or franchises since 1946 and had approximately 1,758 domestic vehicle rental outlets (of which 1,591 were company-owned and 167 were franchised) as of December 31, 2022.

Payless Car Rental System, Inc. ("**Payless Car Rental**"), an affiliate of ours, offers, sells, and supports franchises for businesses that rent vehicles without drivers to the general public under the names "Payless" and "Payless Car Rental" since September 26, 2001. From February 1978 through September 26, 2001, its parent company Payless Car Rental, Inc., formerly known as Avalon Global Group, Inc., offered franchises under the Payless name and service marks. Payless Car Rental's principal business address is the same as Budget's address. Payless Car Rental had approximately 106 domestic vehicle rental outlets (of which 82 were company-owned and 24 were franchised) as of December 31, 2022.

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 2,270 vehicle rental outlets (of which 940 were company-owned and 1,330 were franchised) as of December 31, 2022. Budget EMEA had approximately 1,425 vehicle rental outlets (of which 710 were company-owned and 715 were franchised) as of December 31, 2022.

Budget, its affiliates, and related companies may also in the future acquire, operate, and/or franchise additional businesses, some of which may be similar or related to, or competitive with, Budget Franchises. For example, Budget currently offers vehicle rental franchises and currently franchises a used vehicle sales business operating under the "Budget" name. Budget also permits the use of the "Budget" name in connection with your Budget Franchise but does not offer parking franchises separate from the car rental license. Additionally, the Predecessor previously offered, and some of Budget's foreign subsidiaries currently offer, franchise rights to operate a truck rental business in conjunction with the car rental franchise. However, except as described above, neither Budget nor any of Budget's affiliates has ever operated another vehicle rental business, and none has ever offered franchises in any other line of business. Except as described above, Budget has no other business activities.

Industry-Specific Regulations

There are also specific statutes, which are applicable to the operation of your franchise. State laws regulate the disclosure, sale, and pricing of the loss damage waiver option ("**LDW**"), which is the waiver of a renter's responsibility for any loss or damage to a rented vehicle (whether due to collision, theft, or vandalism) in return for payment of a daily fee, the pricing of our refueling service charge to customers, and the car rental registration process. Local laws also impose tax surcharges on car rental, which are passed along to the rental customer.

Budget, and its affiliate, Avis, entered into settlement agreements with the U.S. Justice Department covering the application of the American with Disabilities Act to each System. Copies are attached as Exhibit B (see also Item 3).

ITEM 2 BUSINESS EXPERIENCE

President and Chief Executive Officer, Americas – Avis Budget Group, Inc. and Budget Rent A Car System, Inc.: Joseph A. Ferraro

Mr. Ferraro has been ABG and Budget's President and Chief Executive Officer since January 2020. Previously, Mr. Ferraro held the title of President, Americas from January 2015 to December 2019. Mr. Ferraro joined the Company in 1979, and served in various positions of increasing responsibility in the Company's North American operations.

Executive Vice President & Chief Financial Officer – Avis Budget Group, Inc. and Budget Rent A Car System, Inc.: Brian J. Choi

Brian J. Choi has been ABG and Budget’s Executive Vice President & Chief Financial Officer since August 2020. Prior to that, from October 2008 until August 2020, he was a Partner at SRS Investment Management, LLC, an investment management company in New York, New York.

Manager Licensee Integrations & Projects – Avis Budget Group, Inc. and Budget Rent A Car System, Inc.: Jesus Antonio Martinez

Jesus Antonio Martinez has been ABG and Budget’s Manager Licensee Integrations & Projects since March 2018. From March 2010 until March 2018, he was the Licensee Manager Field Engineering & Training for Avis Budget Group.

Manager Licensee Accounting Projects – Avis Budget Group, Inc. and Budget Rent A Car System, Inc.: Tracy Dalenberg

Tracy Dalenberg has been ABG and Budget’s Manager Licensee Accounting since August 1996.

Licensee Business Partner Projects – Avis Budget Group, Inc. and Budget Rent A Car System, Inc.: Colin Rutherford

Mr. Rutherford has been ABG and Budget’s Licensee Business Partner since September, 2021. Prior to that, he was Airport Manager for Avis Budget Group in Sacramento, California from July, 2018 to August, 2021 and Reno, Nevada from April, 2013 to July, 2018.

Director, Operations and License Management, Americas – Avis Budget Group, Inc. and Budget Rent A Car System, Inc.: Craig Olson

Craig Olson has been ABG and Budget’s Director, Operations and License Management, Americas since December 2022. Prior to that, he was Director, Latin American and Caribbean Licensees for Avis Budget Group from October 2017 to November 2022. From April 2017 to October 2018, he was Director, Latin American and Caribbean Licensees for Avis Budget Group.

**ITEM 3
LITIGATION**

Pending Actions

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

Avis Budget Group Domestic

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. As of December 2022, Avis Budget Group Inc. is responding to voluminous discovery demands by counsel for deposition scheduling is underway.

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. As of December 2022, a class certification motion is pending.

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. As of December 2022, the deadline for objections to the settlement has passed and no objections were filed. The claims period ended February 28, 2023 and the class administrator is finalizing the number of claimants entitled to payment.

Avis Budget Car Rental Domestic

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 trial status conference was moved up by the Court and took place March 11, 2021 in Orlando. The Judge set the case for a four day jury trial from August 24 through August 27, 2021. As of December 2021, the parties reached an agreement in principle and the court was advised and entered an order canceling the trial scheduled for January 2022. On November 9, 2022, the Judge entered an order cancelling the final approval hearing to be held on November 10, 2022. The parties anticipate that the court will grant the unopposed Motion for Final Approval of the Proposed Settlement and award attorneys' fees, costs and a service award as set forth in that Motion and exhibits. The court approval final settlement on March 30, 2023 however has withheld approval of payment to class representative pending a decision from the 11th circuit.

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.

Budget franchises and the Network entered into the following consent orders pertaining to Budget franchises and the Network.

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.

Budget Actions Concluded Within the Past 10 Years

The following concluded actions involved Budget, the Predecessor, or current affiliates of Budget that are offering franchises under the “Budget” trademark.

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.

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.

Gregory Chase v. Budget (Second Judicial District Court for the State of New Mexico, Case No. CV-MO-08530). This New Mexico state case was filed in July 2010. The plaintiff claims that he is a

member of Southwest Airlines Rapid Rewards program. Under that program, Budget is a preferred rental car partner. Plaintiff alleges that a \$0.75 per day charge for renters under Southwest's program is a breach of contract as it is not disclosed and its charge and collection constitutes an unfair and deceptive trade practice. A stipulation of dismissal was filed on March 2, 2015.

Herbert Johnson v. Budget Rent A Car System, Inc. (Cook County Circuit Court, State of Illinois, Case No. 13-CH-18361). On August 6, 2013, Plaintiff filed a purported class action lawsuit alleging violations of the Illinois Consumer Fraud Act and Illinois Vehicle Code for charges and collection of State Sales tax imposed on airport customer facility charges. Such collected sales tax is then paid to the State of Illinois. The parties reached a settlement on September 18, 2014; release executed and joint motion to dismiss filed and accepted by the Court.

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.

Budget Actions (Foreign) Concluded Within Past 10 Years

None

Budget Truck Rental Domestic Actions Concluded Within the Past 10 Years

None.

Avis Budget Group Actions Concluded Within the Past 10 Years

Alaska Rent A Car, Inc. v. Cendant Corporation, et al. (United States District Court for the District of Alaska, Case No. A03-029 CV). On January 31, 2003, Avis licensee, Alaska Rent A Car, Inc. ("Alaska") filed a complaint against Cendant and a number of its subsidiaries, including Avis and Budget Rent A Car System, Inc. Alaska claims that in conjunction with Cendant's acquisition of Budget, Cendant is in violation of certain contractual obligations with Avis licensees. The court dismissed all but one of plaintiff's claims by way of summary judgment motion. The remaining issues in the case proceeded to trial in September 2009. The jury returned a verdict against Avis for \$16,000,000 and a final amended judgment for \$19,177,821.69 (including interest and attorneys' fees) was entered on September 11, 2013, against ABG and ABCR. The judgment has been paid.

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.

Faith Enterprises Group, Inc. on behalf of itself and all others similarly situated v. Avis Budget Group, Inc., Avis Budget Car Rental, LLC and Avis Rent A Car System, f/k/a Avis Rent A Car Systems, Inc. (United States District Court for the Northern District of Georgia, Case No. 1:11-CV-3166). On September 19, 2011, plaintiff, an Avis agency operator, filed a complaint on behalf of itself and all others similarly situated. Plaintiff alleged, among other things, that: a) Avis listed agency operators locations as being "sold out" to divert business to nearby airports, b) Avis breached a duty to supply agency operators locations with sufficient vehicles for rental, and c) Avis requires agency operators to honor free service coupons without compensation. Plaintiff asserted claims for breach of fiduciary duty, breach of implied covenant of good faith and fair dealing, unjust enrichment, and violation of federal RICO laws, and sought restitution, disgorgement, and other money damages. The court entered an order dismissing the class allegations on May 2, 2014. The individual plaintiff and defendants settled the matter and the case was dismissed by the parties on July 14, 2014.

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 \$400,000.00 and was dismissed on December 22, 2015.

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 below, 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 FDD

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.

Robert Hulsey v. General Motors LLC, f/n/a General Motors Company, Avis Budget Group, Inc., PV Holding Corp., Avis Rent A Car System, LLC and Michael Davis (Circuit Court of Cass County, Missouri, Case No. 10 CA-CV 02630). Default judgment entered against Avis. Avis had disposed of a vehicle in the ordinary course of its business. The vehicle was later sold to plaintiff through a dealership. An auto accident occurred and plaintiff's wife died. Plaintiff alleged defects to the vehicle. The complaint was not answered and default judgment was entered on February 17, 2012. On March 6, 2013, plaintiff obtained an order of execution. Defendants filed motions to set aside the default and to seek relief from the judgment, and posted a bond in the amount of \$10 million. However, the matter settled in December 2013 with plaintiff receiving a payment of \$9,000,000.

Shames et al. v. Hertz Corporation, et al. (United States District Court, Southern District of California, Case No. 07-CV 2174 HBK). On January 14, 2008, Michael Shames and Gary Gramkow, renters of a vehicle in California, filed a purported class action against ABG, Hertz Corporation, and 7 other car rental companies operating in California, and the California Travel and Tourism Commission. The complaint alleged that the car rental industry practices in California of separately stating and passing on to renters certain fees and surcharges violate antitrust laws as a result of lobbying activity for the enactment of amendments to California Civil Code Section 1936. Plaintiffs sought money damages, and declaratory and injunction relief. This matter settled on November 5, 2012. The terms of the settlement were approved by the trial court.

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 Budget License Agreement, you must pay Budget 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. Budget calculates the Initial License Purchase Fee as follows:

1. \$25,000 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.

Budget 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 not uniform and not refundable under any circumstances.

**ITEM 6
OTHER FEES⁽¹⁾**

Name of Fee	Amount	Due Date	Remarks
Fees Under Budget License Agreement			
License Fees	7.5% of the Gross Revenue ⁽²⁾ of your Budget Franchise for the preceding month	10 th of each month	
Monthly Marketing Fee		Due on 15th of each month	This fee covers the costs of producing, contesting, and paying the composite statement (aka LSS – Licensee Settlement Statement).
Costs for Directory Listings	Budget’s costs and expenses for obtaining and maintaining listings	As incurred	Budget may (at its option) obtain “yellow pages” and “white pages” listings identifying your Budget Franchise and charge you for the costs and expenses Budget 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 Budget for additional out-of-pocket expenses.	No transfer fee is due, and Budget will refund any paid deposit, if transfer (other than stock offering) is not completed because Budget fails to approve it. You are responsible for the payment of all your out-of-pocket expenses.
Inspection	Cost of inspection, including normal daily compensation, traveling expenses, room, and board	As incurred	Payable only if inspection discloses that you failed to comply with any provision of your Budget License Agreement or the Manual in a manner that would permit Budget to terminate your Budget License Agreement

Name of Fee	Amount	Due Date	Remarks
Interest	2% over the prime interest rate (listed in the <i>Wall Street Journal</i> or other publication Budget selects) as of the 1 st day of each month or highest rate the law allows, whichever is less	When any monies, which in any manner relate to your Budget Franchise, are not received by Budget or its affiliates when due	Interest begins to accrue the day after any monies are due.
Cost of Correcting Deficiencies	Budget's costs and expenses	As incurred	If you fail to correct operational deficiencies after notice, Budget may (but need not) correct the deficiencies, and you must reimburse Budget's costs and expenses.
Indemnification	Varies depending on circumstances	As incurred	You must indemnify Budget 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 Budget and, in any calendar month during that 180-day period: (a) you cease operating the Budget Franchise, or (b) your Budget Franchise's Gross Revenue is less than the average monthly Gross Revenue during preceding year (or during the term of the Budget License Agreement, if less), then you must pay Budget this amount.
Fees Upon Temporary Operation of Business	Budget's costs and expenses, including management fee	As incurred	Applies only if you are in default under Budget License Agreement and Budget (at its option) assumes management of your Budget Franchise.
Costs and Attorneys' Fees	Will vary with the circumstances	As incurred	Due upon your failure to comply with the Budget License Agreement.
Current Rental System Service Charge	\$0.31 per Transaction	45 days from the date of the Licensee Settlement Statement	The charge is for processing your rental transactions through Wizard.

Name of Fee	Amount	Due Date	Remarks
Wizard Connection Start Fee	\$320.00 per workstation	45 days from the date of the Licensee Settlement 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	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	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	Applies only if you choose to access Wizard through the Internet
Thin Client Set Up Fees ⁽⁹⁾	Approximately \$500 per location (see footnote 9)	As incurred for third-party vendor charges. Charges paid to Budget will be owed 45 days from the date of the Licensee Settlement 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 Budget.
Frame Relay/MPLS Network Infrastructure ⁽⁹⁾	\$5,000–\$12,000 depending upon the number of terminals and hardware selected.	45 days from the date of the Licensee Settlement 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.

Name of Fee	Amount	Due Date	Remarks
Frame Relay/MPLS Charges ⁽⁸⁾	\$480 to \$970 per month.	45 days from the date of the Licensee Settlement 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 ⁽⁹⁾	\$1,000–\$1,200 depending upon the local internet service provider fees.	45 days from the date of the Licensee Settlement 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 ⁽⁸⁾	\$135+ per month	45 days from the date of the Licensee Settlement 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⁾ (Travel Agency Commission):			
a. Reservation Fee ⁽⁴⁾ Through a Budget contact center, a GDS, the internet (including Budget.com), or a Direct Link	\$1.99–\$4.99 per reservation	45 days from the date of the Licensee Settlement Statement	The fee is attributed to reservation operating expenses, including but not limited to the corporate overhead expenses, promotional expenses for budget.com, and customer complaint service expenses.

Name of Fee	Amount	Due Date	Remarks
b. Automated Reservation Fee GDS fee 2.75 Priceline 3.50 Southwest 4.76 Sabre 4.94 Galileo & Worldspan 4.92 Amadeus	\$2.75–\$4.99 per reservation	45 days from the date of the Licensee Settlement 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 Budget 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	This fee covers expenses for reservations made by international phone sources.
d. Joint Resolution Program Payment ⁽⁵⁾	Up to \$150 per resolution of complaint without prior approval from you	45 days from the date of the Licensee Settlement Statement	Amounts that Budget pays during the prior month to resolve any customer complaint involving your Budget Franchise. The amount is subject to change, but Budget is currently authorized to pay up to \$150 without prior approval from you. Adjustments greater than \$150 require contact and approval by you.

Name of Fee	Amount	Due Date	Remarks
<p>e. Current Budget Centralized Commission Services (“BCCS”) Fees</p>	<p>The Commission Reimbursement Payment equals the actual amount of commissions that Budget must pay on behalf of your Budget Franchise to travel sources or other similar booking sources for commissionable rentals. Any individual travel source(s), single travel source group of travel sources (regardless of location), or booking source that Budget selects to be eligible to receive special compensation as part of a particular promotion or program will be processed through BCCS. Budget may calculate compensation payments as a percentage of revenue, a flat dollar amount, or any other calculation method Budget selects.</p>	<p>As incurred</p>	<p>BCCS pays commissions to travel sources worldwide for referral of customers via one central payment method. All reservations that travel sources generate for your Budget Franchise must be reconciled through BCCS, whether made directly with the travel source or received from the Reservation Center.</p> <p>A rental transaction may be eligible for compensation with any vehicle type, rate type/code (including discounted rates), rental period and/or any other category of rental deemed appropriate for promotions or programs. The current commission percentages are mandatory for Budget Franchises and Budget may revise them in the future to meet business objectives.</p>
<p>i. Commission Reimbursement payment⁽⁶⁾</p>	<p>5% commission is the standard paid to any travel sources referring business to Budget.</p>	<p>45 days from the date of the Licensee Settlement Statement</p>	<p>N/A</p>
<p>ii. Override or Bonus Commission⁽⁷⁾</p>	<p>Contractual payout rate per agreement</p>	<p>Quarterly, monthly and yearly</p>	

Name of Fee	Amount	Due Date	Remarks
iii. Automatic Payment Processing Fee ⁽⁸⁻⁹⁾	\$5.00 per reservation	45 days from the date of the Licensee Settlement Statement	Fees assessed to cover administrative expenses in processing estimated commissions due to travel sources where the licensee has not timely reported the status of a commissionable reservation and or has failed to timely respond to the Commission Exception Report. **Please note that this fee is charged over and above the amount assessed for the commission due based on the actual reservation, as well as a processing fee of \$0.31 per transaction.
Current Intercity Program Revenue Fees and Expenses	60% - 75% of the revenue per reservation	As agreed	Revenue from participation in the Inter-City Program is split between the Owning and Renting Cities (in the case of local rental, the owner receives 75% of the revenue and in the case one one-way rental, the owner received 60%
Interest on unpaid invoices	18% per annum, or the highest rate permissible by law	When invoice is open more than 30 days	Interest accrues per annum from date of invoice.
Corporate Rate Association Affinity Program Fees			You must participate in the National Accounts portion of the Corporate Rate Association Affinity Program.
a. Rebates for Various Corporate Rate Association Affinity Program Customers	Varies depending on agreement with account, typically 3% to 12% of Net Time and Mileage Revenue from transaction	Monthly	Budget periodically collects rebates from all Budget Franchises who rented to a particular Corporate Rate Association Affinity customer and pays the rebate to the customer.

Name of Fee	Amount	Due Date	Remarks
Payment Processing:			These fees are imposed when a Budget Franchise accepts charge cards and other forms of payment according to Budget’s standards of performance in the Manual. Budget imposes and collects these fees through the Payment Program (paragraph 6.4 of the Budget License Agreement).
a. Accounts Receivable Processing Fee	Our then-current charge. Currently it is 2%–7% of charges incurred.	When transaction is processed	Variable rate by business segment. Central billing is currently 3.0% for Budget Licensees who process reservations via Wizard only and 4.5% for Budget Licensees who do not use Wizard as their front end rental processing system. The direct bill charge card fee is up to 7%. These fees are subject to change.
b. Voucher Processing Fee	Our then-current charge. Currently it is 0.5%-4.5% of charges incurred net of tour operator commissions.	When transaction is processed	The payment processing fee for voucher processing is 3.0% for Budget Licensees who process reservations via Wizard only and 4.5% for Budget Licensees who do not use Wizard as their front end rental processing system.

Notes:

- 1 Unless otherwise stated, all fees are non-refundable and are imposed and collected by, and payable to, Budget. Budget may require you to pay by electronic funds transfer (“EFT”), in which case you must sign and deliver the documents necessary for Budget to implement this system and make the required funds available for withdrawal on or before the designated due date.
- 2 The Budget License Agreement defines “**Gross Revenue**” as “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.”

- 3** The Reservation System Fees are imposed under the Rental System Agreement, which you must sign along with the Budget License Agreement. These fees are due for all reservations which are made for your Budget 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.
- 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.
- 5** The Rental System Agreement imposes Budget Licensee Customer Adjustment Procedure. Under this Procedure, your Budget Franchise authorizes Budget’s Customer Relations Department to resolve disputes at Budget’s discretion between you and your customer and issue payments to the customer on your behalf up to the amount of the total rental charges to the Customer. The resolution amount is then charged to your Budget Franchise via the monthly Licensee Settlement Statement.
- 6** The Commission Reimbursement Payment equals the actual amount of commissions that Budget must pay on behalf of your Budget Franchise to travel sources or other similar booking sources for commissionable rentals. Any individual travel source(s), single travel source, or group of travel sources (regardless of location) or booking source that Budget selects to be eligible to receive special compensation as part of a particular promotion or program will be processed through BCCS. Budget may calculate compensation payments as a percentage of revenue, a flat dollar amount, or any other calculation method Budget selects. A rental transaction may be eligible for compensation with any vehicle type, rate type/code (including discounted rates), rental period, and/or any other category of rental deemed appropriate for promotions or programs. The current commission percentages are mandatory for Budget Franchises.
- 7** As a part of BCCS, Budget provides an Override/Bonus Program that allows eligible travel agencies or preferred groups to earn a bonus by achieving certain preset goals for business generated for Budget Rent A Car business locations. 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 Budget Rent A Car businesses. When an override is due, all Budget Franchises receiving the business are charged an override/bonus at the same preset payout rate. Budget Franchises are only charged an override/bonus on business that eligible travel agencies have generated for those Budget Franchises.
- 8** 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).

- 9 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**.

A Budget Franchise serving a population of 55,000 will typically need 2 to 4 Thin Client terminals. The Costs per Unit or Terminal include the following:

Hardware	Cost
HP 5730 or later Thin Client	\$475.00
NEC AccuSync monitor	\$145.00
Display Port To DVI-D Adapter	\$12.00
2Meter DVI D M/M Video Cable	\$15.00
Cherry 3 in 1 Keyboard	\$130.00
Belkin USB - Parallel Printer Adapter	\$24.00
Belkin USB A - A Cable, Extension	\$8.00
Kensington USB Port Lock Square	\$16.00
OkiData Series Printer	\$530.00
Shipping & handling	\$125.00
Thin Client Imaging	\$200.00
ELO Touch 1215 APR w/ Stylus & tether - without bracket (Signature Capture)	\$565.00
ELO Replacement Cost of \$70.86 per Event. Overnight shipping costs are additional.	

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.

**ITEM 7
ESTIMATED INITIAL INVESTMENT⁽¹⁾**

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 ⁽²⁾	\$30,000	Upon signing your Budget License Agreement	As agreed	Budget
Construction, remodeling, decorating, and leasehold improvements ⁽³⁾	\$15,000–\$50,000	As incurred	As agreed	Outside suppliers
Furniture, fixtures, other fixed assets, and equipment ⁽⁴⁾	\$15,000–\$28,000	As incurred	As agreed	Budget and outside suppliers
Signage ⁽⁵⁾	\$10,000–\$25,000	As incurred	As agreed	Outside suppliers
3 months' rent and security deposits ⁽⁶⁾	\$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
Office supplies	\$500–\$2,000	As incurred	As incurred	Outside suppliers
Travel and living expenses during training (3 months to understand)	\$3,000–\$7,500	As incurred	As incurred	Budget and Third parties
Miscellaneous opening costs ⁽⁸⁾	\$1,000–\$3,000	As incurred	As incurred	Third parties
Automobiles ⁽⁹⁾	\$450,000–\$1,290,000 plus interest	As arranged	As arranged	See note 9

YOUR ESTIMATED INITIAL INVESTMENT				
Expenditure	Estimated Amount or Estimated Low-High Range (30 Car Fleet)	When Payable	Method of Payment	To Whom Paid
Additional funds— three months ⁽¹⁰⁾	\$55,000–\$72,400	As incurred	As incurred	Budget and third parties
TOTAL ESTIMATED INITIAL INVESTMENT⁽¹¹⁾	\$605,500–\$1,568,400			

Notes:

- 1 These estimated expenditures are based on a fleet of 30 cars and cover the first three months of your Budget Franchise’s operation. All fees paid to Budget 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 The Initial License Purchase Fee is \$30,000 based on a population of 55,000, but can vary as described in Items 1 and 5.
- 3 Your Budget Franchise’s location will typically be in a commercial area that allows for adequate parking of cars. Leasehold improvements may include exterior site improvements; interior site improvements like floor covering, wall treatment, counters, ceilings, painting, window coverings, electrical, carpentry, and related work; and contractor’s fees. This expense will vary significantly depending on the size and condition of the premises of your Budget Franchise. Your location must distinctly appear as a vehicle rental office, and must not share premises with another business unless otherwise approved in writing by Budget.
- 4 This figure includes items like ventilation systems, tables, chairs, booths, office equipment (such as copying and facsimile machines), phone systems, desks, filing cabinets, and automation (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). If you lease any of these items, this segment of the initial investment would decrease.
- 5 Signage investment may vary, depending on factors such as the amount of exposure your Budget Franchise may need, local ordinances where your Budget Franchise is located, and the type of building in which your Budget Franchise operates. All signage must display proper logos and required colors. You must maintain, in a timely manner, signage paint, lighting, and materials. At the minimum, your Budget Franchise location must have one interior sign and one exterior sign (the largest size and type reasonably and lawfully permissible).
- 6 Your rent will depend on the size, condition, and location of the premises where your Budget Franchise is located, and the rental market demand in the area of your Budget 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.
- 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 Budget’s consent. Budget 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 This item covers miscellaneous opening costs and expenses such as utility installation and deposits, business licenses and certificates, and professional fees.
- 9 This item reflects the estimated range of payments, less interest, you would make based on estimated acquisition cost for your 30-car rental fleet during the first three months that your Budget Franchise operates. This estimate cannot take into account your cost of financing your fleet as interest rates vary. This estimate also cannot take into account the initial fleet mix you may need to serve the anticipated needs of your customers. Therefore, the extremes of this estimate represent a fleet solely composed of one class of vehicle at the extreme ends of the cost range. The purchase price of your fleet, using an estimated 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. Budget expects franchisees to finance 100% of the purchase price of their fleet, and expects that you will provide security for this financing using the fleet, your (or your owners') personal guarantee, and, perhaps, certain of your (or your owners') personal assets. If you finance the fleet, you will make finance payments to financial institutions you select to provide the financing. Budget expects that your monthly fleet expenses will increase after your first three months of operation as your fleet size increases.
- 10 This is only an estimate of the range of initial start-up expenses you may incur (other than items identified separately in the table). The actual amount of additional funds you will need depends on a variety of factors, including the size of your territory, whether you extend credit terms to your customers, the time of year when you start your Budget Franchise, your management skill, economic conditions, competition in your area, and other factors. The estimate of additional funds is based on an owner-operated Budget Franchise and does not include any allowance for an owner's draw. The estimate is for three months.
- 11 Budget relied on its more than 25 years' experience in the vehicle rental business to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase a Budget Franchise. Budget does not offer financing (directly or indirectly) for any part of the initial investment. The availability and terms of financing will depend on many factors, including the availability of financing generally, your creditworthiness and collateral, and the lending policies of financial institutions from which you request a loan.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Standards.

To maintain a uniformly high standard of performance among all Budget Rent A Car businesses, you must develop and operate your Budget Franchise in strict compliance with the Budget License Agreement and all standards, specifications, and operating procedures that Budget designates, including but not limited to the Budget Rent A Car Administration Manual (the "**Manual**"), as Budget may periodically modify them (the "**Standards**"). If Budget requires, your Budget Franchise must use the vehicle models that Budget periodically specifies in the Standards or otherwise in writing. Budget does not currently specify makes or models for the vehicles that Budget Franchises rent, but you must maintain all vehicles in a clean and presentable condition and maintain the quality standards that Budget 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. Budget formulates and modifies its Standards based on its and other Network members'

experience in developing and operating Budget Rent A Car businesses. Budget 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 Budget 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. Budget 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 Budget 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 Budget Franchises. ABCR also provides reservation and rental processing services using Wizard for Avis and the Avis Rent A Car business network. All of the fees and other revenues that ABCR currently receives from Budget Franchises for providing Wizard services are described in Item 6. During 2022, Wizard Services, Inc. received approximately \$2,272,922.67 from providing reservation services to the Network (based on Wizard Service, Inc.'s internal unaudited financial records) which represents 100% of its total revenue of \$2,272,922.67. Except as described in this Item, neither Budget nor its affiliates derive any revenue as a result of required purchases or leases of franchisees.

Budget requires you to execute the Rental System Agreement with ABCR, which agreement provides for all reservation and back office functionalities to your Budget 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.

Subject to Budget's approval, you may, and if Budget 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. Budget 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. Budget 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 Budget Car Sales Addendum, you are not authorized to sell vehicles using Budget's Proprietary Marks.

You must purchase from us, Budget or our approved supplier, sequentially-numbered Standard Rental Agreement forms and jackets and additional driver forms for use in renting vehicles. Together these documents contain the terms and conditions of the rental contract, and the purchase of these documents from us and/or our approved supplier achieves uniformity and quality control for the System. The Standard Rental Agreement, a multipart form, is also designed to meet specifications for the Wizard System and the Avis Computer System (together "Wizard") and our audit requirements. We may derive revenue from selling Standard Rental Agreement forms and jackets and additional driver forms to you. Budget derives revenue from the sale of Standard Rental Agreement forms and jackets and additional driver forms to franchisees. For the fiscal year ending 2022, BRACS' revenues from the sale of Standard Rental Agreement forms and jackets and additional driver forms was approximately \$717,165.66 of BRACS' total revenue, not including the Generic Rental Agreements.

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 Budget Franchise. Except as described in this Item, Budget 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 Budget Franchise that you must purchase or lease from Budget, a Budget affiliate, or suppliers that Budget designates or approves. Except as described above in this Item, neither Budget nor its affiliates are approved suppliers for any items or services for your Budget Franchise. However, during the license term Budget may require you to purchase additional items only from suppliers it designates or approves (which might include or be limited to Budget or its affiliates). Upon Budget’s request, or if you want to use any item that Budget has not yet evaluated or buy from a supplier that Budget has not yet approved (for those items that require supplier approval), you first must submit sufficient information, specifications, and samples for Budget to determine whether the item complies with the Standards or the supplier meets Budget’s criteria. Budget 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, Budget will approve or reject the product or supplier. If Budget 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 Budget does not have any set criteria for approving suppliers. If Budget 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 Budget has disapproved.

Purchase Arrangements with Recommended Suppliers.

Budget has no purchasing or distribution cooperatives. However, Budget 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 Budget Franchise. Except as stated above, neither we nor any of our affiliates are currently approved suppliers.

Insurance.

<u>Type of Insurance</u>	<u>Minimum Amount</u>
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 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 Budget 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 Budget 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 Budget 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 Budget License Agreement Art. VI of the Rental System Agreement	Item 11
e. Opening	8.4, 10.2 and the Summary Pages of the Budget License Agreement	Item 11
f. Fees	Art. V and VII, and Summary Pages of the Budget 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 Budget License Agreement (Transfer Requirements)	Items 5, 6, and 11

OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
g. Compliance with standards and policies/Manual	Preambles, Art. III and 9.11, 9.21, 9.22, and 9.23 of the Budget License Agreement II-VIII , Schedules A-D of the Rental System Agreement The Intercity Rules and Regulations Exhibit G to the Budget License Agreement (Transfer Requirements)	Items 8 and 11
h. Trademarks and Proprietary Information	Art. II of the Budget 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 Budget 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 Budget 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 Budget License Agreement	Items 11 and 12
l. Ongoing product and service purchases	Art. VI, 8.6, Art. IX, 10.1, 10.3, 10.4, and the Summary Pages of the Budget 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 Budget License Agreement III, XII, XV, XVIII, and Addendum A of the Intercity Rules and Regulations	Item 11
n. Insurance	9.4 of the Budget License Agreement II, XVII, and XVIII of the Intercity Rules and Regulations	Items 7 and 8

OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
o. Advertising	Art. V and Art. X of the Budget License Agreement	Items 6, 8, and 11
p. Indemnification	Art. XIII of the Budget License Agreement (2 of Personal Guarantee)	Item 6
q. Owner's participation/management/staffing	9.1, 9.2, and 11.10 of the Budget 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 Budget License Agreement VII-VIII of the Rental System Agreement VII, XII, XVIII, and XXIII of the Intercity Rules and Regulations Exhibit G of the Budget License Agreement	Item 6
s. Inspections and audits	9.17 of the Budget License Agreement	Item 6
t. Transfer	Art. XII and Exhibit G of the Budget License Agreement XII of the Rental System Agreement	Items 6 and 17
u. Renewal	11.1 of the Budget License Agreement	Item 17
v. Post-Termination Obligations	11.6 to 11.9 of the Budget 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 Budget License Agreement	Item 17
x. Dispute Resolution	14.9 to 14.13 of the Budget 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 Budget License Agreement were intentionally deleted	Items 1, 7, 15
aa. Assignment of account and other receivables	7.7 and 14.5 of the Budget License Agreement	

OBLIGATION	SECTION IN AGREEMENT	ITEM IN DISCLOSURE DOCUMENT
bb. Lien on equipment and property	7.7 of the Budget License Agreement	
cc. Honor National Account agreements and participate in Programs	Art. VI. 9.13, 11.10 and VI of the Budget License Agreement	Items 1, 6, 11, and 12
dd. Additional development in Territory	8.6 of the Budget License Agreement	Item 12
ee. Wizard Participation	6.2, 9.16, and Exhibit G of the Budget License Agreement	Items 6 and 7

**ITEM 10
FINANCING**

Neither Budget nor its affiliates offers direct or indirect financing to Budget Franchise owners. Budget 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, Budget need not provide you with any assistance.

Before the Opening of Your Budget Franchise.

Before you open your business, Budget will:

- 1) Approve the trade name for your Budget Franchise (the Budget License Agreement, **initial recital of parties**).
- 2) Designate your territory. Your authorization to operate a Budget Franchise is limited to an authorized geographic area (the Budget License Agreement, **paragraph 1.5**, the **Summary Pages**) (see Item 12).
- 3) Furnish your General Manager and other employees Budget approves with instruction on the operation of a Budget Franchise, as further described in this Item (the Budget License Agreement, **paragraphs 4.1** and **4.2**).
- 4) Calculate your Initial License Purchase Fee (the Budget 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 Budget 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 Budget License Agreement, **paragraph 8.1** and the **Summary Pages**).
- 7) Establish the deadline for you to open your Budget Franchise. If you fail to find a location that Budget approves and open and begin operating your Budget Franchise within the time period Budget specifies, Budget may terminate your Budget License Agreement (the Budget License Agreement, **paragraph 8.4** and the **Summary Pages**).
- 8) Approve your selection of one or more locations that meet Budget's criteria, which must be within your licensed territory (see Item 12). In approving the location(s) for your Budget Franchise, Budget's Licensee Relations Department will consult with and assist you, but Budget does not own or lease the locations at which Budget Franchises operate. When determining whether to approve a location for your Budget Franchise, Budget will consider factors such as traffic count, demographics, rent, suitability for use as a Budget Franchise, exposure, parking, and proximity to the central business district. Budget usually approves or disapproves of your selection within two weeks. You may not open a location for your Budget Franchise without Budget's approval (the Budget License Agreement, **paragraph 8.3**).
- 9) Establish your initial automobile requirements (the Budget License Agreement, **paragraph 8.1** and the **Summary Pages**).
- 10) Establish average annual market penetration quotas, based on the territory assigned to your Budget Franchise and the expected market demand in that territory (the Budget License Agreement, **paragraph 8.1** and the **Summary Pages**).
- 11) Budget will lend you one copy of the Manual and any other manuals Budget provides for franchisees. The Manual is confidential and remains Budget's property. Budget may modify the Manual as Budget determines useful to preserve or enhance the efficient operation, image, or goodwill of Budget's Proprietary Marks and Budget Franchises, but any modification will not alter your status or rights under the Budget License Agreement. You may view the Manual in confidence if you sign and return a Confidentiality Agreement to Budget (See **Exhibit D**). You must return the Manual and any other manuals to Budget when required under the Budget License Agreement (the Budget 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 Budget Franchise (the Budget 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 Budget Franchise.

During the operation of your Budget Franchise, Budget 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 Budget Franchise, as in Budget's judgment is necessary (the Budget 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 Budget (the Budget 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 Budget 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 Budget sets (including complying with and adhering to maximum rates Budget establishes). If Budget does not set rental rates, but you communicate to Budget your decision to adhere to Budget's suggested rental rates, then you must honor those rates. You also must honor rental rates that Budget periodically establishes under the **Corporate Rate** Program, with regard to **National Accounts**, as such accounts are designated by Budget from time to time.
- 4) Evaluate and approve or reject a website you propose (or changes to your approved website) (the Budget License Agreement, **paragraphs 9.2 and 10.1**).
- 5) Review and consider requests for approval of any transfer of your Budget Franchise (**Transfer Requirements, Exhibit G** of the Budget License Agreement) (see **Items 6 and 17**).
- 6) Together with Avis Budget Car Rental make rental reservations available to you through the **Budget Reservations System** under the terms set forth in the Rental System Agreement (the Budget License Agreement, **paragraph 6.2**). Wizard is an online, real time reservations system. Participation in Wizard is mandatory because Budget considers Wizard to be a significant part of the Budget Rent A Car 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 Budget Reservation System which may be reasonably necessary for the solicitation, reception, and transmission of national and international reservations for your Budget Franchise (Rental System Agreement, **paragraph II.2.(b)**);
 - b) Resolve customer complaints by payment for your Budget 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 Budget makes on your behalf pursuant to the Budget Licensee Customer Adjustment Procedure (Rental System Agreement, **paragraph I.1.(a)1**);
 - c) For as long as Avis Budget Car Rental operates the Budget 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 Budget Reservation System by one central payment method (Rental System Agreement, **Schedule F3**).
- e) During the term of the Rental System Agreement, Budget will comply with the Rental System Agreement's terms and conditions, and pay the fees it describes, for Budget Rent A Car locations that it operates.

Opening Your Budget Franchise.

The length of time between the signing of your Budget License Agreement (and the payment of your Initial License Purchase Fee) and the opening of your Budget 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 Budget License Agreement, **paragraphs 8.4, 10.4 and 10.5**).

The Manual.

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

- a) reproduce, exhibit, or disclose the Manual, or any confidential element of or information about a Budget 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 Budget.

Budget Rent A Car businesses operate in a dynamic business environment requiring Budget's careful assessment of long-range interests and the overall direction of all Budget Rent A Car vehicle rental locations, and the decision-making flexibility appropriate to achieve Budget's determined goals. Accordingly, Budget 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 L. Our annual has a total of 538 pages.

Training.

Budget and its affiliates provide training necessary to operate your Budget Franchise. Budget 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 Budget approves. Budget 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 Budget'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.

Budget offers approximately fifty-five (55) individual web-based training programs and seminars via Workday Learning as noted in the catalogues below. These training programs and seminars include instruction on all aspects of the Wizard and Wizard GUI point of sale system and methods that Budget utilizes in the operation of its Budget Franchise business. Laura Lirio is the Senior Director, Global Learning & 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. Budget's training program is web-based and available on-demand.

Periodically during the license term, Budget 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 Budget Franchise to satisfactorily complete these. Budget communicates the requirement to complete such web-based training programs and seminars via System Bulletins (the Budget License Agreement, paragraph 4.2). You and/or your General Manager also must attend any periodic conventions or seminars that Budget holds for the Network (the Budget 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.

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Reviewing the Daily Overview in Time4U	5	0	Workday Learning-Based Training
Managing Employee Incidents: Workers' Compensation	5	0	Workday Learning-Based Training
Closing a Pay Period in Time4U	5	0	Workday Learning-Based Training
Correcting Unpaired Punches Using Time4U	5	0	Workday Learning-Based Training
Starting Up with WorkJam	5	0	Workday Learning-Based Training
Starting Up with Time4U	5	0	Workday Learning-Based Training
Reviewing the Timecard Statement in Time4U	5	0	Workday Learning-Based Training
Speaking with Beth Gibson	45	0	Workday Learning-Based Training
Speaking with Jessica Kornacki	60	0	Workday Learning-Based Training
Speaking with Lauren Nance	60	0	Workday Learning-Based Training
Speaking with Joe Siino	60	0	Workday Learning-Based Training
Speaking with Rob Calderone	45	0	Workday Learning-Based Training
Speaking with Carla Granger	60	0	Workday Learning-Based Training
Speaking with Michelle 'Mick' Lee	35	0	Workday Learning-Based Training
Managing Commercial Drivers: DOT/FMCSA Clearinghouse	5	0	Workday Learning-Based Training
Managing Commercial Drivers: Complying with DOT Regulations	7	0	Workday Learning-Based Training
Resource: New Hire Training Programs	1	0	Workday Learning-Based Training
Managing Workplace Safety: Outdoor Heat & Illness Prevention	5	0	Workday Learning-Based Training
Managing Workplace Safety: Hazard Recognition	5	0	Workday Learning-Based Training
Managing Workplace Safety: General Safety Management	7	0	Workday Learning-Based Training
Managing Workplace Safety: Emergency Preparedness	7	0	Workday Learning-Based Training
Managing Workplace Safety: Conducting Safety Inspection	5	0	Workday Learning-Based Training
Automated Long Term Rental Budget Truck	10	0	Workday Learning-Based Training
Managing OSHA: Communications and Interactions	7	0	Workday Learning-Based Training
Managing Employee Incidents: Conducting an Employee Incident Investigation	5	0	Workday Learning-Based Training
Guiding Your New Hire Through Their Training Program	3	0	Workday Learning-Based Training
Shuttler: Getting Started	5	0	Workday Learning-Based Training
Service Agent: Getting Started	5	0	Workday Learning-Based Training
Ready. Set. Go. Becoming a Preferred/Fastbreak Associate Extended	1	0	Workday Learning-Based Training
Ready. Set. Go. Becoming an Exit Gate Associate Extended	1	0	Workday Learning-Based Training
Ready. Set. Go. Becoming a Return Associate Extended	1	0	Workday Learning-Based Training

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Ready. Set. Go. Becoming a Lot Attendant Extended	1	0	Workday Learning-Based Training
Ready. Set. Go. Becoming a Return Associate	1	0	Workday Learning-Based Training
Ready. Set. Go. Return Associate Processes	1	0	Workday Learning-Based Training
Ready. Set. Go. Customer Service for a Return Associate	1	0	Workday Learning-Based Training
Ready. Set. Go. Becoming a Lot Attendant	1	0	Workday Learning-Based Training
Ready. Set. Go. Lot Attendant Processes	1	0	Workday Learning-Based Training
Ready. Set. Go. Customer Service for a Lot Attendant	1	0	Workday Learning-Based Training
Ready. Set. Go. Exit Gate Processes	1	0	Workday Learning-Based Training
Ready. Set. Go. Customer Service for an Exit Gate Associate	1	0	Workday Learning-Based Training
Courtesy Bus Driver: Getting Started	5	0	Workday Learning-Based Training
Understanding Wildfire Smoke Protection	5	0	Workday Learning-Based Training
Shuttler: Your Role	7	0	Workday Learning-Based Training
Service Agent: Your Role	7	0	Workday Learning-Based Training
Preparing for Emergencies and Evacuations	7	0	Workday Learning-Based Training
Planning to be a Safe Driver	5	0	Workday Learning-Based Training
Following ABG's Guidelines For A Healthy Workplace	5	0	Workday Learning-Based Training
Filling Out the Shuttling Log	3	0	Workday Learning-Based Training
Delighting Customers on a Courtesy Bus	3	0	Workday Learning-Based Training
Courtesy Bus Driver: Your Role	7	0	Workday Learning-Based Training
Applying Safe Bus Driving Practices	5	0	Workday Learning-Based Training
Exploring Safety Data Sheets	7	0	Workday Learning-Based Training
Reading the Manifest for Courtesy Bus Drivers	5	0	Workday Learning-Based Training
Providing Special Needs Accommodations on the Lot	0	0	Workday Learning-Based Training
Assisting Preferred/Fastbreak Customers in your Courtesy Bus	7	0	Workday Learning-Based Training
Applying the 8-Step Process for Handling and Lifting Luggage	7	0	Workday Learning-Based Training
Making Bus Announcements for Departing Customers	5	0	Workday Learning-Based Training
Making Bus Announcements for Arriving Customers	5	0	Workday Learning-Based Training
Following the Customer's Bus Journey	5	0	Workday Learning-Based Training
Conducting a Pre-Trip and Post-Trip Inspection of a Courtesy Bus	5	0	Workday Learning-Based Training
Complying with DOT Regulations for Commercial Drivers	7	0	Workday Learning-Based Training
Becoming a Product Knowledge Expert	3	0	Workday Learning-Based Training
Proceeding on a Safe Journey	5	0	Workday Learning-Based Training
Preparing a Safe Vehicle	3	0	Workday Learning-Based Training

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Understanding the Daily Game Plan	3	0	Workday Learning-Based Training
Performing the 15 Step Vehicle Cleaning Process	7	0	Workday Learning-Based Training
Moving Vehicles at Your Location	5	0	Workday Learning-Based Training
Completing the Vehicle Service Agent Log	5	0	Workday Learning-Based Training
Collecting, Cleaning, and Storing Child Safety Seats	3	0	Workday Learning-Based Training
Ready. Set. Go. Preferred/Fastbreak Advanced Courses	1	0	Workday Learning-Based Training
Ready. Set. Go. Preferred/Fastbreak Intermediate Courses	1	0	Workday Learning-Based Training
Ready. Set. Go. Preferred/Fastbreak Basic Courses	1	0	Workday Learning-Based Training
Ready. Set. Go. Exit Gate Associates	1	0	Workday Learning-Based Training
Ready. Set. Go. Key Loader	1	0	Workday Learning-Based Training
Ready. Set. Go. Return Associates	1	0	Workday Learning-Based Training
Preferred/Fastbreak Associate: Getting Started	5	0	Workday Learning-Based Training
Customer Service Representative: Getting Started	5	0	Workday Learning-Based Training
WaND, Wizard, and Mobile WaND	7	0	Workday Learning-Based Training
Return Associate [RA]: Your Role	5	0	Workday Learning-Based Training
Preferred/Fastbreak Associate: Your Role	5	0	Workday Learning-Based Training
Customer Service Representative: Your Role	5	0	Workday Learning-Based Training
Modifying a Rental at the Gate in Mobile WaND	3	0	Workday Learning-Based Training
Modifying and Viewing Customer Profiles Using the Customer Tab in WaND	3	0	Workday Learning-Based Training
Split Billing at Check-In Using Wizard	3	0	Workday Learning-Based Training
Updating Vehicles on the Automated Readyline Using Mobile WaND	3	0	Workday Learning-Based Training
Checking The Vehicle When Loading The Readyline	3	0	Workday Learning-Based Training
Documenting Vehicle Damage in Mobile WaND	3	0	Workday Learning-Based Training
Reviewing Expected and Actual Check-In Numbers	3	0	Workday Learning-Based Training
Processing Non-Revenue or Vehicle Transfer on Mobile WaND	3	0	Workday Learning-Based Training
Split Billing at Check-In Using WaND	3	0	Workday Learning-Based Training
Organizing Traffic Flow on the Lot	3	0	Workday Learning-Based Training
Identifying and Marking Vehicles Appropriately after Scanning	3	0	Workday Learning-Based Training
Following the Process for Missing Keys	3	0	Workday Learning-Based Training
Collecting and Storing Returned Products Properly (GPS/Tablet/Child Safety Seats)	3	0	Workday Learning-Based Training
Modifying a Return in Mobile WaND	3	0	Workday Learning-Based Training

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Completing a Basic Check-In Using Mobile WaND	3	0	Workday Learning-Based Training
Explaining the Customer's Charges at Return	3	0	Workday Learning-Based Training
Making Fuel Entry at Return in Mobile WaND	3	0	Workday Learning-Based Training
Handling FAN Exceptions	3	0	Workday Learning-Based Training
Logging in and Setting up Mobile WaND	3	0	Workday Learning-Based Training
Using the Common Radio 10 Codes to Communicate with Your Team	3	0	Workday Learning-Based Training
Ensuring Hand-Held Equipment is Ready	3	0	Workday Learning-Based Training
Using Proper Telephone Techniques	3	0	Workday Learning-Based Training
Using the Reconciliation Macro for Auto-Void	3	0	Workday Learning-Based Training
Setting Auto-Void Parameters in Wizard	3	0	Workday Learning-Based Training
Creating Customer Profiles Using the Customer Tab in WaND	3	0	Workday Learning-Based Training
Placing the Right Vehicle, in the Right Place, at the Right Time	3	0	Workday Learning-Based Training
Processing a Vehicle Exchange at the Gate in Mobile WaND	3	0	Workday Learning-Based Training
Processing a Customer at the Gate in Mobile WaND	3	0	Workday Learning-Based Training
Answering Questions at the Gate	3	0	Workday Learning-Based Training
Reconciling Vehicles on the Readyline	3	0	Workday Learning-Based Training
Applying the Curbside Delivery Process	3	0	Workday Learning-Based Training
Meet the Fleet	3	0	Workday Learning-Based Training
Explaining the Preferred Points System	3	0	Workday Learning-Based Training
Assisting First Time Preferred/Fastbreak Members	3	0	Workday Learning-Based Training
Answering Customer's Vehicle Questions	3	0	Workday Learning-Based Training
Show Positive Behaviors at Return	3	0	Workday Learning-Based Training
Providing Directions to Customers	3	0	Workday Learning-Based Training
Creating a Personalized Experience For Preferred/Fastbreak Members	3	0	Workday Learning-Based Training
ABG Optional Protection Product Knowledge: 2022 Recertification	3	0	Workday Learning-Based Training
Liability Claims : Shift State Responsibility Awareness	20	0	Workday Learning-Based Training
Leslie Saunders Mod 1 (Inactive)	0	0	Workday Learning-Based Training
Understanding QuickPass Exit Using Avis APP	3	0	Workday Learning-Based Training
Ready.Set.Go. End of Shift	1	0	Workday Learning-Based Training
Ready.Set.Go. During Shift	1	0	Workday Learning-Based Training
Ready.Set.Go. Shift Setup	1	0	Workday Learning-Based Training
Troubleshooting the Preferred Display Board	7	0	Workday Learning-Based Training
Operation Manager Assessment	30	0	Workday Learning-Based Training
Preparing for the Operations Manager Assessment	30	0	Workday Learning-Based Training

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Interacting with Vendor Employees	3	0	Workday Learning-Based Training
Resolving Employee Concerns	5	0	Workday Learning-Based Training
Providing Premium Service to President's Club, Chairman's Club, and Driver's Circle Members	5	0	Workday Learning-Based Training
Time4U: How to use the WorkJam Web and Mobile Clock	1	0	Workday Learning-Based Training
revvGO Growth Guide	5	0	Workday Learning-Based Training
Meeting Your Objectives Through Basic Daily Duties	10	0	Workday Learning-Based Training
Understanding Your Daily Objectives	10	0	Workday Learning-Based Training
Avis Budget Group Systems and Online Resources	7	0	Workday Learning-Based Training
Understanding the Rules for Readylines	5	0	Workday Learning-Based Training
Differentiating Vehicles Based on Ownership, Status, and Car Class	5	0	Workday Learning-Based Training
Evaluating New Hires During Their First 90 Days of Employment	5	0	Workday Learning-Based Training
Introduction to Avis Budget Group Locations and Teams	10	0	Workday Learning-Based Training
Operations Manager: Getting Started	5	0	Workday Learning-Based Training
Operations Manager: Your Role	5	0	Workday Learning-Based Training
Pulling and Reviewing One-Way Reservations in WaND	3	0	Workday Learning-Based Training
Retaining Employees at Avis Budget Group: Three Simple Steps	10	0	Workday Learning-Based Training
Signing into Time 4U and WorkJam	5	0	Workday Learning-Based Training
Preparing and Communicating the Daily Game Plan	3	0	Workday Learning-Based Training
Reviewing Special Services Manifest for Operational Readiness	5	0	Workday Learning-Based Training
Pulling and Reviewing President's Club, Chairman's Club, and Driver's Circle Reservations in WaND	3	0	Workday Learning-Based Training
Training and Coaching Employees on Listen. Own. Resolve.	3	0	Workday Learning-Based Training
Pulling and Reviewing Manifests in WaND	5	0	Workday Learning-Based Training
Pulling and Reviewing Top Account Manifest in WaND	3	0	Workday Learning-Based Training
Checking and Analyzing Your NPS and VOTC Results in Medallia	3	0	Workday Learning-Based Training
Adjusting Walk Up Rates	5	0	Workday Learning-Based Training
Setting Shift Goals For All Workgroups	3	0	Workday Learning-Based Training
Conducting a Pre-Shift Managers Meeting	3	0	Workday Learning-Based Training
Adjusting Staffing During Your Shift	3	0	Workday Learning-Based Training
Accessing Customer Responses in Medallia and Recognizing Your Team	3	0	Workday Learning-Based Training
Resolving Complaints in Medallia	3	0	Workday Learning-Based Training
Reviewing and Updating the Upsell Matrix	5	0	Workday Learning-Based Training

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Completing a Car Count	3	0	Workday Learning-Based Training
Providing the Right Car for the Right Rental	5	0	Workday Learning-Based Training
Providing a Personalized Experience to Red Carpet Customers	5	0	Workday Learning-Based Training
Entering the DOR	5	0	Workday Learning-Based Training
Assessing Vehicle Inventory (VAR) in Wizard	7	0	Workday Learning-Based Training
Analyzing Pricing	5	0	Workday Learning-Based Training
Investigating a Missing Vehicle	5	0	Workday Learning-Based Training
Upholding the Busing Service and Quality Standards	7	0	Workday Learning-Based Training
Working the Fleet Idle Report	7	0	Workday Learning-Based Training
Managing Your Fleet by Upholding the Vehicle Quality Standards	5	0	Workday Learning-Based Training
Reviewing the Lost and Found Portal	3	0	Workday Learning-Based Training
Checking Location Signage	3	0	Workday Learning-Based Training
Managing your People by upholding the Service Delivery Standards	7	0	Workday Learning-Based Training
Managing High-Volume Customer Lines	3	0	Workday Learning-Based Training
Providing Feedback using STAR-AR	5	0	Workday Learning-Based Training
Understanding Pre-Shift Planning	7	0	Workday Learning-Based Training
Providing a Personalized Experience for Preferred/Fastbreak Customers	5	0	Workday Learning-Based Training
Using the Correct Terminology for ABG Business	5	0	Workday Learning-Based Training
Guiding Your Customers Through the Self-Service Avis App	5	0	Workday Learning-Based Training
Managing Your Location by Upholding the Facility Standards	7	0	Workday Learning-Based Training
Security Loss Prevention Reference Guide	0	0	Workday Learning-Based Training
Viewing Flight Delays by Checking the FAN Screens in Wizard	3	0	Workday Learning-Based Training
Monitoring & Developing Your Team's Counter Sales Results	5	0	Workday Learning-Based Training
Keeping Your Location Secure	3	0	Workday Learning-Based Training
Researching Contract Exceptions	5	0	Workday Learning-Based Training
Processing 406 Cash, Vouchers, and Coupons in Wizard	3	0	Workday Learning-Based Training
Supporting the Deletion and Disposal Process	3	0	Workday Learning-Based Training
Assessing Your Competitors to Plan and Set Rates	3	0	Workday Learning-Based Training
Ensuring a Safe, Secure, and Fully Functioning Facility	3	0	Workday Learning-Based Training
Preparing The Next Shift Manager	3	0	Workday Learning-Based Training
Reviewing The Delivery Manifest for Private Aviation/Fixed Based Operator (FBO)	3	0	Workday Learning-Based Training

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Processing Unallocated Damage on the Damage Manager Portal	5	0	Workday Learning-Based Training
Customizing your FAN settings in Wizard	3	0	Workday Learning-Based Training
Adjusting the ReadyLine Logic Screens	5	0	Workday Learning-Based Training
Ensuring A Proper Mix Of Vehicles On The ReadyLine	5	0	Workday Learning-Based Training
Using the ICS Inventory Control System	7	0	Workday Learning-Based Training
Determining Car Classes Available for Upsells and Walkups	3	0	Workday Learning-Based Training
Auditing the Manual Rental Agreement Log and Voided Manual Rental Log	5	0	Workday Learning-Based Training
Supporting QuickPass	3	0	Workday Learning-Based Training
Forecasting Fleet Using The Yield Model and Wizard Reports	7	0	Workday Learning-Based Training
Communicating Your Daily Shuttling Needs	3	0	Workday Learning-Based Training
Reducing Costs at Your Location	3	0	Workday Learning-Based Training
Processing a Digital RA (Rental Agreement)	3	0	Workday Learning-Based Training
Rental Sales Associate: Getting Started	7	0	Workday Learning-Based Training
Ready.Set.Go. Step 6: Disclosing Fully and Closing Positively	1	0	Workday Learning-Based Training
Ready.Set.Go. Step 5: Presenting other Services	1	0	Workday Learning-Based Training
Ready.Set.Go. Step 4: Presenting Protections	1	0	Workday Learning-Based Training
Ready.Set.Go. Step 3: Presenting the Vehicle	1	0	Workday Learning-Based Training
Ready.Set.Go. Step 2: Qualifying your customer	1	0	Workday Learning-Based Training
Ready.Set.Go. Step 1: Greeting and Building Rapport	1	0	Workday Learning-Based Training
Understanding the Special Svc and Remarks Column in WaND	3	0	Workday Learning-Based Training
Rolling Over A Mini-Lease in WaND	3	0	Workday Learning-Based Training
Handling Vehicles Following the Mileage Optimization Process	3	0	Workday Learning-Based Training
Extending a Mini-Lease in WaND	3	0	Workday Learning-Based Training
Ending A Mini-Lease Early In WaND	3	0	Workday Learning-Based Training
Creating a Mini-Lease in WaND	3	0	Workday Learning-Based Training
Rental Sales Associate: Your Role	7	0	Workday Learning-Based Training
Retaining RSAs: Three Simple Steps	10	0	Workday Learning-Based Training
Performing a Vehicle Exchange on the Display Rental Screen in WaND	3	0	Workday Learning-Based Training
Becoming a Customer Experience Owner (CEO) All Star	3	0	Workday Learning-Based Training
Understanding The Customer Journey	7	0	Workday Learning-Based Training
Avis Budget Group (ABG) Terms and Acronyms	7	0	Workday Learning-Based Training
Rewarding You	7	0	Workday Learning-Based Training

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Customer Led, Service Driven	7	0	Workday Learning-Based Training
Rental Basics	7	0	Workday Learning-Based Training
Wizard and WaND	7	0	Workday Learning-Based Training
The Customer Service and Sales Process	7	0	Workday Learning-Based Training
Delivering Excellent Customer Service	3	0	Workday Learning-Based Training
Providing Empathy to our Customers	3	0	Workday Learning-Based Training
Maximizing Your Impact: Product Knowledge	3	0	Workday Learning-Based Training
Identifying and Assisting Red Carpet Customers	3	0	Workday Learning-Based Training
Creating A Reservation And Adding Counter Products in WaND	3	0	Workday Learning-Based Training
Identifying and Processing Extended Rentals in WaND	3	0	Workday Learning-Based Training
Reviewing the Rental Agreement and Signature using Signature Capture	3	0	Workday Learning-Based Training
Adding Vehicles to the Automated Readyline in WaND	3	0	Workday Learning-Based Training
Tracking Counter Sales Incentives (CSI)	3	0	Workday Learning-Based Training
Identifying and Processing GEB/WEB Rentals	3	0	Workday Learning-Based Training
Understanding Special Needs Equipment for Disabled Customers	3	0	Workday Learning-Based Training
Splitting Billing in WaND	3	0	Workday Learning-Based Training
Entering Paper Vouchers in WaND	3	0	Workday Learning-Based Training
Completing a Manual Rental Agreement	3	0	Workday Learning-Based Training
Searching For A Customer's Discount Code (AWD/BDC/PDN) in WaND	3	0	Workday Learning-Based Training
Filtering Various Manifests in WaND	3	0	Workday Learning-Based Training
Using the Express Manifest to Process Preferred and Fastbreak Checkouts	3	0	Workday Learning-Based Training
Exploring Various Screens and Functions in WaND	3	0	Workday Learning-Based Training
Addressing Customer Concerns Following Listen. Own. Resolve.	3	0	Workday Learning-Based Training
Comparing Your NPS to Your Location's Goal	3	0	Workday Learning-Based Training
Consulting a Customer's Previous NPS and Rental History in WaND	3	0	Workday Learning-Based Training
Promoting the Avis App for Customer Self-Service	3	0	Workday Learning-Based Training
Presenting a Vehicle's Features and Benefits to a Customer	3	0	Workday Learning-Based Training
Budget Truck: Optional Insurance & Protection Plans	15	0	Workday Learning-Based Training
Signing In and Out of Wizard	3	0	Workday Learning-Based Training
Checking the Readyline in Wizard	3	0	Workday Learning-Based Training
Processing a Check In Using Wizard	3	0	Workday Learning-Based Training

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Processing a Checkout Using Wizard	3	0	Workday Learning-Based Training
Looking Up a Reservation Using Wizard	3	0	Workday Learning-Based Training
Adding An Additional Rate Premium To An Upsell	3	0	Workday Learning-Based Training
Maximizing Your Impact: Overcoming Objections to the Vehicle Presentation	3	0	Workday Learning-Based Training
Maximizing Your Impact: Top-Down Selling	3	0	Workday Learning-Based Training
Completing a Basic Check-in in WaND	3	0	Workday Learning-Based Training
Completing a Rate Shop in WaND for a Walk-Up Customer	3	0	Workday Learning-Based Training
Adding/Removing Protections and Additional Services to an Open Rental in WaND	3	0	Workday Learning-Based Training
Canceling A Reservation Using The Reservation Rates Screen in WaND	3	0	Workday Learning-Based Training
Voiding and Re-Opening A Rental Agreement in WaND	3	0	Workday Learning-Based Training
Maximizing Your Impact: Guiding Principles	3	0	Workday Learning-Based Training
Identifying Upsell Types in WaND: Standard, Variable, and Do Not Upsell	3	0	Workday Learning-Based Training
Maximizing Your Impact: Step 6. Disclose Fully & Close Positively	3	0	Workday Learning-Based Training
Maximizing Your Impact: Step 5. Present Other Services	3	0	Workday Learning-Based Training
Maximizing Your Impact: Step 4. Present Protection	3	0	Workday Learning-Based Training
Maximizing Your Impact: Step 3. Present the Vehicle	3	0	Workday Learning-Based Training
Maximizing Your Impact: Step 2. Qualifying Your Customer	3	0	Workday Learning-Based Training
Maximizing Your Impact: Step 1. Greet and Build Rapport	3	0	Workday Learning-Based Training
Maximizing Your Impact: The CORE	3	0	Workday Learning-Based Training
Offering Benefits of the Budget Fastbreak Program to Customers	5	0	Workday Learning-Based Training
Identifying Normal Wear and Tear vs. Damage	3	0	Workday Learning-Based Training
Following System Alerts in WaND	3	0	Workday Learning-Based Training
Handling Partner Accounts (AARP/COSTCO/USAA)	3	0	Workday Learning-Based Training
Processing a Standard Upsell in WaND	3	0	Workday Learning-Based Training
Using The Automated ReadyLine Count Button in WaND	3	0	Workday Learning-Based Training
Modifying an Existing Reservation in WaND	3	0	Workday Learning-Based Training
Looking up a Station Code in WaND	3	0	Workday Learning-Based Training
Printing a Rental Agreement in WaND	3	0	Workday Learning-Based Training
Applying Adjustments at Return in WaND	3	0	Workday Learning-Based Training
Signing into WaND	3	0	Workday Learning-Based Training
Modifying Global Choice Foreign Currency (Fx) in WaND	3	0	Workday Learning-Based Training

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Creating A Reservation Using The Reservation Rates Screen In WaND	3	0	Workday Learning-Based Training
Conducting a Rate Shop in WaND	3	0	Workday Learning-Based Training
Adding the Fuel Service Option in WaND	3	0	Workday Learning-Based Training
Adding Protections and Products at Check Out in WaND	3	0	Workday Learning-Based Training
Taking Payment in WaND with a PED	3	0	Workday Learning-Based Training
Identifying a Promoter/Detractor with VOTC	3	0	Workday Learning-Based Training
Pulling Rental Reports from the Document Logs in WaND	3	0	Workday Learning-Based Training
Verifying A Renter's Drivers License	3	0	Workday Learning-Based Training
Performing a Vehicle Trace in WaND	3	0	Workday Learning-Based Training
Accessing the Automated ReadyLine in WaND	3	0	Workday Learning-Based Training
Determining Renter Age Requirements & Restrictions	3	0	Workday Learning-Based Training
Displaying a Reservation in WaND	3	0	Workday Learning-Based Training
Creating a New Reservation with an AWD/BCD Number	3	0	Workday Learning-Based Training
Changing Payment Card at Check-In in WaND	3	0	Workday Learning-Based Training
Completing a Delayed Check-in in WaND	3	0	Workday Learning-Based Training
Processing a Debit Card Check Out in WaND	3	0	Workday Learning-Based Training
Checking Vehicle Availability in WaND	3	0	Workday Learning-Based Training
Displaying Booking Information for Vouchers	3	0	Workday Learning-Based Training
Creating a Rental Agreement in WaND	3	0	Workday Learning-Based Training
Creating a Wizard Number in the WaND Display Rental Screen	3	0	Workday Learning-Based Training
Displaying a Rental Agreement to Modify in WaND	3	0	Workday Learning-Based Training
Adding or Removing An Upsell On An Open Rental in WaND	3	0	Workday Learning-Based Training
Offering Benefits of the Avis Preferred Program To Customers	3	0	Workday Learning-Based Training
15. Dealer: Unit Inspection	25	0	Workday Learning-Based Training
14. Dealer: Physical Inventory	5	0	Workday Learning-Based Training
13. Dealer: Tire & Glass Repair Requests	6	0	Workday Learning-Based Training
12. Dealer: Force Charge at Close	5	0	Workday Learning-Based Training
11. Dealer: Out of Service Status	6	0	Workday Learning-Based Training
10. Dealer: Pending Close & Follow Up Pending Report	6	0	Workday Learning-Based Training
9. Dealer: Inventory Status Grid and Detail	6	0	Workday Learning-Based Training
8. Dealer: Transfers & Dealer Use	6	0	Workday Learning-Based Training
6. Dealer: One-way Close Agreement	10	0	Workday Learning-Based Training
7. Dealer: What is DEF	5	0	Workday Learning-Based Training
5. Dealer: Local Close Agreement	7	0	Workday Learning-Based Training

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Quick Reference for Accessing SMWR Portal	2	0	Workday Learning-Based Training
4. Dealer: One-way Open Agreement	8	0	Workday Learning-Based Training
3. Dealer: Local Open Agreement	5	0	Workday Learning-Based Training
Avis Budget Group and The False Claims Act: What You Need to Know	10	0	Workday Learning-Based Training
2. Dealer: Truck Basics & Reservations	35	0	Workday Learning-Based Training
1. Dealer: Getting Started with Budget Truck Systems	20	0	Workday Learning-Based Training
Customer Empathy Pocketcard Job Aid	0	0	Workday Learning-Based Training
Customer Empathy Scenario Workbook	0	0	Workday Learning-Based Training
Transfer Fuel Tip Sheet Budget Truck	0	0	Workday Learning-Based Training
First Time Workday Log in Operators & Dealers	0	0	Workday Learning-Based Training
How to use Workday Learning for Extended Enterprise Learners (Inactive)	0	0	Workday Learning-Based Training
Independent Operator Training Resource User Guide	0	0	Workday Learning-Based Training
Replacement Rental Record Screen Wizard	6	0	Workday Learning-Based Training
Independent Operator Learning Plan	0	0	Workday Learning-Based Training
Automated Mini Lease with Connected Car	20	0	Workday Learning-Based Training
Daily Fleet Management Job Aid (Americas Operations Manager Trainees)	0	0	Workday Learning-Based Training
Wildfire Smoke Protection - CA & WA	0	0	Workday Learning-Based Training
Wildfire Smoke Protection - CA & WA	0	0	Workday Learning-Based Training
Wildfire Smoke Protection - CA & WA	0	0	Workday Learning-Based Training
Operator Sales Rules of the Road	0	0	Workday Learning-Based Training
Rules of the Road: Ethical Sales at Avis Budget Group	10	0	Workday Learning-Based Training
Safety: Advanced Accident Investigation (Americas Operations Manager Trainees)	30	0	Workday Learning-Based Training
Safety: Hazard Recognition (Americas Operations Manager Trainees)	30	0	Workday Learning-Based Training
Safety 101 (Americas Operations Manager Trainees)	30	0	Workday Learning-Based Training
Effective Corrective Action	20	0	Workday Learning-Based Training
The 3 Ways to Well-being	5	0	Workday Learning-Based Training
Mental Health Awareness for International	0	0	Workday Learning-Based Training
Mental Health Awareness for International	0	0	Workday Learning-Based Training
Mental Health Awareness for International	0	0	Workday Learning-Based Training
Mental Health Awareness for International	0	0	Workday Learning-Based Training
Global Privacy and Data Protection	30	0	Workday Learning-Based Training
Global Privacy and Data Protection	30	0	Workday Learning-Based Training
Global Privacy and Data Protection	30	0	Workday Learning-Based Training
Global Privacy and Data Protection	30	0	Workday Learning-Based Training
Global Privacy and Data Protection	30	0	Workday Learning-Based Training
Global Privacy and Data Protection	30	0	Workday Learning-Based Training

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Leslie Saunders Protection Training: Annual Refresher	10	0	Workday Learning-Based Training
Digital Accident Reporting Mobile WaND	15	0	Workday Learning-Based Training
Conducting a 14 Point Inspection	20	0	Workday Learning-Based Training
Recruitment - Your Role as a Hiring Manager	15	0	Workday Learning-Based Training
Social Media Training Master All Languages	20	0	Workday Learning-Based Training
Introduction to Module 1 Role of the People Manager	1	0	Workday Learning-Based Training
Problem Solving - The Solution Selection Process	5	0	Workday Learning-Based Training
RACI - Assigning Responsibility in a project or task	15	0	Workday Learning-Based Training
RACI - Assigning Responsibility in a project or task	15	0	Workday Learning-Based Training
SMARTs Objectives and Developing You	30	0	Workday Learning-Based Training
SMARTs Objectives and Developing You	30	0	Workday Learning-Based Training
SMARTs Objectives and Developing You	30	0	Workday Learning-Based Training
SMARTs Objectives and Developing You	30	0	Workday Learning-Based Training
SMARTs Objectives and Developing You	30	0	Workday Learning-Based Training
SMARTs Objectives and Developing You	30	0	Workday Learning-Based Training
Introduction to Role of the People Manager Module 2	1	0	Workday Learning-Based Training
SMWR Portal - Launch Videos	0	0	Workday Learning-Based Training
SMWR Portal - Launch Videos	0	0	Workday Learning-Based Training
SMWR Portal - Launch Videos	0	0	Workday Learning-Based Training
SMWR Portal - Launch Videos	0	0	Workday Learning-Based Training
SMWR Portal - Launch Videos	0	0	Workday Learning-Based Training
SMWR Portal - Launch Videos	0	0	Workday Learning-Based Training
SMWR Portal - Launch Videos	0	0	Workday Learning-Based Training
SMWR Portal - Launch Videos	0	0	Workday Learning-Based Training
SMWR Portal - Launch Videos	0	0	Workday Learning-Based Training
SMWR Portal - Launch Videos	0	0	Workday Learning-Based Training
SMWR Portal - Launch Videos	0	0	Workday Learning-Based Training
SMWR Portal - Launch Videos	0	0	Workday Learning-Based Training
SMWR Portal - Launch Videos	0	0	Workday Learning-Based Training
Effective Stress Management (ROPM)	15	0	Workday Learning-Based Training
Introduction to Lean and Six Sigma	45	0	Workday Learning-Based Training
Introduction to Lean and Six Sigma	45	0	Workday Learning-Based Training
Introduction to Lean and Six Sigma	45	0	Workday Learning-Based Training
Introduction to Lean and Six Sigma	45	0	Workday Learning-Based Training
Introduction to Lean and Six Sigma	45	0	Workday Learning-Based Training
Managing Email Effectively	20	0	Workday Learning-Based Training
Managing Email Effectively	20	0	Workday Learning-Based Training
Managing Your Operations Function Checklist (EMEA)	0	0	Workday Learning-Based Training
Employee Safety: Outdoor Heat Illness Prevention Training for Employees	0	0	Workday Learning-Based Training

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Basic Daily Duties - End of Shift	15	0	Workday Learning-Based Training
Basic Daily Duties - During Your Shift Reference Guide	5	0	Workday Learning-Based Training
Basic Daily Duties - During Your Shift Video	7	0	Workday Learning-Based Training
Basic Daily Duties - During Your Shift (Inactive)	60	0	Workday Learning-Based Training
Basic Daily Duties - Shift Set Up Checklists	5	0	Workday Learning-Based Training
Basic Daily Duties - Shift Set Up Checklists	5	0	Workday Learning-Based Training
Basic Daily Duties - Shift Set Up Video	5	0	Workday Learning-Based Training
Basic Daily Duties - Shift Set Up	45	0	Workday Learning-Based Training
Basic Daily Duties - Fundamentals Videos	5	0	Workday Learning-Based Training
Basic Daily Duties - Fundamentals Videos	5	0	Workday Learning-Based Training
Basic Daily Duties - Fundamentals	20	0	Workday Learning-Based Training
All About Fuel	15	0	Workday Learning-Based Training
Return Receipt Review Mobile WaND	20	0	Workday Learning-Based Training
Mobile WaND Basics for Return Associates	20	0	Workday Learning-Based Training
Return Associate Role Overview 🚗	7	0	Workday Learning-Based Training
Delivering 5-Star Excellence through Service Recovery at Return	15	0	Workday Learning-Based Training
The Vehicle Return Process	5	0	Workday Learning-Based Training
Benefits of the Ready Line for the US	6	0	Workday Learning-Based Training
Connected Car	0	0	Workday Learning-Based Training
Connected Car	0	0	Workday Learning-Based Training
Connected Car	0	0	Workday Learning-Based Training
Connected Car	0	0	Workday Learning-Based Training
Sirius/XM Radio - Product Knowledge	10	0	Workday Learning-Based Training
Wizard: Modifications (203)	4	0	Workday Learning-Based Training
How to Clean a Car (Video)	9	0	Workday Learning-Based Training
Wizard: Rates	4	0	Workday Learning-Based Training
Basic Daily Duties - Completing Vehicle Quality Audits	0	0	Workday Learning-Based Training
Basic Daily Duties - Completing Vehicle Quality Audits	0	0	Workday Learning-Based Training
Basic Daily Duties - Completing Equipment Availability Reports and Inventory	0	0	Workday Learning-Based Training
Basic Daily Duties - Completing Equipment Availability Reports and Inventory	0	0	Workday Learning-Based Training
Basic Daily Duties - Completing Equipment Availability Reports and Inventory	0	0	Workday Learning-Based Training
Basic Daily Duties - Completing Equipment Availability Reports and Inventory	0	0	Workday Learning-Based Training
Learning Wizard: Identifying someone on the name risk/DNR list	0	0	Workday Learning-Based Training
Learning Wizard: Identifying someone on the name risk/DNR list	0	0	Workday Learning-Based Training
Learning Wizard: Modifying an open rental on /FOR X203 screen	0	0	Workday Learning-Based Training

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Learning Wizard: Modifying an open rental on /FOR X203 screen	0	0	Workday Learning-Based Training
Learning Wizard: Viewing and Understanding the 404 document logs	0	0	Workday Learning-Based Training
Learning Wizard: Viewing and Understanding the 404 document logs	0	0	Workday Learning-Based Training
Learning Wizard: Viewing and Understanding the 404 document logs	0	0	Workday Learning-Based Training
Learning Wizard: Understanding the Manifest Screens	0	0	Workday Learning-Based Training
Learning Wizard: Understanding the Manifest Screens	0	0	Workday Learning-Based Training
Wizard: Upsells	4	0	Workday Learning-Based Training
Wizard: Vehicle Exchanges	4	0	Workday Learning-Based Training
Wizard: Tour Voucher Processing	4	0	Workday Learning-Based Training
Wizard GUI: Split Billing	3	0	Workday Learning-Based Training
Wizard GUI: Tour Voucher Processing	4	0	Workday Learning-Based Training
Wizard GUI: Tour Voucher Processing	4	0	Workday Learning-Based Training
Wizard GUI: Extended Rental Processing	3	0	Workday Learning-Based Training
Wizard GUI: Rolling and Ending a Mini-Lease	4	0	Workday Learning-Based Training
Wizard GUI: Creating a Mini-Lease	3	0	Workday Learning-Based Training
Wizard GUI: Customer Tab	3	0	Workday Learning-Based Training
Wizard GUI: WEB/GEB Rentals	3	0	Workday Learning-Based Training
Customer Led Experience Series: Providing Effective Feedback	20	0	Workday Learning-Based Training
Getting Started - Office 365 Log In	15	0	Workday Learning-Based Training
ABG Optional Products & Services	8	0	Workday Learning-Based Training
ABG Optional Products & Services Overview	2	0	Workday Learning-Based Training
Wizard GUI Basics: Completing a Basic Rental Transaction	10	0	Workday Learning-Based Training
The Customer Journey	3	0	Workday Learning-Based Training
Ancillary Sales: Maximizing Your Impact - Module A (Americas)	20	0	Workday Learning-Based Training
Ancillary Sales: Maximizing Your Impact - Module B (Americas)	20	0	Workday Learning-Based Training
Ancillary Sales: Maximizing Your Impact - Module C (Americas)	15	0	Workday Learning-Based Training
Ancillary Sales: Maximizing Your Impact - Module D (Americas)	25	0	Workday Learning-Based Training
Ancillary Sales: Maximizing Your Impact - Module E (Americas)	15	0	Workday Learning-Based Training
Ancillary Sales: Maximizing Your Impact - Module F (Americas)	20	0	Workday Learning-Based Training
Avis Now - Self Serve App	0	0	Workday Learning-Based Training
Avis Now - Self Serve App	0	0	Workday Learning-Based Training
Avis Now - Self Serve App	0	0	Workday Learning-Based Training
Avis Now - Self Serve App	0	0	Workday Learning-Based Training

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Avis Now - Self Serve App	0	0	Workday Learning-Based Training
Avis Now - Self Serve App	0	0	Workday Learning-Based Training
Avis Now - Self Serve App	0	0	Workday Learning-Based Training
AVIS Preferred Program - Global	30	0	Workday Learning-Based Training
ABG Optional Protection Product Knowledge: Introduction	5	0	Workday Learning-Based Training
ABG Optional Protection Product Knowledge: Vehicle Protection	15	0	Workday Learning-Based Training
ABG Optional Protection Product Knowledge: Liability (US/CA Only)	5	0	Workday Learning-Based Training
ABG Optional Protection Product Knowledge: PAE/PAI	5	0	Workday Learning-Based Training
ABG Optional Protection Product Knowledge: Sickness Protection (US ONLY)	5	0	Workday Learning-Based Training
ABG Optional Protection Product Knowledge: Roadside Assistance	5	0	Workday Learning-Based Training
ABG Optional Protection Product Knowledge: How to File a Claim	5	0	Workday Learning-Based Training
Wizard Basics: Check-out	15	0	Workday Learning-Based Training
Wizard Basics: Check-in	10	0	Workday Learning-Based Training
Wizard Basics: During the Rental	10	0	Workday Learning-Based Training
Wizard Basics: Administration	10	0	Workday Learning-Based Training
Wizard Basics: Fleet	10	0	Workday Learning-Based Training
Wizard Basics: Reservations	20	0	Workday Learning-Based Training
Wizard Basics: Long-term Rental	10	0	Workday Learning-Based Training
The Daily Game Plan	4	0	Workday Learning-Based Training
Vehicle Product Knowledge	5	0	Workday Learning-Based Training
Wizard GUI Basics: Reservation Manifest	15	0	Workday Learning-Based Training
Wizard GUI Basics: Protections & Additional Products	10	0	Workday Learning-Based Training
Wizard GUI Basics: The Display Rental Screen	15	0	Workday Learning-Based Training
Wizard GUI Basics: The Automated ReadyLine	15	0	Workday Learning-Based Training
Wizard GUI Basics: Vehicle Check-in	10	0	Workday Learning-Based Training
Wizard GUI Basics: Introduction to Wizard GUI	5	0	Workday Learning-Based Training
Wizard GUI Basics: Upsells	10	0	Workday Learning-Based Training
Wizard GUI Basics: Sign On Instructions	5	0	Workday Learning-Based Training
Wizard GUI Basics: Introduction to Rental Basics	5	0	Workday Learning-Based Training
WizGUI Benefits	15	0	Workday Learning-Based Training
Wizard GUI User Guide	15	0	Workday Learning-Based Training
Customer Led Experience Series: Module 4 - Problem Resolution	10	0	Workday Learning-Based Training
Customer Led Experience Series: Module 3 - Becoming a CEO All Star	10	0	Workday Learning-Based Training

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Customer Led Experience Series: Module 3 - Becoming a CEO All Star	10	0	Workday Learning-Based Training
Customer Led Experience Series: Module 2 - Creating Customer Enthusiasts	10	0	Workday Learning-Based Training
Customer Led Experience Series: Module 2 - Creating Customer Enthusiasts	10	0	Workday Learning-Based Training
Customer Led Experience Series: Module 1 - Introduction to our Customer Experience	7	0	Workday Learning-Based Training
Introduction to the Customer Led Experience Training Series	2	0	Workday Learning-Based Training
Introduction to the Customer Led Experience Training Series	2	0	Workday Learning-Based Training
Wizard GUI Basics: Walk Up Rentals	10	0	Workday Learning-Based Training
Wizard GUI Basics: The Reservation Rates Screen	15	0	Workday Learning-Based Training
Safety New Hire Brochure	15	0	Workday Learning-Based Training
Safety Hazard Self Inspection Guide	15	0	Workday Learning-Based Training
Anatomy of a Courtesy Bus Driver - Role and Responsibilities	15	0	Workday Learning-Based Training
Terrorism Awareness Training (Inactive)	20	0	Workday Learning-Based Training
Vehicle Ramming Attack - Mitigating the Risks	15	0	Workday Learning-Based Training
Truck - Ancillary Product Knowledge - Mod 1 Review (LMC&T) (Inactive)	15	0	Workday Learning-Based Training
Managing the Labor Relationship (Inactive)	60	0	Workday Learning-Based Training
Understanding the Truck Rental Business (Inactive)	15	0	Workday Learning-Based Training
Truck - Ancillary Product Knowledge - Mod 2 Damage Waivers (LMC&T) (Inactive)	15	0	Workday Learning-Based Training
Truck - Ancillary Product Knowledge - Mod 3 Roadside SafetyNet (LMC&T) (Inactive)	15	0	Workday Learning-Based Training
Truck - Ancillary Product Knowledge - Mod 4 Supplemental Liability Insurance (LMC&T) (Inactive)	15	0	Workday Learning-Based Training
Truck - Ancillary Product Knowledge - Mod 5 Personal Accident and Cargo (LMC&T) (Inactive)	15	0	Workday Learning-Based Training
Truck - Ancillary Product Knowledge - Mod 6 Auto Tow Protection (LMC&T) (Inactive)	15	0	Workday Learning-Based Training
Truck - Ancillary Product Knowledge - Mod 8 Moving Accessories & Supplies (LMC&T) (Inactive)	15	0	Workday Learning-Based Training
Truck - Ancillary Product Knowledge - Mod 9 Review (LMC&T) (Inactive)	15	0	Workday Learning-Based Training
Ultimate Test Drive - Slides Handouts (Inactive)	15	0	Workday Learning-Based Training
Introduction to ABG Fleet	60	0	Workday Learning-Based Training
Billing: All In One Commercial Billing Application	15	0	Workday Learning-Based Training

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Retention/Turn Over (Inactive)	15	0	Workday Learning-Based Training
Wizard GUI Preferred/Fastbreak (Inactive)	30	0	Workday Learning-Based Training
Wizard Chip and PIN Job Aid	15	0	Workday Learning-Based Training
Wizard GUI Chip and PIN Job Aid	15	0	Workday Learning-Based Training
Budget Truck Security Guidebook (Inactive)	15	0	Workday Learning-Based Training
How and Why to Process a Slot Rental (Truck) (Inactive)	15	0	Workday Learning-Based Training
Doculynx FAQ	15	0	Workday Learning-Based Training
Doculynx Job Aid - Dealers	15	0	Workday Learning-Based Training
Doculynx Job Aid - Independent Operators	15	0	Workday Learning-Based Training
SOP How to Clean a Car	15	0	Workday Learning-Based Training
Safety: OSHA 1 Workers Compensation Recordkeeping (APO) 2015	30	0	Workday Learning-Based Training
Truck - BART Online POS Chapter 1: Overview (Inactive)	35	0	Workday Learning-Based Training
Truck - BART Online POS Chapter 2: Quotes (Inactive)	15	0	Workday Learning-Based Training
Truck - BART Online POS Chapter 3: Reservations (Inactive)	20	0	Workday Learning-Based Training
Truck - BART Online POS Chapter 4: Open Agreements (Inactive)	55	0	Workday Learning-Based Training
Truck - BART Online POS Chapter 5: Close Agreements (Inactive)	25	0	Workday Learning-Based Training
Truck - BART Online POS Chapter 6: System Options	20	0	Workday Learning-Based Training
Truck - BART Online POS Chapter 7: Status (Inactive)	15	0	Workday Learning-Based Training
Truck - BART Online POS Chapter 8: Daily Routines (Inactive)	15	0	Workday Learning-Based Training
Truck - BART Online POS Chapter 9: Management Tools (Inactive)	35	0	Workday Learning-Based Training
Getting Started: Truck Rental Counter Guide (Truck)	15	0	Workday Learning-Based Training
How To Reduce Chargebacks	15	0	Workday Learning-Based Training
Basic Phone Techniques (Recording)	15	0	Workday Learning-Based Training
Basic Phone Techniques (Recording)	15	0	Workday Learning-Based Training
Basic Phone Techniques (Recording)	15	0	Workday Learning-Based Training
TSA Rental Truck Brochure	5	0	Workday Learning-Based Training
FBI Rental Trucks	5	0	Workday Learning-Based Training
Introduction to Managing Safety Recalls	30	0	Workday Learning-Based Training
Truck Manual Agreement Training Slides	5	0	Workday Learning-Based Training
Truck Manual Agreements FAQ	5	0	Workday Learning-Based Training
Truck Manual Agreement Training (Recording)	30	0	Workday Learning-Based Training
Truck Manual Agreement Training (Recording)	30	0	Workday Learning-Based Training
ABG Ultimate Test Drive Part I	15	0	Workday Learning-Based Training
ABG Ultimate Test Drive Part 2	12	0	Workday Learning-Based Training

SUBJECT	CLASSROOM TRAINING (minutes)	HOURS OF ON-THE-JOB-TRAINING	LOCATION
Ancillary Sales: Core and Steps Summary Job Aid (Printable)	5	0	Workday Learning-Based Training
Ancillary Sales: Step 5 Other Services Dialogue and Objections Job Aid (Viewable)	5	0	Workday Learning-Based Training
Ancillary Sales: Step 3 Handling Objections Job Aid (Viewable)	5	0	Workday Learning-Based Training
Ancillary Sales: Step 3 Handling Objections Job Aid (Printable)	5	0	Workday Learning-Based Training
Ancillary Sales: Step 5 Other Services Dialogue and Objections Job Aid (Printable)	5	0	Workday Learning-Based Training
Ancillary Sales: Steps 1-6 Dialogue Ideas (Printable)	5	0	Workday Learning-Based Training
Ancillary Sales: Steps 1-6 Dialogue Ideas (Viewable)	5	0	Workday Learning-Based Training
Wizard Chip and PIN E-learning	20	0	Workday Learning-Based Training
Wizard GUI Chip and PIN E-learning	20	0	Workday Learning-Based Training
Wizard Chip and PIN Guide	15	0	Workday Learning-Based Training
Wizard GUI Chip and PIN Guide	15	0	Workday Learning-Based Training
Customer Led Experience Series: Creating Employee Enthusiasts	27	0	Workday Learning-Based Training
Customer Led Experience Series: Creating Employee Enthusiasts	27	0	Workday Learning-Based Training
Customer Led Experience: Activity - Net Promoter Score (NPS) Scavenger Hunt (Inactive)	20	0	Workday Learning-Based Training
Customer Led Experience: Activity - Becoming a C.E.O. (Customer Experience Owner) (Inactive)	10	0	Workday Learning-Based Training
Avis App Dialog: Courtesy Bus Drivers	15	0	Workday Learning-Based Training
Preparing for Chip and PIN PED Devices	7	0	Workday Learning-Based Training
Preventing Fraud Using the 365 ID Scanner	5	0	Workday Learning-Based Training
Canada P-Products Training	10	0	Workday Learning-Based Training

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

Computerized Rental System.

Under the Budget 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 Budget 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 Budget 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 Budget designates or approves (which might include or be limited to Budget 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 Budget may modify those requirements during the term. Budget 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 Budget License Agreement.

Budget and its designees will have independent access to the Wizard system and all other computer systems, hardware, and software you use. Budget and its designees may access all information and software on such systems and there is no limitation on such access. There are no contractual limits upon our access to your computer information.

Marketing and Advertising.

Budget conducts advertising and promotion at its own expense and at its sole discretion as described in **Article V** of the Budget License Agreement. Budget Franchise owners do not directly contribute to such advertising and promotion. However, Budget Franchisees may be asked to elect to participate in various types of Marketing Programs under a Participation Agreement. Budget may, at any time, increase, decrease, or eliminate its expenditures on advertising and promotion.

There is no advertising council composed of franchisees.

Budget 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. Budget 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, Budget currently applies a portion of the Reservation Fee toward expenses related to the promotion of budget.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 Budget allocates from those fees or with regard to Budget's funds generally. Budget's expenditures are intended to maximize recognition of Budget's Proprietary Marks and all rental locations operated by the Network. Budget's expenditures do not have to be proportionate or equivalent to the fees paid by licensees in a geographic area, and Budget has no obligation to ensure that you will benefit directly from its advertising and promotion expenditures.

Budget has the following advertising and promotions expenditures during 2021: 89% on media placement (including television, tablet, in-airport signage, magazines, newspapers, search and display); 1% on production (production, fees, and fulfillment); and 10% on administrative expenses (Budget's personnel and general expenses). No amounts are spent for advertising that principally is a solicitation of prospective Budget Franchise owners.

Budget does not currently require you to spend any specific amount for grand opening promotions, but may do so in the future. Budget currently does not, but may require in the future that you spend an amount equal to 2% of the Gross Revenues of your Budget Franchise on local advertising annually. Budget has the right to review all advertising and promotional materials that you use prior to their use. Budget 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 Budget's Proprietary Marks and the Standards. You are not required to participate in any local or regional advertising cooperative (the Budget License Agreement, **Article X**).

Budget may, in its sole discretion, obtain "yellow pages" and "white pages" listings identifying the Franchised Business in such telephone directories as Budget may designate, and Budget may obtain reimbursement from you for its costs and expenses in obtaining and maintaining such listings. If Budget does not obtain telephone directory listings for you, you must advertise, in a manner prescribed by Budget, 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 Budget's prior written consent. Budget credits what you spend for "yellow pages" and "white pages" advertising toward your Local Advertising Requirement (the Budget 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) Budget's 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, Budget, 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 Budget 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 Budget's prior written approval.
3. In addition to any other applicable requirements, you must comply with the standards and specifications for Websites Budget prescribes in writing. If required by Budget, you must establish your Website as part of Budget's website (primarily "Budget.com") and/or establish HTML or other electronic links to Budget 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 Budget for its prior written approval (the Budget License Agreement, **Article V**).

Budget will conduct advertising, at its own expense, and in the manner it sees fit. Budget 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. Budget will have sole discretion over the placement and format of the advertising. Budget 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.

ITEM 12 TERRITORY

Budget grants licenses to operate a Budget Franchise to persons with the ability to operate and promote a Budget Franchise in a particular geographic territory. Budget will assign you a territory in which to operate under the Budget License Agreement and in which you choose your business locations, subject to Budget'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 Budget 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. Budget 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 Budget License Agreement and subject to your compliance with all of your other obligations under the Budget License Agreement, Budget will not operate on its own behalf, or grant a license to another party to operate, a Budget 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 Budget License Agreement prohibits Budget 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, Budget Rent A Car businesses in the licensed territory that offer to 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).

Budget reserves all rights not expressly granted to you under your Budget License Agreement, including the rights of Budget and its affiliates to: (1) operate, and grant others the right to operate Budget Franchises outside your licensed territory and, under certain circumstances (for **National Accounts** or if you fail to comply with the Budget License Agreement, as described below), inside the licensed territory, on any terms and conditions Budget 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 Budget's Proprietary Marks for any purpose within your licensed territory, other than for the operation of a Budget Rent A Car business location offering for rental the vehicles offered through your Budget Franchise ("**Vehicles**"), subject to Budget's rights under the Budget 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 Budget's Proprietary Marks.

Budget 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 Budget Franchise under different trademarks or under Budget's Proprietary Marks. 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 Budget Franchise may solicit and accept orders from customers and potential customers of our affiliates' business locations. Budget is under no obligation to take any action if conflicts arise concerning Budget Franchise owners and our affiliates' business operators.

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

on 30 days' notice to you: (a) terminate the Budget License Agreement with respect to the portion of the licensed territory that Budget determines you have failed to develop; or (b) convert your exclusive rights in the geographic market that Budget determines is underdeveloped, and/or your rights with respect to those products and services that Budget 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 Budget Franchise or any part of it from a location outside the licensed territory. You may not pick up customers who reside outside your Budget Franchise's territory unless authorized by Budget 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 Budget'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 Budget License Agreement. In addition, if you do not meet minimum fleet and royalty requirements set forth in the Budget License Agreement, you may risk termination of your Budget Franchise. Budget may negotiate development terms for the Budget License Agreements it offers to Budget Licensees.

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

You will not be allowed to relocate your Budget 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.

ITEM 13 TRADEMARKS

Budget grants you a license to operate a Budget Franchise under Budget's Proprietary Marks. Budget's Proprietary Marks include the following marks registered on the Principal Register of the United States Patent and Trademark Office (the "PTO"):

Trademark	Reg. No.	Reg. Date
BUDGET (Stylized)	1161448	14-Jul-1981 (renewed August 12, 2021)
BUDGET (Stylized)	1300949	16-Oct-1984 (renewed October 6, 2014)
BUDGET (WORD MARK)	2269207	10-Aug-1999 (renewed July 19, 2019)
BUDGET (WORD MARK)	4773294	14-Jul-2015
BUDGET (WORD MARK)	4599628	09-Sep-2014

Trademark	Reg. No.	Reg. Date
BUDGET CAR SALES (Stylized)	1156786	02-Jun-1981 (renewed May 26, 2021)
BUDGET CAR SALES LOGO (DUAL TRIANGLES DESIGN)	2555444	02-Apr-2002 (renewed October 3, 2022)
BUDGET RENT A CAR	1300950	16-Oct-1984 (renewed October 6, 2014)
BUDGET TRUCK RENTAL LOGO (DUAL TRIANGLES DESIGN)	3255851	26-Jun-2007 (renewed July 4, 2017)
FASTBREAK	2800472	30-Dec-2003 (renewed September 6, 2013)
MAKE THE BETTER MOVE	3168553	07-Nov-2006 (renewed December 20, 2016)
WE KNOW THE ROAD	5586104	16-Oct-2018
RAPIDREZ	3045871	17-Jan-2006 (renewed December 11, 2015)
UNLIMITED BUDGET	2864949	20-Jul-2004 (renewed June 10, 2014)
BUDGET LOGO (NEW DUAL TRIANGLE IN REVERSE COLOR)	4988915	28-Jun-2016
BUDGET LOGO (NEW DUAL TRIANGLE DESIGN)	4988916	28-Jun-2016
BUDGET LOGO (NEW DUAL TRIANGLE IN REVERSE COLOR)	5013153	2-Aug-2016
DRIVER'S CIRCLE	4941891	19-Apr-2016
UNLIMITED REWARDS & Design	4984361	21-Jun-2016

We may authorize you to use other trademarks in the operation of your Budget Franchise that are not registered with the PTO. By not having a Principal Register federal registration for these marks, Budget does not have certain presumptive legal rights granted by a registration. Budget nevertheless has enforceable common law rights in those marks to the extent they have been used in commerce

You must follow Budget's rules when you use any of Budget's Proprietary Marks. You cannot use a name or mark as part of a corporate name or with modifying words, designs, or symbols, except for those that Budget licenses to you, or in any modified form. You may not use Budget's Proprietary Marks in connection with the sale of any unauthorized product or service or in any manner that Budget does not expressly authorize in writing. You may not use Budget's Proprietary Marks as part of an electronic address

or a domain name except in the form Budget approves. You must display Budget's Proprietary Marks prominently and in the manner Budget specifies on signs, forms, and other materials Budget designates.

Several of Budget's Proprietary Marks are registered in over 150 foreign countries and the United States.

There are no currently effective material determinations of the PTO, the Trademark Trial and Appeal Board, the trademark administrator of any state or any court, no pending infringement, opposition or cancellation proceedings, and no pending material litigation, involving Budget's Proprietary Marks. All required affidavits for Budget's Proprietary Marks that are registered have been filed.

No agreements limit Budget's right to use or license the use of Budget's Proprietary Marks. Budget does not know of any superior prior rights or infringing use that could materially affect your use of Budget's Proprietary Marks.

You must notify Budget immediately when you learn about an infringement of or challenge to your use of Budget's Proprietary Marks or of any person's claim of any rights in any of Budget's Proprietary Marks or any similar name or mark. Budget will take the action it thinks appropriate and has the exclusive right to control any litigation or administrative proceeding arising out of the infringement, challenge, or claim or otherwise relating to any of Budget's Proprietary Marks. Budget is not required to indemnify or defend you against claims from your use of Budget's Proprietary Marks, or to protect your right to use these marks. You must modify or discontinue the use of any of Budget's Proprietary Marks at Budget's direction. 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). You must not directly or indirectly contest our right to our trademarks, trade secrets or business techniques that are part of a Budget franchise.

ITEM 14 PATENTS, COPYRIGHTS, AND PROPRIETARY INFORMATION

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

You must immediately notify Budget 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. Budget 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. Budget 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 Budget'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 Budget'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. Budget 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 Budget's right to use or license its copyrights.

Budget's Manual, which is described in Item 11, and other materials Budget provides to you contain Budget's confidential and proprietary information. In **paragraph 2.4** of the Budget 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 Rent A Car System or Budget'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 Budget, and not to the general public, at any time before or during the term of your Budget 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 Budget License Agreement or afterwards, reproduce, exhibit, or disclose to any person other than your partners, shareholders, officers, and employees, the operating manual or any other confidential element of, or information about, the Rent A Car System. You must also acknowledge that these items are trade secrets, in which Budget has made a substantial investment and has a legitimate right to protect against unlawful disclosure.

During the term of the Budget 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 Rent A Car System, then you must make it available to Budget, its affiliates, and Network members throughout the world free of charge.

ITEM 15 OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

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

You must employ on a full-time basis, at all times during the term of your Budget License Agreement, at least one General Manager who has completed the instruction Budget furnishes and who will devote his or her entire time during normal business hours to the management, operation, and development of your Budget Franchise as required in the Standards and the Manual. Your General Manager need not have an equity interest in the Budget Franchise or in you.

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

ITEM 16 RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

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

Budget 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 Budget License Agreement limits the class of vehicles your Budget 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 "Budget" name without Budget's consent). The Budget License Agreement and the Standards regulate age and other standards of quality regarding the automobiles you offer for rental or sale.

Subject to Budget's approval, and as part of your Budget Franchise, you may, and if required by Budget, 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. Budget 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 Budget Franchise may not offer any

products or services that Budget has not authorized in advance in writing. Budget may periodically change required and authorized products and services, and there are no limits on Budget’s right to do so. You are not authorized to sell used vehicles using Budget’s Proprietary Marks.

Under the Budget License Agreement, you must adhere to Budget’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 Budget for your Budget Franchise. Under the Intercity Program, you must enforce and abide by certain minimum rental qualifications for customers when renting vehicles owned by another Budget Franchise or a Budget affiliate. Under the **Corporate Rate** Program, with regard to **National Accounts**, you must abide by any pre-negotiated rental rates and other terms that Budget negotiates for Corporate Rate Program participants.

ITEM 17
RENEWAL, TERMINATION, TRANSFER, AND DISPUTE RESOLUTION

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

THE FRANCHISE RELATIONSHIP

I. THE BUDGET LICENSE AGREEMENT

Provision	Section of the Budget 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 Budget 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 Budget, 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 RAC business during the preceding one (1) year period (or during the term of the Budget License Agreement if less than one year) (see Item 6).
e. Termination by Budget without cause	None	Budget does not have this right.

Provision	Section of the Budget License Agreement	Summary
f. Termination by Budget with cause	11.3, 11.4, and 11.11	Budget can terminate only for cause. In certain cases, Budget may elect to terminate the Budget 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 Budget or its affiliates are considered defaults of the Budget License Agreement.
g. "Cause" defined— defaults which can be cured	11.3	15 days if you fail to pay sums owed to Budget; 30 days if you fail to adhere to any provision of the Budget 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 Budget 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 Budget'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 Budget 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 Budget or an affiliate.

Provision	Section of the Budget License Agreement	Summary
i. Your obligations on termination	11.6	Pay fees and other amounts owed to Budget, its affiliates, and third parties; not identify yourself as a Budget Licensee or use Budget’s system; return Manual, Standard Rental Agreements, advertising materials, and anything bearing the “Budget” name to Budget; transfer telephone numbers, facsimile and electronic communication lines, and electronic addresses and domain names used by it to conduct the RAC business to Budget or its designee; effectuate the sale, transfer, or assignment of airport licenses, concession agreements, and permits to Budget or its designee and, at Budget’s option, any real estate agreements; cancel any assumed name or equivalent registration containing “Budget” name; cancel website promoting the RAC business, take all steps necessary to transfer to Budget 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 Budget’s data retention policies (which are applicable to any data obtained through Budget), and promptly remove and destroy all Budget signage.
j. Assignment of contract by Budget	12.1	No restrictions on Budget’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 Budget’s prior written consent.
l. Budget’s approval of transfer by you	12.2(a)	Budget must approve all proposed transfers in writing. No transfers without Budget’s approval.
m. Conditions for Budget’s approval of transfer	12.2(a) and (c), Transfer Requirements (Exhibit G)	You must notify Budget before any proposed sale, assignment or transfer; prior written consent of Budget 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, Budget considers transferee’s history, aptitude, resources, commitment, competitive businesses, and willingness to participate in current programs. Budget also considers whether you (as the Seller) are following system Standards such as the: (1) operation of the Budget business using Wizard (or other approved electronic distribution system), (2) maintenance of Budget’s then current trade dress and facility standards, and (3) following of Budget’s other Standards and programs regarding National

Provision	Section of the Budget License Agreement	Summary
		<p>Accounts corporate accounts and form of rental agreement. If Budget approves, transferee must sign then current license agreement (modified to provide for your royalty fee structure) and Budget’s Transfer Approval Document and make operational improvements in the Budget Franchise to bring it into reasonable compliance with other Budget Franchises, and you must pay all amounts due Budget and/or our affiliates, other Network members, and all other creditors, provide all final documents to Budget and pay transfer fee (see Item 6).</p> <p>You may not conduct a transfer by a public stock offering. Budget may not consent to your private stock offering if it determines that such an offering is not in the best interests of Avis/Budget, as Licensor, or its franchise system. If Budget 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 or required in the stock offering and pay the transfer fee (see Item 6). In determining the acceptability of the offering and offering documents, Budget considers, among other things, the transaction’s effect on the Budget Franchise and Budget’s rights and the accuracy and completeness of the documents. If Budget approves, it may require the legending of stock certificates; advising registrars or transfer agents of necessity of Budget’s prior express written consent prior to the transfer of stock; agreeing to restrictions on representations relating to the Budget Franchise; inclusion of disclaimers in filing and offering documents; beneficial owners’ signing Non-Disclosure/Non-Competition Agreement; restrictions on the use of the Budget name; confidentiality restrictions; and an agreement by all shareholders to adhere to in-term and post-term restrictions on confidentiality.</p>
n. Budget’s right of first refusal	12.3	Budget 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. Budget’s option to purchase your business	11.8	Budget may purchase your Budget Franchise upon the termination of the Budget License Agreement.

Provision	Section of the Budget License Agreement	Summary
p. Your death or disability	12.4	Any transfer must occur within six months to a third party Budget approves. Budget 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 RAC 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 Budget. However, the Manual and Standards are subject to change.
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.

II. CONFIDENTIALITY AGREEMENT

Provision	Section in Confidentiality Agreement	Summary
a. Term of the agreement	None	
b. Renewal or extension of the term	None	
c. Requirements for you to renew or extend	None	
d. Termination by you	None	

Provision	Section in Confidentiality Agreement	Summary
e. Termination by Budget without cause	None	
f. Termination by Budget with cause	None	
g. “Cause” defined—defaults which can be cured	None	
h. “Cause” defined—defaults which cannot be cured	None	
i. Your obligations on termination/nonrenewal	None	
j. Assignment of contract by Budget	None	
k. “Transfer” by you—definition	None	
l. Budget’s approval of transfer by you	None	
m. Conditions for Budget’s approval	None	
n. Budget’s right of first refusal to acquire your business	None	
o. Budget’s option to purchase your business	None	
p. Your death or disability	None	
q. Non-competition covenants during the term of the agreement	None	
r. Non-competition covenants after the agreement is terminated or expires	None	
s. Modification of the agreement	9	Any change must be signed by you and acknowledged by Budget.
t. Integration/merger clause	9	This is the entire agreement as to the subject matter of this agreement. Any representations or promises outside of the disclosure document may not be enforceable.
u. Dispute resolution by arbitration or mediation	None	

Provision	Section in Confidentiality Agreement	Summary
v. Choice of forum	7	Subject to state law, jurisdiction and venue will be in the federal or state courts sitting in New Jersey. Both parties consent to the jurisdiction and venue of these courts.
w. Choice of law	7	Subject to state law, governed and construed by the internal laws of the State of New Jersey.

III. RENTAL SYSTEM AGREEMENT

Provision	Section in Rental System Agreement	Summary
a. Term of the agreement	III	Agreement will remain in effect until the Budget License Agreement expires, terminates, or is transferred.
b. Renewal or extension of the term	III	This Agreement continues as long as the Budget License Agreement is in effect, including any applicable renewals.
c. Requirements for you to renew or extend	III	This Agreement continues as long as the Budget License Agreement is in effect, including any applicable renewals.
d. Termination by you	None	
e. Termination by Budget without cause	None	
f. Termination by Budget with cause	XI	Agreement automatically terminates on bankruptcy. Addendum terminates for bankruptcy or cause.
g. “Cause” defined—defaults which can be cured	X	You have has thirty (30) days to cure any default under the Agreement after receiving written notice.
h. “Cause” defined—defaults which cannot be cured	XI	Agreement will terminate upon insolvency, dissolution, Bankruptcy, or Assignment to creditors.
i. Your obligations on termination/nonrenewal	VII	See License Agreement
j. Assignment of contract by Budget	XII.1	Budget may assign its obligations under the Agreement.
k. “Transfer” by you—definition	XII.1	No transfer without simultaneous transfer of the Budget License Agreement according to its terms.

Provision	Section in Rental System Agreement	Summary
l. Budget's approval of transfer by you	XII.1	No transfer without simultaneous transfer of the Budget License Agreement according to its terms.
m. Conditions for Budget's approval	XII.1	No transfer without simultaneous transfer of the Budget License Agreement according to its terms.
n. Budget's right of first refusal to acquire your business	None	
o. Budget's option to purchase your business	None	
p. Your death or disability	None	
q. Non-competition covenants during the term of the agreement	None	
r. Non-competition covenants after the agreement is terminated or expires	None	
s. Modification of the agreement	XII.4.	Any change must be made in writing and signed by the parties.
t. Integration/merger clause	XII.9.	This Agreement may only be amended by a written document duly executed by all parties.
u. Dispute resolution by arbitration or mediation	None	
v. Choice of forum	XII.5	Subject to state law, jurisdiction and venue will be in the federal or state courts sitting in New Jersey. Both parties consent to the jurisdiction and venue of these courts.
w. Choice of law	XII.5	Subject to state law, governed and construed by the internal laws of the State of New Jersey.

**ITEM 18
PUBLIC FIGURES**

Budget does not use any public figures to promote Budget Franchises.

**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.

Budget does not make any representations about a franchisee’s future financial performance or the past financial performance of company-owned or franchised outlets. Budget 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, Budget 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 by contacting Shari Asarch at (973) 496-3444, the Federal Trade Commission, and the appropriate state regulatory agencies.

**ITEM 20
OUTLETS AND FRANCHISEE INFORMATION**

**TABLE NO. 1
SYSTEMWIDE OUTLET SUMMARY FOR YEARS 2020-2022**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change (+/-)
Franchised	2020	215	204	-11
	2021	204	192	-12
	2022	192	190	-2
Company owned	2020	1,124	1,124	0
	2021	1,124	1,161	+37
	2022	1,161	1,172	+11
Total Outlets	2020	1,339	1,328	-11
	2021	1,328	1,353	+25
	2022	1,353	1,362	+9

**TABLE NO. 2
TRANSFERS OF OUTLETS FROM FRANCHISEES TO
NEW OWNERS (OTHER THAN FRANCHISOR OR AN AFFILIATE)
FOR YEARS 2020-2022**

State	Year	Number of Transfers
	2020	1

Georgia	2021	0
	2022	0
New Jersey	2020	0
	2021	0
	2022	25
Pennsylvania	2020	0
	2021	4
	2022	0
Totals	2020	1
	2021	4
	2022	25

**TABLE NO. 3
STATUS OF FRANCHISED OUTLETS FOR YEARS 2020-2022¹**

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations/ Other Reasons	Outlets at Year End
Alabama	2020	14	0	0	0	0	0	14
	2021	14	0	0	0	4	0	10
	2022	10	0	0	0	0	0	10
Alaska	2020	9	0	0	0	0	2	7
	2021	7	2	0	0	0	2	7
	2022	7	2	0	0	0	3	6
California	2020	9	0	0	0	1	0	8
	2021	8	0	0	0	0	0	8
	2022	8	0	0	0	0	0	8
Georgia	2020	16	0	0	0	0	1	15
	2021	15	0	0	0	0	1	14
	2022	14	1	0	0	0	0	15
Indiana	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Iowa	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
Kansas	2020	10	0	0	0	0	0	10
	2021	10	0	0	0	0	0	10
	2022	10	0	0	0	0	0	10
Kentucky	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
Louisiana	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
Maine	2020	1	0	0	0	0	0	1
	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2020	3	0	0	0	0	0	3

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations/ Other Reasons	Outlets at Year End
Massachusetts	2021	3	0	0	0	0	0	3
	2022	3	0	0	0	0	0	3
Michigan	2020	0	0	0	0	0	0	0
	2021	0	1	0	0	0	0	1
	2022	1	0	0	0	0	0	1
Minnesota	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
Mississippi	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
Missouri	2020	4	0	0	0	0	0	4
	2021	4	3	0	0	0	1	6
	2022	6	0	0	0	0	0	6
Montana	2020	11	0	0	0	0	1	10
	2021	10	0	0	0	0	1	9
	2022	9	0	0	0	0	0	9
Nebraska	2020	8	0	0	0	0	1	7
	2021	7	0	0	0	0	1	6
	2022	6	0	0	0	0	0	6
Nevada	2020	12	0	0	0	0	3	9
	2021	9	3	0	0	0	0	12
	2022	12	0	0	0	0	1	11
New Hampshire	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	0	4	1
	2022	1	0	0	0	0	0	1
New Jersey	2020	26	0	0	0	0	0	26
	2021	26	0	0	0	0	1	25
	2022	25	0	0	0	0	0	25
North Dakota	2020	3	0	0	0	0	0	3
	2021	3	0	0	0	0	1	2
	2022	2	0	0	0	0	0	2
Pennsylvania	2020	10	0	0	0	0	0	10
	2021	10	0	0	0	0	0	10
	2022	10	1	0	0	0	0	11
South Carolina	2020	3	0	0	0	0	1	2
	2021	2	0	0	0	0	1	1
	2022	1	0	0	0	0	0	1
South Dakota	2020	4	0	0	0	0	0	4
	2021	4	0	0	0	0	0	4
	2022	4	0	0	0	0	0	4
Tennessee	2020	6	0	0	0	1	0	5
	2021	5	1	0	0	0	0	6
	2022	6	0	0	0	0	1	5
Texas	2020	13	0	0	0	0	0	13
	2021	13	0	0	0	4	1	8

State	Year	Outlets at Start of Year	Outlets Opened	Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations/ Other Reasons	Outlets at Year End
	2022	8	0	0	0	0	0	8
Utah	2020	14	0	0	0	0	0	14
	2021	14	0	0	0	0	0	14
	2022	14	0	0	0	0	1	13
Washington	2020	5	0	0	0	0	0	5
	2021	5	0	0	0	0	0	5
	2022	5	0	0	0	0	0	5
Wisconsin	2020	12	0	0	0	0	0	12
	2021	12	0	0	0	0	0	12
	2022	12	0	0	0	0	0	12
Wyoming	2020	2	0	0	0	0	0	2
	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
TOTAL OUTLETS	2020	215	0	0	0	2	9	204
	2021	204	10	0	0	8	14	192
	2022	192	4	0	0	0	6	190

¹ All figures are as of December 31 for that year.

**TABLE NO. 4
STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2020-2022**

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisees	Outlets at Year End
Alabama	2020	3	0	0	0	0	3
	2021	3	0	4	0	0	7
	2022	7	1	0	0	0	8
Arizona	2020	33	1	0	0	0	34
	2021	34	0	0	1	0	33
	2022	33	1	0	1	0	33
Arkansas	2020	7	0	0	0	0	7
	2021	7	0	0	0	0	7
	2022	7	0	0	0	0	7
California	2020	157	11	1	4	0	164
	2021	164	6	0	3	0	167
	2022	167	3	0	3	0	167
Colorado	2020	31	0	0	0	0	31
	2021	31	0	0	0	0	31
	2022	31	3	0	0	0	34
Connecticut	2020	15	0	0	1	0	14
	2021	14	0	0	0	0	14
	2022	14	0	0	0	0	14
Delaware	2020	6	0	0	0	0	6
	2021	6	1	0	0	0	7
	2022	7	1	0	0	0	8

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisees	Outlets at Year End
District of Columbia	2020	5	0	0	0	0	5
	2021	5	1	0	0	0	6
	2022	6	0	0	0	0	6
Florida	2020	130	3	0	2	0	131
	2021	131	5	0	0	0	136
	2022	136	4	0	0	0	140
Georgia	2020	12	0	0	0	0	12
	2021	12	0	0	0	0	12
	2022	1	0	0	0	0	1
Hawaii	2020	8	0	0	1	0	7
	2021	7	0	0	0	0	7
	2022	7	1	0	0	0	8
Idaho	2020	7	0	0	0	0	7
	2021	7	0	0	0	0	7
	2022	7	0	0	0	0	7
Illinois	2020	52	1	0	2	0	51
	2021	51	1	0	1	0	51
	2022	51	2	0	1	0	52
Indiana	2020	22	0	0	0	0	22
	2021	22	0	0	0	0	22
	2022	22	0	0	1	0	21
Iowa	2020	6	3	0	0	0	9
	2021	9	0	0	0	0	9
	2022	9	0	0	0	0	9
Kentucky	2020	9	0	0	0	0	9
	2021	9	0	0	0	0	9
	2022	9	1	0	1	0	9
Louisiana	2020	15	0	0	0	0	15
	2021	15	0	0	1	0	14
	2022	14	1	0	0	0	15
Maine	2020	3	1	0	0	0	4
	2021	4	0	0	0	0	4
	2022	4	0	0	0	0	4
Maryland	2020	28	0	0	1	0	27
	2021	27	0	0	0	0	27
	2022	27	1	0	0	0	28
Massachusetts	2020	29	1	0	2	0	28
	2021	28	2	0	0	0	30
	2022	30	1	0	0	0	31
Michigan	2020	31	0	0	1	0	30
	2021	30	0	0	0	0	30
	2022	30	0	0	0	0	30
Minnesota	2020	17	0	0	1	0	16
	2021	16	1	0	0	0	17
	2022	17	0	0	1	0	16
Mississippi	2020	5	0	0	0	0	5
	2021	5	1	0	0	0	6
	2022	6	0	0	0	0	6

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisees	Outlets at Year End
Missouri	2020	16	0	0	0	0	16
	2021	16	1	0	0	0	17
	2022	17	0	0	1	0	16
Montana	2020	4	0	0	0	0	4
	2021	4	0	0	0	0	4
	2022	4	0	0	0	0	4
Nevada	2020	4	0	0	0	0	4
	2021	4	0	0	0	0	4
	2022	4	0	0	0	0	4
New Hampshire	2020	1	0	0	0	0	1
	2021	1	0	0	0	0	1
	2022	1	0	0	0	0	1
New Jersey	2020	42	1	0	2	0	41
	2021	41	3	0	3	0	41
	2022	41	5	0	1	0	45
New Mexico	2020	9	0	0	0	0	9
	2021	9	1	0	0	0	10
	2022	10	0	0	0	0	10
New York	2020	50	3	0	4	0	49
	2021	49	3	0	1	0	51
	2022	51	1	0	0	0	52
North Carolina	2020	33	1	0	0	0	34
	2021	34	2	0	0	0	36
	2022	36	0	0	3	0	33
Ohio	2020	47	0	0	0	0	47
	2021	47	1	0	0	0	48
	2022	48	1	0	0	0	49
Oklahoma	2020	14	0	0	0	0	14
	2021	14	0	0	0	0	14
	2022	14	0	0	0	0	14
Oregon	2020	17	0	0	1	0	16
	2021	16	0	0	1	0	15
	2022	15	0	0	0	0	15
Pennsylvania	2020	40	1	0	2	0	39
	2021	39	3	0	1	0	41
	2022	41	0	0	5	0	36
Rhode Island	2020	4	0	0	0	0	4
	2021	4	1	0	1	0	4
	2022	4	0	0	0	0	4
South Carolina	2020	12	0	0	0	0	12
	2021	12	1	0	0	0	13
	2022	13	1	0	0	0	14
Tennessee	2020	17	0	1	0	0	18
	2021	18	0	0	0	0	18
	2022	18	2	0	0	0	20
Texas	2020	99	2	0	1	0	100
	2021	100	12	2	2	0	112
	2022	112	11	0	1	0	122

State	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired from Franchisee	Outlets Closed	Outlets Sold to Franchisees	Outlets at Year End
Vermont	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
Virginia	2020	37	0	0	3	0	34
	2021	34	1	0	0	0	35
	2022	35	1	0	0	0	35
Washington	2020	30	0	0	2	0	28
	2021	28	0	0	1	0	27
	2022	27	0	0	0	0	27
West Virginia	2020	2	0	0	0	0	2
	2021	2	0	0	0	0	2
	2022	2	0	0	0	0	2
Wisconsin	2020	9	0	0	0	0	9
	2021	9	0	0	0	0	9
	2022	9	0	0	0	0	9
Wyoming	2020	4	0	0	0	0	4
	2021	4	0	0	0	0	4
	2022	4	0	0	0	0	4
TOTAL OUTLETS	2020	1,124	29	2	30	0	1,124
	2021	1,124	47	6	16	0	1,161
	2022	1,161	42	0	19	0	1172

¹ All figures are as of December 31 for that year.

**TABLE NO. 5
PROJECTED NEW FRANCHISED OUTLETS AS OF DECEMBER 31, 2022**

State	Franchise Agreements Signed But Outlets Not Opened	Projected New Franchised Outlets in the Next Fiscal Year (2023)	Projected New Company-Owned Outlets in the Next Fiscal Year (2023)
TOTALS	0	0	0

Note: Southern California and Las Vegas are developed under subfranchise or master distribution agreements between Budget and a master distributor/subfranchisor, and any franchising done in these areas is done by master distributors/subfranchisors. These numbers do not reflect projections for franchise development by master distributors/subfranchisors.

The Budget Franchise owners as of December 31, 2022, and the addresses of their outlets, are listed in **Exhibit E**. **Exhibit F** lists the names and home addresses of franchisees who had their Budget License Agreements terminated, cancelled, or not renewed, or who otherwise voluntarily or involuntarily ceased to do business under the Budget License Agreement, during 2022. **Exhibit F** also lists the names and home addresses of franchisees who have not been in communication with Budget within 10 weeks of the date of this disclosure document. If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

In some instances, current and former franchisees sign provisions restricting their ability to speak openly about their experience with Budget. You may wish to speak with current and former franchisees, but be aware that not all of those franchisees will be able to communicate with you.

As of the date of this disclosure document, no independent franchisee organizations have asked to be included in this disclosure document.

ITEM 21 FINANCIAL STATEMENTS

Exhibit G includes the audited consolidated balance sheets of Avis Budget Group, Inc. as of December 31, 2021 and 2020, and the related consolidated statements of operations, stockholders' equity, comprehensive income and cash flows for the years ended December 31, 2022, 2021, and 2020 and the related notes of Avis Budget Group, Inc. Avis Budget Group, Inc. guarantees our performance of our obligations under the Budget 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

A copy of the following contracts are included with this disclosure document:

Confidentiality Agreement	Exhibit D
Budget Rent A Car System License Agreement, including Nondisclosure and Noncompetition Agreement	Exhibit H
SBA Addendum	Exhibit H-1
Rental System Agreement	Exhibit I

ITEM 23 RECEIPTS

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

**STATE AGENCIES/AGENTS FOR SERVICE OF
PROCESS**

**LIST OF STATE
AGENCIES/AGENTS
FOR SERVICE OF PROCESS**

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.

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

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

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

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

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

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

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

Franchise Examiner
North Dakota Securities Department
600 East Boulevard Avenue
State Capitol, Fifth Floor, Dept. 414
Bismarck, North Dakota 58505-0510
(701) 328-2910

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

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
8825 N 23rd Avenue, Suite 100
Phoenix, Arizona 85021

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
2101 Arena Blvd.
Sacramento, California 95834
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
1090 Vermont Avenue NW
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
421 West Main 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
110 E Broadway Street
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

North Dakota Securities Department
600 East Boulevard Avenue
State Capitol, 5th Floor
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
2595 Interstate Drive, Suite 103
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
508 Meeting Street
West Columbia, South Carolina 29169

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
209 West Washington 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

LAWS AND REGULATIONS CONCERNING THE CAR RENTAL INDUSTRY

EXHIBIT B

LAWS AND REGULATIONS CONCERNING THE CAR RENTAL INDUSTRY

The types of laws and regulations that specifically apply to the car rental industry are as follows:

Federal

The Americans with Disabilities Act and federal regulations require that hand controls and other accommodations be available for disabled customers. See the Attachment regarding the Americans with Disabilities Act.

The Federal Trade Commission has entered into a series of consent orders with various members of the rental industry (including Budget) prohibiting certain practices. Refer to **Exhibit C**.

The Federal Department of Transportation/Federal Aviation Administration has certain proposed regulations for Disadvantaged Business Enterprises (DBE) at many airports.

The U.S. Department of Transportation Federal Highway Administration requires compliance for Budget rental cars with the Federal Motor Carrier Safety Regulations.

The Federal Environmental Protection Agency requires underground storage tanks to have a method of leak detection and to be upgraded to include corrosion protection and spill and overflow controls, or else replaced or closed.

State

Most states have laws dealing with your financial responsibility as the owner of the vehicles to be rented and the types and proofs of financial responsibility, which must be maintained for the benefit of third parties injured or damages caused by use of your owned vehicles.

Certain states have vicarious liability laws that subject owners of rental vehicles to liability for injuries or damages caused by the tortious acts of renters, even if the owner is not negligent and there is no defect in the car. In certain states, this liability is unlimited.

Customer responsibility laws in certain states limit the amount for which a car rental customer can be held liable for damage to, or loss or theft of, a rented car.

Many states regulate the sale of loss damage waiver, or LDW. LDW is not insurance, but an optional waiver of the renter's responsibility to pay for damage to or loss of the rented vehicle, including loss of use and any related costs and expenses resulting from collision, theft or vandalism. Typical statutes require car rental companies to disclose the terms of the waiver on the front of the rental agreement form, and some statutes regulate the content and price of the waivers.

The National Association of Attorneys General promulgated Guidelines covering certain aspects of

the car rental industry, such as price advertising, prohibiting profiting from repairs, disclosure of collision damage waiver and loss damage waiver provisions, and rate structures (with respect to which charges are includable in rates)

Certain states also have laws:

- requiring that vehicles only be rented to licensed drivers;
- prohibiting age discrimination in car rental and discrimination in renting terms;
- requiring availability of child seats;
- providing for certain surcharges;
- restricting certain rental requirements for cash customers;
- requiring primary insurance liability for third party claims;
- requiring limited licensing for the retail sale of insurance products;
- permitting immobilization or seizure of vehicles for certain actions associated with felonies, drug dealing, soliciting prostitution or other criminal acts;
- restricting the methods of disposal of used oil filters, used oil and other environmentally sensitive materials;
- requiring a certain number of vehicle registrations under the International Registration Plan (IRP);
- requiring licensure as a vehicle dealer and disclosure of vehicle conditions in selling used cars directly to third party consumers;
- requiring certain disclosures to be made on vehicle rental agreements and/or in connection with vehicle rental advertising; and
- regulating the pricing of refueling service charges.

Local and Municipal

Certain local governmental and municipal authorities may have vehicle registration and tax laws applying to the car rental industry and may impose or require collection of surcharges, concession arrangements, taxes and fees.

Certain local governmental and municipal authorities may have parking ticket laws and moving traffic violation laws holding the registered owner and not the renter or operator responsible for fines, penalties and interest.

EXHIBIT B
ANNOUNCEMENT
DEPARTMENT OF JUSTICE
SETTLEMENT AGREEMENT
AMERICAN WITH DISABILITIES ACT

Announcement

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 cars 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.

*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 Civil
Rights Division
U.S. Department of Justice
P.O. Box 66738
Washington, D.C.
(202) 307-0663

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 its 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 its 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 required 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

1134769.1
EXHIBIT B
BUDGET FDD

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

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, financier, 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:

EXHIBIT C
BUDGET FDD
1134770.1

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

EXHIBIT C
BUDGET FDD
1134770.1

**UNITED STATES OF AMERICA
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 be 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 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 though 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

CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement is made and entered into as of _____, 20__ between BUDGET RENT A CAR SYSTEM, INC., a Delaware corporation ("**BUDGET**") and _____, a ("**PROSPECTIVE LICENSEE**").

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

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

WHEREAS, BUDGET will permit inspection of its Operating 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 Operating Manuals, PROSPECTIVE LICENSEE hereby agrees as follows:

1. All information contained in the Operating 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 BUDGET, 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 BUDGET; (b) known to the public prior to PROSPECTIVE LICENSEE'S receipt of such information from BUDGET; (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 BUDGET; 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 BUDGET all copies of the Operating 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 BUDGET irreparable injury. BUDGET will be entitled to injunctive relief without bond to enjoin any actual or threatened conduct in violation of this Agreement. If BUDGET is successful in obtaining enforcement of this Agreement, BUDGET shall also be entitled to recover from PROSPECTIVE LICENSEE any and all attorney's fees, court costs and other expenses incurred by BUDGET 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 BUDGET; 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 BUDGET; 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 BUDGET.

All such Confidentiality Agreements shall be in a form satisfactory of BUDGET, 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 BUDGET.

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 BUDGET to exercise any right hereunder against PROSPECTIVE LICENSEE 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 BUDGET.

PROSPECTIVE LICENSEE

By: _____

Its: _____

Accepted and Acknowledged:

BUDGET RENT A CAR SYSTEM, INC.

By: _____

Its: _____

EXHIBIT E
LIST OF FRANCHISEES

Franchisees as of December 31, 2022

ADDRESS	CITY	STATE	ZIP	PHONE NUMBER	LICENSEE OWNER
5900 MESSER AIRPORT HIGHWAY	BIRMINGHAM	AL	35212	205-322-3596	ROGER GELDER
5344 MESSER AIRPORT HIGHWAY	BIRMINGHAM	AL	35212	205-322-3596	ROGER GELDER
2301 THIRD AVENUE SOUTH	BIRMINGHAM	AL	35233	205-322-3598	ROGER GELDER
450 CAHABA PARK CIRCLE	BIRMINGHAM	AL	35242	205-552-1515	ROGER GELDER
8400 AIRPORT BOULEVARD	MOBILE	AL	36608	251-639-2120	RUSTY BEDSOLE
2455 MICHIGAN AVENUE	MOBILE	AL	36615	251-633-4745	RUSTY BEDSOLE
4445 SELMA HIGHWAY	MONTGOMERY	AL	36108	334-284-5488	BILL HUDGENS
4740 VAUGHN ROAD	MONTGOMERY	AL	36116	334-647-1561	BILL HUDGENS
451-B SOUTHGATE DRIVE	PELHAM	AL	35124	205-988-0188	ROGER GELDER
1702 E MAIN STREET	PRATTVILLE	AL	36066	334-491-2278	BILL HUDGENS
5000 WEST INT'L AIRPORT ROAD	ANCHORAGE	AK	99502	907-243-0150	KENDALL AUTO GROUP
6450 AIRPORT WAY SUITE 6	FAIRBANKS	AK	99709	907-474-0855	KENDALL AUTO GROUP
1873 SHELL SIMMONS DR STE 102	JUNEAU	AK	99801	907-790-1086	KENDALL AUTO GROUP
305 NORTH WILLOW, SUITE 116	KENAI	AK	99611	907-283-4506	KENDALL AUTO GROUP
4161 TONGASS AVENUE	KETCHIKAN	AK	99901	907-225-6003	RUSSELL THOMAS
1000 AIRPORT TERMINAL	KETCHIKAN	AK	99901	907-225-6003	RUSSELL THOMAS
539 WEST VALLEY BOULEVARD	ALHAMBRA	CA	91803	626-576-7171	STONE SHIH
333 EAST OCEAN BOULEVARD	LONG BEACH	CA	90802	562-495-4316	JEFF NEUENSCHWANDER
4100 DONALD DOUGLAS DRIVE	LONG BEACH	CA	90808	562-421-0143	JEFF NEUENSCHWANDER
12541 ROSECRANS AVENUE	NORWALK	CA	90650	562-407-2800	PHIL AREY
2800 BROAD STREET	SAN LUIS OBISPO	CA	93401	805-541-3977	BRIAN MCKIERNAN
9975 AIRPORT DRIVE (SUITE 5)	SAN LUIS OBISPO	CA	93401	805-541-2722	BRIAN MCKIERNAN
1730 SOUTH BROADWAY	SANTA MARIA	CA	93454	805-922-2158	BRIAN MCKIERNAN
3249 TERMINAL DRIVE	SANTA MARIA	CA	93455	805-922-3113	BRIAN MCKIERNAN
140 COURTLAND STREET NE	ATLANTA	GA	30303	678-996-9778	ROGER GELDER
295 AVIATION PARKWAY, STE 144	BRUNSWICK	GA	31525	912-262-9363	ROGER GELDER

ADDRESS	CITY	STATE	ZIP	PHONE NUMBER	LICENSEE OWNER
2300 RENTAL CAR CENTER PARKWAY	COLLEGE PARK	GA	30337	404-530-3000	ROGER GELDER
3446 BUFORD HIGHWAY NORTHWEST	DULUTH	GA	30096	770-814-0153	ROGER GELDER
6952 TARA BOULEVARD	JONESBORO	GA	30236	678-996-9784	ROGER GELDER
437 WEST PIKE STREET	LAWRENCEVILLE	GA	30046	678-996-9787	ROGER GELDER
960 THORNTON ROAD	LITHIA SPRINGS	GA	30122	678-996-9782	ROGER GELDER
8129 COVINGTON HIGHWAY	LITHONIA	GA	30058	678-996-9789	ROGER GELDER
975 COBB PARKWAY SOUTH	MARIETTA	GA	30060	678-996-9786	ROGER GELDER
1092 ROSWELL ROAD	MARIETTA	GA	30062	678-996-9783	ROGER GELDER
5570 JIMMY CARTER BOULEVARD	NORCROSS	GA	30093	678-996-9779	ROGER GELDER
715 HOLCOMB BRIDGE ROAD	ROSWELL	GA	30075	678-996-9788	ROGER GELDER
2960 MAIN STREET W.	SNELLVILLE	GA	30078	678-996-9785	ROGER GELDER
4232 LAVISTA ROAD	TUCKER	GA	30084	678-996-9790	ROGER GELDER
1750 AIRPORT ROAD, SUITE 2	VALDOSTA	GA	31601	229-412-9778	JERRY CLARK
1407 NORTH LINCOLN STREET	GREENSBURG	IN	47240	812-663-8822	TODD ACRA
5040 COUNCIL STREET NORTHEAST	CEDAR RAPIDS	IA	52402	319-294-8400	DAN CALLAHAN
2121 ARTHUR COLLINS PKWY SW	CEDAR RAPIDS	IA	52404	319-366-6434	HAL HART
265 STEVENS DRIVE	IOWA CITY	IA	52240	319-351-4529	WILLIAM WILLIAMSON
1223 EAST 30TH AVENUE	HUTCHINSON	KS	67502	620-259-7447	ROGER GELDER
711 W. 23RD STREET, SUITE 4	LAWRENCE	KS	66046	785-331-2722	ROGER GELDER
1102 NORTH ROGERS ROAD	OLATHE	KS	66062	913-764-4098	ROGER GELDER
7501 WEST SHAWNEE MISSION PKWY	OVERLAND PARK	KS	66202	913-262-2926	ROGER GELDER
7540 WEST 119TH STREET	OVERLAND PARK	KS	66213	913-696-1269	ROGER GELDER
2250 NORTH RIDGE ROAD, STE100	WICHITA	KS	67205	316-729-7979	ROGER GELDER
11716 EAST KELLOGG AVENUE	WICHITA	KS	67207	316-681-0650	ROGER GELDER
1895 MIDFIELD ROAD	WICHITA	KS	67209	316-866-3850	ROGER GELDER
2299 SOUTH AIRPORT ROAD	WICHITA	KS	67209	316-866-3860	ROGER GELDER
1812 SOUTH SENECA STREET	WICHITA	KS	67213	316-239-7000	ROGER GELDER
716 SOUTH HIGHWAY 31 WEST	MULDRAUGH	KY	40155	502-942-2086	TONY MOLITO

ADDRESS	CITY	STATE	ZIP	PHONE NUMBER	LICENSEE OWNER
1535 SOUTH DIXIE	RADCLIFF	KY	40160	270-351-4777	TONY MOLITO
5400 OPERATIONS ROAD	MONROE	LA	71203	318-323-8822	JOE SCOGGIN
5207 MONKHOUSE DRIVE	SHREVEPORT	LA	71109	318-631-1839	JOE SCOGGIN
5103 HOLLYWOOD AVENUE	SHREVEPORT	LA	71109	318-631-7201	JOE SCOGGIN
650 AIRPORT DRIVE	PRESQUE ISLE	ME	04769	207-764-1397	NEAL GRIFFETH
9 OAK BLUFFS AVENUE	OAK BLUFFS	MA	02557	508-693-1911	MIKE WALLACE
45 BEACH ROAD	VINEYARD HAVEN	MA	02568	508-693-1911	MIKE WALLACE
71 AIRPORT RD (MAIN TERMINAL)	VINEYARD HAVEN	MA	02568	508-693-1911	MIKE WALLACE
225 AIRPORT AVENUE	GWINN	MI	49841	906-372-9240	TERRY JOHNSON
2500 MALL DRIVE	DULUTH	MN	55811	218-740-1460	JACK KRENZEN
4535 AIRPORT APPROACH ROAD	DULUTH	MN	55811	218-727-7685	JACK KRENZEN
4701 GRINDEN DRIVE	DULUTH	MN	55811	218-727-7685	JACK KRENZEN
2643 COUNTY ROAD 108	INTL FALLS	MN	56649	218-240-2847	TERRY JOHNSON
1421 GOODMAN ROAD	HORN LAKE	MS	38637	662-990-4092	ROGER GELDER
2763 JACKSON STREET	TUPELO	MS	38801	662-840-3710	ROGER GELDER
7412 NORTH OAK TRAFFIC WAY	GLADSTONE	MO	64118	816-849-3206	ROGER GELDER
1695 SOUTH NOLAND ROAD	INDEPENDENCE	MO	64055	816-254-7990	ROGER GELDER
618 EAST 99TH STREET	KANSAS CITY	MO	64131	816-943-1000	ROGER GELDER
703 LONDON DRIVE	KANSAS CITY	MO	64153	816-243-5757	ROGER GELDER
308 NORTHEAST 291 HIGHWAY	LEES SUMMIT	MO	64086	816-554-9650	ROGER GELDER
2300 NORTH AIRPORT BOULEVARD	SPRINGFIELD	MO	65802	417-831-2661	JEFF NEUENSCHWANDER
1901 TERMINAL CIRCLE	BILLINGS	MT	59105	406-259-4168	ROB DOYLE
290 IZAAK WALTON INN ROAD	ESSEX	MT	59916	406-755-7500	ROB VARILEK
4170 HIGHWAY 2 EAST	KALISPELL	MT	59901	406-755-7500	ROB VARILEK
4170 HIGHWAY 2 EAST	KALISPELL	MT	59901	406-755-5362	ROB VARILEK
2988 US HWY 93 SOUTH	KALISPELL	MT	59901	406-755-7500	ROB VARILEK
5225 HIGHWAY 10 WEST	MISSOULA	MT	59808	406-543-7001	ROB DOYLE
721 AIRPORT ROAD	WEST YELLOWSTONE	MT	59758	406-646-7882	ROB VARILEK

ADDRESS	CITY	STATE	ZIP	PHONE NUMBER	LICENSEE OWNER
803 SPOKANE AVENUE	WHITEFISH	MT	59937	406-862-8170	ROB VARILEK
500 DEPOT STREET	WHITEFISH	MT	59937	406-862-8170	ROB VARILEK
3215 NORTH HWY 281	GRAND ISLAND	NE	68803	308-381-7100	ROGER GELDER
2935 NORTH 27TH STREET	LINCOLN	NE	68521	402-474-2800	ROGER GELDER
2400 WEST ADAMS STREET	LINCOLN	NE	68524	402-474-2800	ROGER GELDER
1755 EAST LOCUST STREET	OMAHA	NE	68110	402-348-0455	ROGER GELDER
4501 ABBOTT DRIVE	OMAHA	NE	68110	402-348-0455	ROGER GELDER
11625 WEST DODGE ROAD	OMAHA	NE	68154	402-334-2734	ROGER GELDER
183 NORTH GIBSON ROAD	HENDERSON	NV	89014	702-790-2603	TOM MALLO
129 EAST FREMONT STREET	LAS VEGAS	NV	89101	702-568-2212	TOM MALLO
4475 WEST TROPICANA	LAS VEGAS	NV	89103	702-730-0133	TOM MALLO
4475 WEST TROPICANA AVENUE	LAS VEGAS	NV	89103	702-362-8668	TOM MALLO
3255 EAST SAHARA AVENUE	LAS VEGAS	NV	89104	702-749-9227	TOM MALLO
3049 S LAS VEGAS BLVD STE 25N	LAS VEGAS	NV	89109	702-568-2241	TOM MALLO
7135 GILESPIE STREET	LAS VEGAS	NV	89119	702-736-1212	TOM MALLO
NELLIS AFB	LAS VEGAS	NV	89191	702-736-1212	TOM MALLO
9232 WEST SAHARA AVENUE	LAS VEGAS	NV	89117	702.749.9231	TOM MALLO
3120 LOSEE ROAD	NORTH LAS VEGAS	NV	89030	702-568-2229	TOM MALLO
3120 LOSEE ROAD	NORTH LAS VEGAS	NV	89030	702-568-2229	TOM MALLO
94 EAST HOLLIS STREET	NASHUA	NH	03060	603-883-5650	LARRY PADOLSKY
225 RT 202	BASKING RIDGE	NJ	7920	908-204-0707	SOLOMON CRAMER
400 NORTH BRIDGE STREET	BRIDGEWATER	NJ	08807	732-356-1269	SOLOMON CRAMER
835 ROOSEVELT AVE	CARTERET	NJ	07008	732-352-0924	SOLOMON CRAMER
3 TOWER CENTER BOULEVARD	EAST BRUNSWICK	NJ	08816	732-659-6224	SOLOMON CRAMER
550 ROUTE ONE NORTH	EDISON	NJ	08817	732-572-2112	SOLOMON CRAMER
250 Highway 202	FLEMINGTON	NJ	08822	908-782-2479	SOLOMON CRAMER
220 WEST STIGER STREET	HACKETTSTOWN	NJ	07840	908-684-0044	SOLOMON CRAMER
574 ROUTE 46 EAST	KENVIL	NJ	07847	973-252-1440	SOLOMON CRAMER

ADDRESS	CITY	STATE	ZIP	PHONE NUMBER	LICENSEE OWNER
1271 US HIGHWAY 22 SUITE E7	LEBANON	NJ	08833	908-437-0379	SOLOMON CRAMER
2419 EAST EDGAR ROAD ROUTE 1	LINDEN	NJ	07036	908-925-5005	SOLOMON CRAMER
332 US HIGHWAY 46 WEST	LITTLE FERRY	NJ	07643	201-440-2674	SOLOMON CRAMER
332 US HIGHWAY 46 WEST	LITTLE FERRY	NJ	07643	732-752-6800	SOLOMON CRAMER
112 EISENHOWER PARKWAY	LIVINGSTON	NJ	07039	973-994-2944	SOLOMON CRAMER
575 VALLEY ROAD	MONTCLAIR	NJ	07043	973-746-2446	SOLOMON CRAMER
315 EAST HANOVER AVE	MORRISTOWN	NJ	07960	973-538-8778	SOLOMON CRAMER
51 US HIGHWAY 1	NEW BRUNSWICK	NJ	08901	732-937-8118	SOLOMON CRAMER
548 ROUTE 22 EAST	NORTH PLAINFIELD	NJ	07060	908-561-3150	SOLOMON CRAMER
379 PARSIPPANY ROAD	PARSIPPANY	NJ	07054	973-240-1160	SOLOMON CRAMER
1354 STELTON ROAD	PISCATAWAY	NJ	08854	732-653-7300	SOLOMON CRAMER
565 ROUTE 17 SOUTH	RIDGEWOOD	NJ	07450	201-652-8022	SOLOMON CRAMER
41 JOHN F KENNEDY PARKWAY	SHORT HILLS	NJ	07078	973-258-0044	SOLOMON CRAMER
195 DAVIDSON AVENUE	SOMERSET	NJ	08873	732-560-0763	SOLOMON CRAMER
275 ROUTE 22 EAST	SPRINGFIELD	NJ	07081	973-232-6086	SOLOMON CRAMER
570 SPRINGFIELD AVENUE	SUMMIT	NJ	07901	908-277-0330	SOLOMON CRAMER
343 SOUTH AVENUE EAST	WESTFIELD	NJ	07090	908-928-0288	SOLOMON CRAMER
2801 32ND AVENUE NW	FARGO	ND	58102	701-241-1575	BERNIE NESS
301 40TH STREET SOUTHWEST	FARGO	ND	58103	701-478-0189	BERNIE NESS
4612 JONESTOWN ROAD	HARRISBURG	PA	17109	717-652-2222	SOLOMON CRAMER
805 PLAZA BOULEVARD	LANCASTER	PA	17601	717-394-3969	SOLOMON CRAMER
500 AIRPOR ROAD SUITE K	LITITZ	PA	17543	717-569-3185	SOLOMON CRAMER
6948 CARLISLE PIKE	MECHANICSBURG	PA	17050	717-766-3047	SOLOMON CRAMER
2 TERMINAL DRIVE	MIDDLETOWN	PA	17057	717-948-3720	SOLOMON CRAMER
1998 WEST HARRISBURG PIKE	MIDDLETOWN	PA	17057	717-944-0484	SOLOMON CRAMER
1998 WEST HARRISBURG PIKE	MIDDLETOWN	PA	17057	717-944-0484	SOLOMON CRAMER
1998 WEST HARRISBURG PIKE	MIDDLETOWN	PA	17057	717-944-0484	SOLOMON CRAMER
1998 WEST HARRISBURG PIKE	MIDDLETOWN	PA	17057	717-944-0484	SOLOMON CRAMER

ADDRESS	CITY	STATE	ZIP	PHONE NUMBER	LICENSEE OWNER
2493 FOX HILL ROAD	STATE COLLEGE	PA	16803	814-237-9750	SOLOMON CRAMER
2008 NORTH GEORGE STREET	YORK	PA	17404	717-478-4942	SOLOMON CRAMER
3010 AVIATION WAY	WEST COLUMBIA	SC	29170	803-822-8346	BILL HUDGENS
3800 AIRPORT ROAD	PIERRE	SD	57501	605-224-8099	ROB VARILEK
4550 TERMINAL ROAD, SUITE 116	RAPID CITY	SD	57703	605-393-0488	MARK MCKIE
2801 JAYCEE LANE NORTH	SIOUX FALLS	SD	57104	605-336-0796	MARK MCKIE
2416 BOEING AVE	WATERTOWN	SD	57201	605-753-0988	ROB VARILEK
420 S. GERMANTOWN PKWY, STE120	CORDOVA	TN	38018	901-737-1077	ROGER GELDER
2842 POPLAR AVENUE	MEMPHIS	TN	38111	901-969-0956	ROGER GELDER
2491 WINCHESTER ROAD	MEMPHIS	TN	38116	901-332-2222	ROGER GELDER
5133 POPLAR	MEMPHIS	TN	38117	901-398-8888	ROGER GELDER
7171 STAGE ROAD, HIGHWAY 64	MEMPHIS	TN	38133	901-398-8888	ROGER GELDER
1034 SOUTH JUDGE ELY	ABILENE	TX	79602	325-677-7777	LES/LOIS CURREY
4515 MCCARTY BOULEVARD	AMARILLO	TX	79110	806-355-3324	LES/LOIS CURREY
10800 AIRPORT BOULEVARD	AMARILLO	TX	79111	806-335-2812	LES/LOIS CURREY
700 SOUTH MINNESOTA	BROWNSVILLE	TX	78520	956-546-5119	E.M. PAYNE (BUD)
3210 EAST GRIMES STREET	HARLINGEN	TX	78550	956-507-4003	E.M. PAYNE (BUD)
1606 EAST REGIS STREET	LUBBOCK	TX	79403	806-763-1661	LES/LOIS CURREY
1606 EAST REGIS STREET	LUBBOCK	TX	79403	806-763-6471	LES/LOIS CURREY
1701 WEST EXPRESSWAY 83	MCALLEN	TX	78503	956-686-5394	E.M. PAYNE (BUD)
632 WEST MAIN STREET	AMERICAN FORK	UT	84003	801-736-4695	ROGER GELDER
2560 WEST AVIATION WAY STE 1	CEDAR CITY	UT	84721	435-867-9898	ROGER GELDER
5443 SOUTH COMMERCE DRIVE	MURRAY	UT	84107	801-261-1116	ROGER GELDER
3664 RIVERDALE ROAD	OGDEN	UT	84405	801-334-7715	ROGER GELDER
45 WEST UNIVERSITY PARKWAY	OREM	UT	84058	801-377-9300	ROGER GELDER
3421 MIKE JENSE PARKWAY	PROVO	UT	84601	801-377-9313	ROGER GELDER
4550 SOUTH AIRPORT PARKWAY	SAINT GEORGE	UT	84790	435-673-6825	ROGER GELDER
235 WEST 500 SOUTH	SALT LAKE CITY	UT	84101	801-322-5582	ROGER GELDER

ADDRESS	CITY	STATE	ZIP	PHONE NUMBER	LICENSEE OWNER
641 NORTH 3800 WEST	SALT LAKE CITY	UT	84116	801-575-2500	ROGER GELDER
303 N 2370 W	SALT LAKE CITY	UT	84116	801-736-4689	ROGER GELDER
3595 W SOUTH JORDAN PARKWAY	SOUTH JORDAN	UT	84095	801-736-4690	ROGER GELDER
58 NORTH 700 EAST	ST GEORGE	UT	84770	435-652-8542	ROGER GELDER
4310 WEST 3500 SOUTH	WEST VALLEY CITY	UT	84120	801-736-4687	ROGER GELDER
111 EAST 8TH STREET	PORT ANGELES	WA	98362	360-452-4774	JACK HECKMAN
111 EAST 8TH STREET	PORT ANGELES	WA	98362	360-452-4774	JACK HECKMAN
111 EAST 8TH STREET	PORT ANGELES	WA	98362	360-452-4774	JACK HECKMAN
1406 FAIRCHILD AIRPORT ROAD	PORT ANGELES	WA	98363	360-452-4774	JACK HECKMAN
2300 WEST WASHINGTON AVE STE 7	YAKIMA	WA	98903	509-248-6767	PAT CAREY
1608 EAST WISCONSIN AVENUE	APPLETON	WI	54911	920-730-7560	BILL WALLSCHLAEGER
NORTH 755 COMMUNICATION DRIVE	APPLETON	WI	54914	920-730-7800	BILL WALLSCHLAEGER
W6395 CHALLENGER DR	APPLETON	WI	54914	920-733-9800	BILL WALLSCHLAEGER
W6400 CHALLENGER DRIVE	APPLETON	WI	54914	920-738-3034	BILL WALLSCHLAEGER
1760 VELD AVE SUITE B	GREEN BAY	WI	54303	920-283-4681	BILL WALLSCHLAEGER
2131 AIRPORT DRIVE	GREEN BAY	WI	54313	920-499-1000	BILL WALLSCHLAEGER
2077 AIRPORT DRIVE	GREEN BAY	WI	54313	920-499-1000	BILL WALLSCHLAEGER
1136 EAST WASHINGTON AVENUE	MADISON	WI	53703	608-251-2181	BILL WALLSCHLAEGER
2320 DARWIN ROAD	MADISON	WI	53704	608-242-0429	BILL WALLSCHLAEGER
4000 INTERNATIONAL LANE	MADISON	WI	53704	608-249-5544	BILL WALLSCHLAEGER
151 CWA DRIVE SUITE 120	MOSINEE	WI	54455	715-693-6991	BILL WALLSCHLAEGER
3375 AIRPORT ROAD	RHINELANDER	WI	54501	715-365-3436	BILL WALLSCHLAEGER
2101 ROGER SEDAM DRIVE	CODY	WY	82414	307-587-6066	ROB VARILEK
908 WEST BRUNDAGE LANE #103	SHERIDAN	WY	82801	307-673-1240	ROB VARILEK

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

EXHIBIT F

**LIST OF FORMER FRANCHISEES AND FRANCHISEES WHO HAVE NOT BEEN IN
COMMUNICATION WITH BUDGET**

as of December 31, 2022

ALASKA

David Blewett*
PO Box 201669
Anchorage, AK 99520
(907) 243-0150
(Three Locations)

NEVADA

Tom Mallo*
183 North Gibson Road, Suite 120
Henderson, NV 89014
(702) 730-0111

NEW JERSEY

Larry Harding**
1570 South Washington Avenue
Piscataway, NJ 08855
(732) 752-6800
(25 Locations transferred to Solomon Cramer)

TENNESSEE

Roger Gelder*
1110 Northchase Parkway #200
Marietta, GA 30067
(770) 240-3307

UTAH

Roger Gelder*
1110 Northchase Parkway #200
Marietta, GA 30067
(770) 240-3307

*indicates franchisee with open and operating units

**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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Consolidated Statements of Operations for the years ended December 31, 2022, 2021 and 2020	<u>5</u>
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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, 2022 and 2021, 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, 2022, 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, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022, 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 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 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 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 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 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 the mathematical accuracy of the Company's calculation of the estimated residual values and vehicle depreciation expense rates.
 - 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, subsequent vehicle sales, 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, 2022 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.

/s/ DELOITTE & TOUCHE LLP
New York, New York
February 16, 2023

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,		
	2022	2021	2020
Revenues	\$ 11,994	\$ 9,313	\$ 5,402
Expenses			
Operating	5,285	4,255	3,322
Vehicle depreciation and lease charges, net	828	1,197	1,368
Selling, general and administrative	1,348	1,145	703
Vehicle interest, net	402	313	318
Non-vehicle related depreciation and amortization	225	272	286
Interest expense related to corporate debt, net:			
Interest expense	250	218	231
Early extinguishment of debt	—	136	9
Restructuring and other related charges	19	64	118
Transaction-related costs, net	8	5	3
Other (income) expense, net	(7)	—	—
Total expenses	<u>8,358</u>	<u>7,605</u>	<u>6,358</u>
Income (loss) before income taxes	3,636	1,708	(956)
Provision for (benefit from) income taxes	880	425	(272)
Net income (loss)	<u>2,756</u>	<u>1,283</u>	<u>(684)</u>
Less: net loss attributable to non-controlling interests	(8)	(2)	—
Net income (loss) attributable to Avis Budget Group, Inc.	<u>\$ 2,764</u>	<u>\$ 1,285</u>	<u>\$ (684)</u>
Earnings (loss) per share			
Basic	\$ 58.41	\$ 19.79	\$ (9.71)
Diluted	\$ 57.16	\$ 19.44	\$ (9.71)

See Notes to Consolidated Financial Statements.

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

	Year Ended December 31,		
	2022	2021	2020
Net income (loss)	\$ 2,756	\$ 1,283	\$ (684)
Less: net loss attributable to non-controlling interests	(8)	(2)	—
Net income (loss) attributable to Avis Budget Group, Inc.	<u>2,764</u>	<u>1,285</u>	<u>(684)</u>
Other comprehensive income (loss), net of tax			
Currency translation adjustments:			
Currency translation adjustments, net of tax of \$(11), \$(20) and \$23, respectively	(46)	\$ (35)	\$ 33
Reclassification of currency translation adjustments to earnings	—	11	(2)
Cash flow hedges:			
Net unrealized holding gains (losses), net of tax of \$(20), \$(6), and \$14, respectively	57	18	(39)
Reclassification of cash flow hedges to earnings, net of tax of \$(2), \$(5), and \$(3), respectively	7	14	8
Minimum pension liability adjustment:			
Pension and post-retirement benefits, net of tax of \$(4), \$(13), and \$12, respectively	11	39	(36)
Reclassification of pension and post-retirement benefits to earnings, net of tax of \$(2), \$(2), and \$(3), respectively	3	7	6
	<u>32</u>	<u>54</u>	<u>(30)</u>
Total comprehensive income (loss) attributable to Avis Budget Group, Inc.	<u>\$ 2,796</u>	<u>\$ 1,339</u>	<u>\$ (714)</u>

See Notes to Consolidated Financial Statements.

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

	As of December 31,	
	2022	2021
Assets		
Current assets:		
Cash and cash equivalents	\$ 570	\$ 534
Receivables (net of allowance for doubtful accounts of \$86 and \$84, respectively)	810	775
Other current assets	506	538
Total current assets	<u>1,886</u>	<u>1,847</u>
Property and equipment, net	594	537
Operating lease right-of-use assets	2,405	2,368
Deferred income taxes	1,379	1,615
Goodwill	1,070	1,108
Other intangibles, net	666	724
Other non-current assets	499	382
Total assets exclusive of assets under vehicle programs	<u>8,499</u>	<u>8,581</u>
Assets under vehicle programs:		
Program cash	70	89
Vehicles, net	15,961	12,866
Receivables from vehicle manufacturers and other	421	222
Investment in Avis Budget Rental Car Funding (AESOP) LLC—related party	976	842
	<u>17,428</u>	<u>14,019</u>
Total assets	<u>\$ 25,927</u>	<u>\$ 22,600</u>
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable and other current liabilities	\$ 2,547	\$ 2,389
Short-term debt and current portion of long-term debt	27	19
Total current liabilities	<u>2,574</u>	<u>2,408</u>
Long-term debt	4,644	3,990
Long-term operating lease liabilities	1,884	1,910
Other non-current liabilities	554	625
Total liabilities exclusive of liabilities under vehicle programs	<u>9,656</u>	<u>8,933</u>
Liabilities under vehicle programs:		
Debt	2,534	2,542
Debt due to Avis Budget Rental Car Funding (AESOP) LLC—related party	11,275	8,848
Deferred income taxes	2,754	2,242
Other	408	244
	<u>16,971</u>	<u>13,876</u>
Commitments and contingencies (Note 15)		
Stockholders' equity:		
Preferred stock, \$.01 par value—authorized 10 shares; none issued and outstanding	—	—
Common stock, \$.01 par value—authorized 250 shares; issued 137 shares, respectively	1	1
Additional paid-in capital	6,666	6,676
Retained earnings (accumulated deficit)	2,579	(185)
Accumulated other comprehensive loss	(101)	(133)
Treasury stock, at cost 98 and 81 shares, respectively	(9,848)	(6,579)
Stockholders' equity attributable to Avis Budget Group, Inc.	<u>(703)</u>	<u>(220)</u>
Non-controlling interests	3	11
Total stockholders' equity	<u>(700)</u>	<u>(209)</u>
Total liabilities and stockholders' equity	<u>\$ 25,927</u>	<u>\$ 22,600</u>

See Notes to Consolidated Financial Statements.

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

	Year Ended December 31,		
	2022	2021	2020
Operating activities			
Net income (loss)	\$ 2,756	\$ 1,283	\$ (684)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Vehicle depreciation	1,709	1,402	1,330
Amortization of right-of-use assets	877	806	945
(Gain) loss on sale of vehicles, net	(1,019)	(361)	(157)
Non-vehicle related depreciation and amortization	225	272	286
Deferred income taxes	682	378	(317)
Stock-based compensation	25	30	9
Amortization of debt financing fees	34	33	33
Early extinguishment of debt costs	—	136	9
Net change in assets and liabilities:			
Receivables	(97)	(143)	115
Income taxes	6	(28)	1
Accounts payable and other current liabilities	217	414	(181)
Operating lease liabilities	(879)	(801)	(936)
Other, net	171	70	238
Net cash provided by operating activities	<u>4,707</u>	<u>3,491</u>	<u>691</u>
Investing activities			
Property and equipment additions	(246)	(108)	(94)
Proceeds received on asset sales	2	3	6
Net assets acquired (net of cash acquired)	(3)	(46)	(69)
Other, net	(33)	(3)	—
Net cash used in investing activities exclusive of vehicle programs	<u>(280)</u>	<u>(154)</u>	<u>(157)</u>
<i>Vehicle programs:</i>			
Investment in vehicles	(10,491)	(10,054)	(5,401)
Proceeds received on disposition of vehicles	6,606	4,077	8,753
Investment in debt securities of Avis Budget Rental Car Funding (AESOP)—related party	(439)	(367)	(286)
Proceeds from debt securities of Avis Budget Rental Car Funding (AESOP)—related party	305	192	268
	<u>(4,019)</u>	<u>(6,152)</u>	<u>3,334</u>
Net cash provided by (used in) investing activities	<u>(4,299)</u>	<u>(6,306)</u>	<u>3,177</u>

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

	Year Ended December 31,		
	2022	2021	2020
Financing activities			
Proceeds from long-term borrowings	\$ 729	\$ 1,100	\$ 991
Payments on long-term borrowings	(24)	(1,354)	(308)
Net change in short-term borrowings	(1)	1	—
Debt financing fees	(7)	(24)	(26)
Proceeds from issuance of common stock	—	—	15
Repurchases of common stock	(3,329)	(1,460)	(119)
Contributions from non-controlling interests	40	38	—
Net cash provided by (used in) financing activities exclusive of vehicle programs	<u>(2,592)</u>	<u>(1,699)</u>	<u>553</u>
<i>Vehicle programs:</i>			
Proceeds from borrowings	17,419	14,467	13,558
Payments on borrowings	(15,160)	(10,056)	(18,138)
Debt financing fees	(27)	(25)	(18)
	<u>2,232</u>	<u>4,386</u>	<u>(4,598)</u>
Net cash provided by (used in) financing activities	<u>(360)</u>	<u>2,687</u>	<u>(4,045)</u>
Effect of changes in exchange rates on cash and cash equivalents, program and restricted cash	(32)	(11)	42
Net increase (decrease) in cash and cash equivalents, program and restricted cash	16	(139)	(135)
Cash and cash equivalents, program and restricted cash, beginning of period	626	765	900
Cash and cash equivalents, program and restricted cash, end of period	<u>\$ 642</u>	<u>\$ 626</u>	<u>\$ 765</u>
Supplemental disclosure			
Interest payments	\$ 543	\$ 509	\$ 503
Income tax payments, net	\$ 192	\$ 75	\$ 44

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 at January 1, 2020	137.1	\$ 1	\$ 6,741	\$ (785)	\$ (157)	(63.2)	\$ (5,144)	\$ 656	\$ —	\$ 656
Cumulative effect of accounting change		—	—	(1)	—		—	(1)	—	(1)
Comprehensive loss:										
Net loss	—	—	—	(884)	—	—	—	—	—	(884)
Other comprehensive loss	—	—	—	—	(30)	—	—	—	—	(30)
Total comprehensive loss				(884)	(30)			(714)	—	(714)
Non-controlling interests	—	—	(2)	—	—	—	—	(2)	—	(2)
Net activity related to restricted stock units	—	—	(50)	—	—	0.5	54	4	—	4
Activity related to employee stock purchase plan	—	—	(1)	—	—	—	1	—	—	—
Issuance of common stock	—	—	(20)	—	—	0.4	35	15	—	15
Repurchases of common stock	—	—	—	—	—	(5.0)	(113)	(113)	—	(113)
Balance at December 31, 2020	137.1	\$ 1	\$ 6,668	\$ (1,470)	\$ (187)	(67.3)	\$ (5,167)	\$ (155)	\$ —	\$ (155)
Comprehensive income:										
Net income	—	—	—	1,285	—	—	—	—	(2)	1,283
Other comprehensive income	—	—	—	—	54	—	—	—	—	54
Total comprehensive income				1,285	54			1,339	(2)	1,337
Contributions from non-controlling interests	—	—	25	—	—	—	—	25	13	38
Net activity related to restricted stock units	—	—	(17)	—	—	0.4	31	14	—	14
Repurchases of common stock	—	—	—	—	—	(14.3)	(1,443)	(1,443)	—	(1,443)
Balance at December 31, 2021	137.1	\$ 1	\$ 6,676	\$ (185)	\$ (133)	(81.2)	\$ (6,579)	\$ (220)	\$ 11	\$ (209)
Comprehensive income:										
Net income	—	—	—	2,764	—	—	—	2,764	(8)	2,756
Other comprehensive income	—	—	—	—	32	—	—	32	—	32
Total comprehensive income				2,764	32			2,796	(8)	2,788
Contributions from non-controlling interests	—	—	24	—	—	—	—	24	—	24
Net activity related to restricted stock units	—	—	(34)	—	—	0.3	(2)	(36)	—	(36)
Repurchases of common stock	—	—	—	—	—	(16.7)	(3,267)	(3,267)	—	(3,267)
Balance at December 31, 2022	137.1	\$ 1	\$ 6,666	\$ 2,579	\$ (101)	(97.6)	\$ (9,848)	\$ (703)	\$ 3	\$ (700)

See Notes to Consolidated Financial Statements.

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 since 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 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 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 a customer is relieved from financial responsibility arising from vehicle damage incurred during the rental; products and services for driving convenience such as fuel service options, roadside safety net, electronic toll collection,

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tablet rentals, access to satellite radio, portable navigation units and child safety seat rentals; and rentals of other supplemental items including automobile towing equipment and other moving accessories and supplies. 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 gasoline, 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 approximately \$165 million, \$127 million and \$159 million for the years ended December 31, 2022, 2021 and 2020, respectively.

The following table presents our revenues disaggregated by geography:

	Year Ended December 31,		
	2022	2021	2020
Americas	\$ 9,474	\$ 7,557	\$ 3,965
Europe, Middle East and Africa	1,927	1,400	1,127
Asia and Australasia	593	356	310
Total revenues	<u>\$ 11,994</u>	<u>\$ 9,313</u>	<u>\$ 5,402</u>

The following table presents our revenues disaggregated by brand:

	Year Ended December 31,		
	2022	2021	2020
Avis	\$ 6,519	\$ 4,894	\$ 2,961
Budget	4,701	3,715	1,908
Other	774	704	533
Total revenues	<u>\$ 11,994</u>	<u>\$ 9,313</u>	<u>\$ 5,402</u>

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. Currently loyalty points expire 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:

	Year Ended December 31,	
	2022	2021
Balance, January 1	\$ 50	\$ 34
Revenue deferred	52	49
Revenue recognized	(41)	(33)
Balance, December 31	<u>\$ 61</u>	<u>\$ 50</u>

At December 31, 2022 and 2021, \$15 million and \$33 million was included in accounts payable and other current liabilities, respectively, and \$46 million and \$17 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,	
	2022	2021
Cash and cash equivalents	\$ 570	\$ 534
Program cash	70	89
Restricted cash ^(a)	2	3
Total cash and cash equivalents, program and restricted cash	<u>\$ 642</u>	<u>\$ 626</u>

^(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	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 \$174 million and \$188 million as of December 31, 2022 and 2021, 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.

Impairment of Long-Lived Assets

We are required to assess long-lived assets for impairment whenever circumstances indicate impairment may have occurred. This analysis is performed by comparing the respective carrying values of the assets to the undiscounted expected future cash flows to be generated from such assets. Property and equipment is evaluated separately at the lowest level of identifiable cash flows. If such analysis indicates that the carrying value of these assets is not recoverable, the carrying value of such assets is reduced to fair value.

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 \$1 million, \$1 million and \$12 million for 2022, 2021 and 2020, respectively.

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 2022, 2021 and 2020, advertising costs were approximately \$64 million, \$81 million and \$54 million, respectively. In addition, during 2022, 2021 and 2020, digital marketing costs were approximately \$71 million, \$44 million and \$37 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.

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 discloses 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, accounts receivable, program cash and accounts payable and accrued 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 gasoline 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 \$391 million and \$383 million of liabilities associated with retained risks of liability to third parties as of December 31, 2022 and 2021, 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, 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. These amounts are included within accounts payable and other current liabilities and other non-current liabilities.

The Consolidated Balance Sheets also include liabilities of approximately \$53 million and \$48 million as of December 31, 2022 and 2021, 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 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 comparable expenses, 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, 2022 and 2021, we had investments with a carrying value of \$77 million and \$72 million, respectively, recorded within other non-current assets on the Consolidated Balance Sheets.

Aggregate realized gains and losses on equity investments and dividend income are recorded within operating expenses on the Consolidated Statements of Operations. During 2022, 2021 and 2020, the amounts realized from the sale of equity investments and dividend income was \$12 million, \$10 million and \$5 million, respectively. 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 assesses 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.

In February 2022, we completed the sale of our operations in the United States Virgin Islands for \$13 million, for the right to operate the Avis brand. During the year ended December 31, 2022, we recorded a gain of \$2 million within restructuring and other related charges.

In December 2021, we entered into a stock purchase agreement with Spuigroep B.V. to sell our operations in the Netherlands. In March 2022, we completed the sale of our operations in the Netherlands for \$15 million, subject to working capital adjustments, for the right to operate the Avis and Budget brands. During the year ended December 31, 2022, we recorded a loss of \$7 million, net of impact of foreign currency adjustments, within restructuring and other related charges. The Netherlands operations are reported within our International reporting segment.

In May 2021, we completed the sale of our operation in Argentina to Urbiz S.A. for \$4 million. As part of the sale, Urbiz S.A. agreed to pay the purchase price, plus interest, over two years for the right to operate the Avis and Budget brands. During the year ended December 31, 2021, we recorded a loss of \$14 million, net of the impact of foreign currency adjustments, within restructuring and other related charges. In addition, we paid severance to terminated employees of \$2 million.

Variable Interest Entity ("VIE")

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. See Note 17 – Related Party Transactions for our VIE investment in our former subsidiary.

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, 2022 and 2021, 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, 2022, 2021 or 2020.

Recently Issued Accounting Pronouncements

Accounting for Contract Assets and Contract Liabilities from Contracts with Customers

In October 2021, the FASB issued ASU 2021-08, "Accounting for Contract Assets and Contract Liabilities from Contracts with Customers," which amends Topic 805 to add contract assets and contract liabilities to the list of exceptions to the recognition and measurement principles that apply to business combinations and to require an acquirer to recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with Topic 606. ASU 2021-08 becomes effective for us on January 1, 2023. Early adoption is permitted on a retrospective or prospective basis. The adoption of this accounting pronouncement is not expected to have a material impact on our Consolidated Financial Statements.

Reference Rate Reform

In January 2021, the FASB issued ASU 2021-01, "Reference Rate Reform (Topic 848)," which amends ASU 2020-04 and clarifies the scope and guidance of Topic 848 to allow derivatives impacted by the reference rate reform to qualify for certain optional expedients and exceptions for contract modifications and hedge accounting. The guidance is optional and is effective for a limited period of time through December 31, 2022. As of December 31, 2022, this guidance had no impact on our Consolidated Financial Statements and we will continue to evaluate this guidance.

3. Leases

Lessor

The following table presents our lease revenues disaggregated by geography:

	Year Ended December 31,		
	2022	2021	2020
Americas	\$ 9,401	\$ 7,501	\$ 3,864
Europe, Middle East and Africa	1,852	1,343	1,080
Asia and Australasia	576	342	299
Total lease revenues	\$ 11,829	\$ 9,186	\$ 5,243

The following table presents our lease revenues disaggregated by brand:

	Year Ended December 31,		
	2022	2021	2020
Avis	\$ 6,420	\$ 4,828	\$ 2,851
Budget	4,650	3,674	1,878
Other	759	684	514
Total lease revenues	\$ 11,829	\$ 9,186	\$ 5,243

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 ROU 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, 2022 and 2021, we have guaranteed up to \$65 million and \$102 million, respectively, of residual values for these vehicles 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,		
	2022	2021	2020
Property leases ^(a)			
Operating lease expense	\$ 703	\$ 561	\$ 575
Variable lease expense	520	433	152
Sublease income	(5)	(6)	(6)
Total property lease expense	\$ 1,218	\$ 988	\$ 721
Vehicle leases			
Finance lease expense:			
Amortization of ROU assets ^(b)	\$ 29	\$ 37	\$ 33
Interest on lease liabilities ^(c)	3	4	3
Operating lease expense ^(b)	138	156	195
Total vehicle lease expense	\$ 170	\$ 197	\$ 231

^(a) Primarily included in operating expenses and includes \$(9) million, \$(2) million and \$60 million of minimum annual guaranteed rent in excess of concession fees as defined in our rental concession agreement for the years ended December 31, 2022, 2021 and 2020, respectively.

^(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,	
	2022	2021
Property leases		
Operating lease ROU assets	\$ 2,405	\$ 2,368
Short-term operating lease liabilities ^(a)	\$ 555	\$ 496
Long-term operating lease liabilities	1,884	1,910
Operating lease liabilities	<u>\$ 2,439</u>	<u>\$ 2,406</u>
Weighted average remaining lease term	8.2 years	8.8 years
Weighted average discount rate	4.30 %	3.84 %
Vehicle leases		
<i>Finance</i>		
Finance lease ROU assets, gross	\$ 267	\$ 353
Accumulated amortization	(45)	(72)
Finance lease ROU assets, net ^(b)	<u>\$ 222</u>	<u>\$ 281</u>
Short-term vehicle finance lease liabilities	\$ 44	\$ 126
Long-term vehicle finance lease liabilities	132	116
Vehicle finance lease liabilities ^(c)	<u>\$ 176</u>	<u>\$ 242</u>
Weighted average remaining lease term	2.0 years	2.2 years
Weighted average discount rate	1.82 %	1.97 %
<i>Operating</i>		
Vehicle operating lease ROU assets ^(d)	\$ 86	\$ 63
Short-term vehicle operating lease liabilities	\$ 64	\$ 50
Long-term vehicle operating lease liabilities	22	14
Vehicle operating lease liabilities ^(e)	<u>\$ 86</u>	<u>\$ 64</u>
Weighted average remaining lease term	1.4 years	1.3 years
Weighted average discount rate	4.86 %	2.66 %

^(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,		
	2022	2021	2020
Cash payments for lease liabilities within operating activities:			
Property operating leases	\$ 743	\$ 639	\$ 740
Vehicle finance leases	3	4	3
Vehicle operating leases	137	162	196
Cash payments for lease liabilities within financing activities:			
Vehicle finance leases	181	193	294
Non-cash activities - increase in ROU assets in exchange for lease liabilities:			
Property operating leases	812	484	666
Vehicle finance leases	153	223	257
Vehicle operating leases	161	115	111

Maturities of lease liabilities as of December 31, 2022 are as follows:

	Property Operating Leases	Vehicle Finance Leases	Vehicle Operating Leases
Within 1 year	\$ 646	\$ 44	\$ 64
Between 1 and 2 years	441	4	18
Between 2 and 3 years	345	128	6
Between 3 and 4 years	286	—	1
Between 4 and 5 years	234	—	—
Thereafter	967	—	—
Total lease payments	2,919	176	89
Less: Imputed interest	(480)	—	(3)
Total	\$ 2,439	\$ 176	\$ 86

4. Earnings Per Share

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

	Year Ended December 31,		
	2022	2021	2020
Net income (loss) attributable to Avis Budget Group, Inc. for basic and diluted EPS	\$ 2,764	\$ 1,285	\$ (684)
Basic weighted average shares outstanding	47.3	64.9	70.5
Options and non-vested stock	1.1	1.2	—
Diluted weighted average shares outstanding	\$ 48.4	\$ 66.1	\$ 70.5
<i>Earnings (loss) per share:</i>			
Basic	\$ 58.41	\$ 19.79	\$ (9.71)
Diluted	\$ 57.16	\$ 19.44	\$ (9.71)

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,		
	2022	2021	2020
Non-vested stock ^(a)	0.2	—	1.2

^(a) The weighted average grant date fair value for anti-dilutive non-vested stock for 2022 and 2020 was \$177.70 and \$26.20, respectively.

5. Restructuring and Other Related Charges

Restructuring

During second quarter 2022, we initiated a restructuring plan to focus on consolidating our global operations by designing new processes and implementing new systems ("Cost Optimization"). As of December 31, 2022, we formally communicated and terminated employment of approximately 200 employees as part of this process. We expect no further restructuring expense related to this initiative.

During the first quarter of 2021, we initiated a global restructuring plan to focus on cost discipline by reviewing headcounts, facilities and contractor agreements. We transformed our business as we exited the COVID-19 crisis by controlling fixed costs and matching variable costs to demand ("T21"). We expect no further restructuring expense related to this initiative.

During first quarter 2020, we initiated a global restructuring plan to reduce operating costs, such as headcount and facilities, due to declining reservations and revenue resulting from the COVID-19 outbreak ("2020 Optimization"). We expect no further restructuring expense related to this initiative.

During third quarter 2019, we initiated a restructuring plan to exit our operations in Brazil by closing rental facilities, disposing of assets and terminating personnel ("Brazil"). This initiative is complete.

During first quarter 2019, we initiated a restructuring plan to drive global efficiency by improving processes and consolidating functions, and to create new objectives and strategies for our truck rental operations in the U.S. by reducing headcount, large vehicles and rental locations ("T19"). This initiative is complete.

The following tables summarize the change to our restructuring-related liabilities and identifies the amounts recorded within our reporting segments for restructuring charges and corresponding payments and utilizations:

	Personnel Related	Facility Related	Other ^(a)	Total
Balance at January 1, 2020	\$ 3	\$ 1	\$ 2	\$ 6
Restructuring expense:				
2020 Optimization	73	3	3	79
Brazil	1	1	(2)	—
T19	—	—	14	14
Restructuring payment/utilization:				
2020 Optimization	(68)	(2)	(1)	(71)
Brazil	—	(1)	2	1
T19	(5)	—	(15)	(20)
Balance as of December 31, 2020	\$ 4	\$ 2	\$ 3	\$ 9
Restructuring expense:				
T21	26	4	2	32
T19	—	—	(2)	(2)
Restructuring payment/utilization:				
T21	(17)	(4)	(4)	(25)
2020 Optimization	(5)	—	—	(5)
T19	(1)	—	2	1
Balance as of December 31, 2021	\$ 7	\$ 2	\$ 1	\$ 10
Restructuring expense:				
Cost Optimization	9	—	—	9
T21	3	—	—	3
Brazil	—	—	1	1
Restructuring payment/utilization:				
Cost Optimization	(6)	—	(1)	(7)
T21	(8)	(1)	—	(9)
2020 Optimization	(1)	—	—	(1)
Brazil	—	—	(1)	(1)
T19	—	(1)	—	(1)
Balance as of December 31, 2022	\$ 4	\$ —	\$ —	\$ 4

^(a) Includes expenses primarily related to the disposition of vehicles.

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	<u>Americas</u>	<u>International</u>	<u>Total</u>
Balance at January 1, 2020	\$ 2	\$ 4	\$ 6
Restructuring expense:			
2020 Optimization	31	48	79
T19	14	—	14
Restructuring payment/utilization:			
2020 Optimization	(29)	(42)	(71)
Brazil	1	—	1
T19	(16)	(4)	(20)
Balance as of December 31, 2020	<u>3</u>	<u>6</u>	<u>9</u>
Restructuring expense:			
T21	5	27	32
T19	(2)	—	(2)
Restructuring payment/utilization:			
T21	(4)	(21)	(25)
2020 Optimization	(2)	(3)	(5)
T19	2	(1)	1
Balance as of December 31, 2021	<u>2</u>	<u>8</u>	<u>10</u>
Restructuring expense:			
Cost Optimization	2	7	9
T21	1	2	3
Brazil	1	—	1
Restructuring payment/utilization:			
Cost Optimization	(2)	(5)	(7)
T21	(2)	(7)	(9)
2020 Optimization	—	(1)	(1)
Brazil	(1)	—	(1)
T19	—	(1)	(1)
Balance as of December 31, 2022	<u>\$ 1</u>	<u>\$ 3</u>	<u>\$ 4</u>

Other Related Charges

Limited Voluntary Opportunity Plans ("LVOP")

During the second quarter of 2021, our operations in our International segment offered a voluntary termination program to certain employees in field operations and general and administrative functions for a limited time. These employees, if qualified, elected resignation from employment in return for enhanced severance benefits to be settled in cash. During the year ended December 31, 2021, we recorded other related charges of approximately \$17 million in connection with the LVOP. As of December 31, 2021, approximately 130 employees elected to participate in the plan and the participants have been terminated.

During 2020, we offered a voluntary termination program to certain employees in field operations, shared services, and general and administrative functions for a limited time. These employees, if qualified, elected resignation from employment in return for enhanced severance benefits to be settled in cash. During the year ended December 31, 2020, we recorded other related charges of approximately \$18 million in connection with the LVOP.

Officer Separation Costs

In April 2022, we announced the departure of Veresh Sita as Executive Vice President and Chief Digital and Innovation Officer effective May 13, 2022. In connection with Mr. Sita's separation, we recorded other related charges of approximately \$1 million, inclusive of accelerated stock-based compensation expense, for the year ended December 31, 2022.

In August 2020, we announced the resignation of John F. North, III as our Chief Financial Officer. Following his post-resignation transition to an advisory position, Mr. North continued to serve as a consultant through January 1, 2021. In connection with Mr. North's departure, we recorded other related charges of approximately \$5 million, inclusive of accelerated stock-based compensation expense for the year ended December 31, 2020.

In March 2020, we announced the departure of Michael K. Tucker as Executive Vice President, General Counsel effective March 27, 2020. In connection with Mr. Tucker's separation, we recorded other related charges of approximately \$2 million for the year ended December 31, 2020.

6. Acquisitions

2021

During 2021, we completed the acquisitions of various licensees in Europe and North America, for approximately \$23 million, plus \$22 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 was financed under our existing financing arrangements. In connection with these acquisitions, approximately \$28 million was recorded to other intangibles related to franchise agreements. The license agreements are being amortized over a weighted average useful life of approximately one year. Differences between the preliminary allocation of purchase price and the final allocation were not material.

2020

During 2020, we completed the acquisitions of various licensees in North America and Europe, for approximately \$28 million, plus \$22 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 was financed under our existing arrangements. In connection with these acquisitions, approximately \$28 million was recorded in other intangibles related to license agreements. The license agreements are being amortized over a weighted average useful life of approximately two years. Differences between the preliminary allocation of purchase price and the final allocation were not material for Avis and Budget Licensees.

7. Intangible Assets

Intangible assets consisted of:

	As of December 31, 2022			As of December 31, 2021		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
<i>Amortized Intangible Assets</i>						
License agreements ^(a)	\$ 290	\$ 217	\$ 73	\$ 298	\$ 193	\$ 105
Customer relationships ^(b)	247	207	40	257	204	53
Other ^(c)	48	39	9	51	36	15
	<u>\$ 585</u>	<u>\$ 463</u>	<u>\$ 122</u>	<u>\$ 606</u>	<u>\$ 433</u>	<u>\$ 173</u>
<i>Unamortized Intangible Assets</i>						
Goodwill	\$ 1,070			\$ 1,108		
Trademarks	\$ 544			\$ 551		

^(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 2 to 10 years with a weighted average life of 9 years.

Amortization expense relating to all intangible assets was as follows:

	Year Ended December 31,		
	2022	2021	2020
License agreements	\$ 29	\$ 47	\$ 37
Customer relationships	10	14	23
Other	5	6	5
Total	<u>\$ 44</u>	<u>\$ 67</u>	<u>\$ 65</u>

Based on our amortizable intangible assets at December 31, 2022, we expect related amortization expense of approximately \$27 million for 2023, \$22 million for 2024, \$16 million for 2025, \$15 million for 2026 and \$12 million for 2027 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, 2021	\$ 2,140	\$ 1,115	\$ 3,255
Accumulated impairment losses as of January 1, 2021	(1,587)	(531)	(2,118)
Goodwill as of January 1, 2021	553	584	1,137
Currency translation adjustments and other	—	(29)	(29)
Goodwill as of December 31, 2021	553	555	1,108
Currency translation adjustments and other	(3)	(35)	(38)
Goodwill as of December 31, 2022	<u>\$ 550</u>	<u>\$ 520</u>	<u>\$ 1,070</u>

8. Vehicle Rental Activities

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

	As of December 31,	
	2022	2021
Rental vehicles	\$ 17,819	\$ 14,612
Less: Accumulated depreciation	(2,211)	(1,911)
	15,608	12,701
Vehicles held for sale	317	165
Vehicles, net investment in lease ^(a)	36	—
Vehicles, net	\$ 15,961	\$ 12,866

^(a)See Note 17 – Related Party Transactions

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

	Year Ended December 31,		
	2022	2021	2020
Depreciation expense	\$ 1,709	\$ 1,402	\$ 1,330
Lease charges	138	156	195
(Gain) loss on sale of vehicles, net	(1,019)	(361)	(157)
Vehicle depreciation and lease charges, net	\$ 828	\$ 1,197	\$ 1,368

At December 31, 2022, 2021 and 2020, we had payables related to vehicle purchases included in liabilities under vehicle programs - other of \$265 million, \$142 million and \$232 million, respectively, and receivables related to vehicle sales included in assets under vehicle programs - receivables from vehicle manufacturers and other of \$212 million, \$134 million and \$162 million, respectively.

9. Income Taxes

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

	Year Ended December 31,		
	2022	2021	2020
Current			
Federal	\$ —	\$ —	\$ (5)
State	137	35	21
Foreign	61	12	29
Current income tax provision	<u>198</u>	<u>47</u>	<u>45</u>
Deferred			
Federal	622	309	(104)
State	(22)	78	(90)
Foreign	82	(9)	(123)
Deferred income tax provision (benefit)	<u>682</u>	<u>378</u>	<u>(317)</u>
Provision for (benefit from) income taxes	<u>\$ 880</u>	<u>\$ 425</u>	<u>\$ (272)</u>

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

	Year Ended December 31,		
	2022	2021	2020
United States	\$ 3,114	\$ 1,529	\$ (590)
Foreign	<u>522</u>	<u>179</u>	<u>(366)</u>
Income (loss) before income taxes	<u>\$ 3,636</u>	<u>\$ 1,708</u>	<u>\$ (956)</u>

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

	As of December 31,	
	2022	2021
<i>Deferred income tax assets:</i>		
Net tax loss carryforwards	\$ 1,109	\$ 1,480
Long-term operating lease liabilities	666	625
Accrued liabilities and deferred revenue	231	272
Tax credits	38	11
Depreciation and amortization	25	19
Provision for doubtful accounts	19	18
Other	167	100
Valuation allowance ^(a)	(101)	(167)
Deferred income tax assets	<u>2,154</u>	<u>2,358</u>
<i>Deferred income tax liabilities:</i>		
Operating lease right-of-use assets	657	614
Depreciation and amortization	90	102
Prepaid expenses	24	23
Other	4	4
Deferred income tax liabilities	<u>775</u>	<u>743</u>
Deferred income tax assets, net	<u>\$ 1,379</u>	<u>\$ 1,615</u>

(a) The valuation allowance of \$101 million at December 31, 2022 relates to tax loss carryforwards and certain deferred tax assets of \$97 million and \$4 million, respectively. The valuation allowance of \$167 million at December 31, 2021 relates to tax loss carryforwards and certain deferred tax assets of \$163 million and \$4 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. The decrease in valuation allowance as compared to the year ended December 31, 2021 is primarily related to a release of valuation allowance for certain state net operating losses.

Deferred income tax assets and liabilities related to vehicle programs are comprised of the following:

	<u>As of December 31,</u>	
	<u>2022</u>	<u>2021</u>
<i>Deferred income tax assets:</i>		
Depreciation and amortization	\$ 63	\$ 80
Other	22	19
Deferred income tax assets	<u>85</u>	<u>99</u>
<i>Deferred income tax liabilities:</i>		
Depreciation and amortization	2,815	2,321
Other	24	20
Deferred income tax liabilities	<u>2,839</u>	<u>2,341</u>
Deferred income tax liabilities under vehicle programs, net	<u>\$ 2,754</u>	<u>\$ 2,242</u>

At December 31, 2022, we had U.S. federal net operating loss carryforwards of approximately \$3.6 billion. The majority of the net operating loss carryforwards have an indefinite utilization period pursuant to the Tax Act and a significant remaining portion expires by 2031. 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. At December 31, 2022, we had foreign net operating loss carryforwards of approximately \$1.1 billion, the majority of which has an indefinite utilization period.

At December 31, 2022, we had undistributed earnings of certain foreign subsidiaries of approximately \$1.2 billion that we have indefinitely reinvested, and on 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 U.S. federal income tax statutory rate and our effective income tax rate is as follows:

	<u>Year Ended December 31,</u>		
	<u>2022</u>	<u>2021</u>	<u>2020</u>
U.S. federal statutory rate	21.0 %	21.0 %	21.0 %
<i>Adjustments to reconcile to the effective rate:</i>			
State and local income taxes, net of federal tax benefits	3.9	5.5	4.8
Changes in valuation allowances	(1.3)	(0.6)	—
Taxes on foreign operations at rates different than U.S. federal statutory rates	1.2	(2.0)	3.1
Stock-based compensation	(0.5)	(0.3)	(0.1)
Other non-deductible (non-taxable) items	0.4	0.6	(0.4)
Other	(0.5)	0.7	—
	<u>24.2 %</u>	<u>24.9 %</u>	<u>28.4 %</u>

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The following is a tabular reconciliation of the gross amount of unrecognized tax benefits for the year:

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Balance, January 1	\$ 58	\$ 57	\$ 54
Additions for tax positions related to current year	4	4	4
Additions for tax positions for prior years	3	3	—
Reductions for tax positions for prior years	(5)	(3)	(1)
Settlements	(5)	—	(3)
Foreign currency translation	(2)	(3)	3
Balance, December 31	<u>\$ 53</u>	<u>\$ 58</u>	<u>\$ 57</u>

We do not anticipate that total unrecognized tax benefits will change significantly in 2023.

We are subject to taxation in the United States and various foreign jurisdictions. As of December 31, 2022, the 2007 through 2021 tax years generally remain subject to examination by the federal tax authorities. The 2012 through 2021 tax years generally remain subject to examination by various state tax authorities. In significant foreign jurisdictions, the 2012 through 2021 tax years generally remain subject to examination by their respective tax authorities.

Substantially all of the gross amount of the unrecognized tax benefits at December 31, 2022, 2021 and 2020, if recognized, would affect our provision for (benefit from) income taxes. As of December 31, 2022, our unrecognized tax benefits were offset by tax loss carryforwards and other deferred tax assets in the amount of \$24 million.

The following table presents unrecognized tax benefits:

	<u>As of December 31,</u>	
	<u>2022</u>	<u>2021</u>
Unrecognized tax benefit in non-current income taxes payable ^(a)	\$ 33	\$ 30
Accrued interest payable on potential tax liabilities ^(b)	31	29

^(a) Pursuant to the agreements governing the disposition of certain subsidiaries in 2006, we are entitled to indemnification for certain predisposition tax contingencies. As of December 31, 2022 and 2021, \$13 million, in each period, of unrecognized tax benefits are related to tax contingencies for which we believe we are entitled to indemnification.

^(b) We recognize potential interest 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, 2022, 2021 and 2020, were not significant and were recognized as a component of the provision for (benefit from) income taxes.

10. Other Current Assets

Other current assets consisted of:

	<u>As of December 31,</u>	
	<u>2022</u>	<u>2021</u>
Prepaid expenses	\$ 252	\$ 205
Sales and use taxes	142	238
Other	112	95
Other current assets	<u>\$ 506</u>	<u>\$ 538</u>

11. Property and Equipment, net

Property and equipment, net consisted of:

	As of December 31,	
	2022	2021
Land	\$ 59	\$ 50
Buildings and leasehold improvements	507	525
Capitalized software	906	932
Furniture, fixtures and equipment	382	426
Projects in process	89	84
Buses and support vehicles	90	80
	<u>2,033</u>	<u>2,097</u>
Less: Accumulated depreciation and amortization	(1,439)	(1,560)
Property and equipment, net	<u>\$ 594</u>	<u>\$ 537</u>

Depreciation and amortization expense relating to property and equipment during 2022, 2021 and 2020 was \$181 million, \$205 million and \$218 million, respectively (including \$115 million, \$105 million and \$113 million, respectively, of amortization expense relating to capitalized software). At December 31, 2022, we had payables related to property and equipment included in accounts payable and other current liabilities and in other non-current liabilities of \$19 million and \$1 million, respectively. At December 31, 2021, we had payables related to property and equipment included in accounts payable and other current liabilities and in other non-current liabilities of \$20 million and \$2 million, respectively.

12. Accounts Payable and Other Current Liabilities

Accounts payable and other current liabilities consisted of:

	As of December 31,	
	2022	2021
Short-term operating lease liabilities	\$ 555	\$ 496
Accounts payable	466	407
Accrued advertising and marketing	268	218
Accrued sales and use taxes	246	313
Accrued payroll and related	205	193
Deferred lease revenues – current	188	185
Public liability and property damage insurance liabilities – current	174	159
Other	445	418
Accounts payable and other current liabilities	<u>\$ 2,547</u>	<u>\$ 2,389</u>

13. Long-term Corporate Debt and Borrowing Arrangements

Long-term debt and other borrowing arrangements consisted of:

	Maturity Date	As of December 31,	
		2022	2021
4.125% euro-denominated Senior Notes	November 2024	\$ 321	\$ 341
4.500% euro-denominated Senior Notes	May 2025	268	284
4.750% euro-denominated Senior Notes	January 2026	375	398
5.750% Senior Notes	July 2027	732	728
4.750% Senior Notes	April 2028	500	500
5.375% Senior Notes	March 2029	600	600
Floating Rate Term Loan ^(a)	August 2027	1,176	1,187
Floating Rate Term Loan ^(a)	March 2029	725	—
Other ^(b)		18	19
Deferred financing fees		(44)	(48)
Total		4,671	4,009
Less: Short-term debt and current portion of long-term debt		27	19
Long-term debt		\$ 4,644	\$ 3,990

^(a) The floating rate term loan is part of our senior revolving credit facility, which is secured by pledges of capital stock of certain 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.

Term Loan

Floating Rate Term Loan due 2029. In March 2022, we entered into a \$750 million Floating Rate Term Loan due March 2029, at a price of 97% of the aggregate principal amount, with interest paid monthly. The Term Loan bears interest at one-month Secured Overnight Financing Rate ("SOFR") plus 350 basis points for an aggregate rate of 7.92%.

Floating Rate Term Loan due 2027. In February 2020, we amended our Floating Rate Term Loan and extended its maturity term to 2027. We increased the outstanding borrowing principal amount of the Floating Rate Term Loan to \$1.2 billion and on April 1, 2020 used the additional loan amount to redeem \$100 million of our outstanding 5.500% Senior Notes due 2023. As of December 31, 2022, the loan bears interest at one-month LIBOR plus 1.75%, for an aggregate rate of 6.14%; however, we entered into an interest rate swap to hedge \$700 million of our interest rate exposure related to the floating rate term loan at an aggregate rate of 4.75%.

Senior Notes

4.125% euro-denominated Senior Notes due 2024. In September 2016, we issued €300 million of 4.125% euro-denominated Senior Notes due 2024 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 November 15, 2019 at specified redemption prices plus accrued interest. In October 2016, we used the net proceeds from the offering primarily to redeem €275 million of our outstanding 6.000% euro-denominated Senior Notes due 2021.

4.500% euro-denominated Senior Notes due 2025. In March 2017, we issued €250 million of 4.500% euro-denominated Senior Notes due 2025, at par, with interest payable semi-annually. We have the right to redeem these notes in whole or in part on or after May 15, 2020 at specified redemption prices plus accrued interest. In April 2017, we used the net proceeds from the offering to redeem our outstanding €175 million principal amount of 6.000% euro-denominated Senior Notes due 2021 for €180 million plus accrued interest. In June 2017, we used the remaining proceeds to redeem a portion of our Floating Rate Senior Notes due 2017.

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 have the right to redeem these notes in whole or in part on or after September 30, 2021 at specified redemption prices plus

accrued interest. In October 2018, we used the net proceeds from the offering to redeem our 5.125% Senior Notes due June 2022 for \$410 million plus accrued interest.

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.

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 semiannually. 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.

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 semiannually. 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.

In connection with the debt amendments and repayments for the years ended December 31, 2021 and 2020, we recorded \$136 million and \$9 million in early extinguishment of debt costs, respectively.

The 5.750% Senior Notes, the 4.750% Senior Notes and the 5.375% 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 4.125% euro-denominated Senior Notes, 4.500% euro-denominated Senior Notes and 4.750% 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 at December 31, 2022:

Year	Amount
2023	\$ 27
2024	346
2025	291
2026	396
2027	1,867
Thereafter	1,788
	<u>\$ 4,715</u>

Committed Credit Facilities And Available Funding Arrangements

At December 31, 2022, the committed corporate credit facilities available to us and/or our subsidiaries were as follows:

	<u>Total Capacity</u>	<u>Outstanding Borrowings</u>	<u>Letters of Credit Issued</u>	<u>Available Capacity</u>
Senior revolving credit facility maturing 2026 ^(a)	\$ 2,000	\$ —	\$ 966	\$ 1,034

^(a) The senior revolving credit facility bears interest at one-month LIBOR plus 175 basis points 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.

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, 2022, 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:

	<u>As of December 31,</u>	
	<u>2022</u>	<u>2021</u>
Americas – Debt due to Avis Budget Rental Car Funding ^(a)	\$ 11,322	\$ 8,889
Americas – Debt borrowings	598	612
International – Debt borrowings	1,700	1,757
International – Finance leases	176	177
Other	65	3
Deferred financing fees ^(b)	(52)	(48)
Total	<u>\$ 13,809</u>	<u>\$ 11,390</u>

^(a) Increase reflects additional borrowings principally to fund increases in our rental fleet.

^(b) Deferred financing fees related to Debt due to Avis Budget Rental Car Funding as of December 31, 2022 and 2021 were \$47 million and \$41 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, 2022, approximate \$13.2 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.

In May 2021, AESOP issued \$800 million of asset-backed notes with an expected final payment date of August 2026. In June 2021, AESOP issued \$96 million, \$105 million and \$103 million of asset-backed notes with expected final payment dates of March 2024, September 2024 and August 2025, respectively. In November 2021, AESOP issued \$650 million of asset-backed notes with an expected final payment date of February 2027. In April 2022, AESOP issued \$660 million of asset-backed notes to investors with an expected final payment date of August 2027. In May 2022, AESOP issued \$87 million, \$68 million and \$55 million of asset-backed notes with expected final payment dates of March 2025, March 2023 and September 2023, respectively. In June 2022, AESOP entered into \$800 million of variable funding asset-backed notes to investors with a final payment date of September 2022. In July 2022, AESOP issued \$389 million and \$374 million of asset-backed notes to investors with expected final payment dates of February 2026 and February 2028, respectively. Following this issuance, amounts available under our \$800 million variable funding asset-backed notes supplement entered into during June 2022 were reduced to zero. In November 2022, AESOP issued \$500 million of asset-backed notes to investors with an expected final payment date of April 2026. 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. Borrowings under the Avis Budget Rental Car Funding program primarily represent fixed rate notes and had a weighted average interest rate of 4.07% and 2.66% as of December 31, 2022 and 2021 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. These debt borrowings represent a mix of fixed and floating rate debt and had a weighted average interest rate of 4.26% and 2.64% as of December 31, 2022 and 2021 respectively.

International

Debt borrowings. In EMEA we operate a €1.7 billion European rental fleet securitization program, with maturity in 2024, which is used to finance fleet purchases for certain of our European operations. The International borrowings primarily represent floating rate notes and had a weighted average interest rate of 3.92% and 1.66% as of December 31, 2022 and 2021, respectively.

Finance leases. We obtain a portion of our International vehicles under finance lease arrangements. For the years ended December 31, 2022 and 2021, the weighted average interest rate on these borrowings was 1.82% and 1.25% 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, at December 31, 2022:

	Debt under Vehicle Programs^(a)
2023 ^(b)	\$ 2,235
2024 ^(c)	5,485
2025	2,351
2026	2,124
2027	1,238
Thereafter	428
	<u>\$ 13,861</u>

^(a) Vehicle-backed debt primarily represents asset-backed securities.

^(b) Includes \$0.4 billion of bank and bank-sponsored facilities.

^(c) Includes \$2.4 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, at December 31, 2022:

	Total Capacity^(a)	Outstanding Borrowings^(b)	Available Capacity
Americas – Debt due to Avis Budget Rental Car Funding	\$ 11,921	\$ 11,322	\$ 599
Americas – Debt borrowings	970	598	372
International – Debt borrowings	2,628	1,700	928
International – Finance leases	208	176	32
Other	65	65	—
Total	<u>\$ 15,792</u>	<u>\$ 13,861</u>	<u>\$ 1,931</u>

^(a) Capacity is subject to maintaining sufficient assets to collateralize debt.

^(b) The outstanding debt is collateralized by vehicles and related assets of \$13.0 billion for Americas - Debt due to Avis Budget Rental Car Funding; \$1.0 billion for Americas - Debt borrowings; \$2.6 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, 2022, 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 (formally Realogy, now Anywhere Real Estate Inc.) and Wyndham subsidiaries. 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 Realogy and Wyndham each have agreed to assume responsibility for these liabilities. We are also named 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 November 2011, *Jose Mendez v. Avis Budget Group Inc., et al.* was filed in U.S. District Court for the District of New Jersey. The plaintiff seeks to represent a purported nationwide class and two sub-classes of certain renters of vehicles from our Avis and Budget subsidiaries from April 2007 through December 2015. The plaintiff seeks damages in connection with claims relating to our electronic toll service, including that administrative fees and toll charges were not properly disclosed to customers and/or were excessive. Plaintiff's motion for class certification was approved by the Court in November 2017. The parties have entered into a settlement agreement and the Court has entered an order preliminarily approving the settlement. We have been named as a defendant in other purported consumer class action law suits, including a class action filed against us in Florida seeking damages in connection with a breach of contract claim and two purported class action suits filed against us in New Jersey, one related to fines and fees charged to car renters by us for violations incurred during the course of their rental and another related to ancillary charges at our Payless subsidiary. In the Florida lawsuit, the Court has entered an order preliminarily approving a proposed settlement.

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. 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, 2022. 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 \$6.7 billion of vehicles from manufacturers over the next 12 months, a \$0.8 billion increase compared to December 31, 2021, 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, 2022, we had approximately \$102 million of purchase obligations, which extend through 2027.

Concentrations

Concentrations of credit risk at December 31, 2022, include (i) risks related to our repurchase and guaranteed depreciation agreements with domestic and foreign car manufacturers and primarily with respect to receivables for program cars that have been disposed, but for which we have not yet received

payment from the manufacturers and (ii) risks related to Realogy and Wyndham, including receivables of \$27 million and \$16 million, respectively, related to certain contingent, income tax and other corporate liabilities assumed by Realogy and Wyndham in connection with their disposition.

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 gasoline storage tanks at our rental facilities. The liability accrued for asset retirement obligations was \$26 million and \$28 million at December 31, 2022 and 2021, 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 maintains insurance coverage that mitigates our potential exposure.

16. Stockholders' Equity

Cash Dividend Payments

During 2022, 2021 and 2020, we did not declare or pay any cash dividends. 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

As of December 31, 2022, our Board of Directors authorized the repurchase of up to approximately \$7.1 billion of our common stock under a plan originally approved in 2013 and subsequently expanded. During 2022, 2021 and 2020, we repurchased approximately 36 million shares of common stock at a cost of approximately \$4.8 billion under the program. As of December 31, 2022, approximately \$691 million of authorization remained available to repurchase common stock under this plan.

Share Issuances

On February 10, 2020, we announced we had appointed a new Chairman of the Board of Directors and in connection with this appointment, the new Chairman purchased an aggregate \$15 million of unregistered shares of our common stock at a price per share equal to the closing price of our common stock on February 7, 2020. We issued the common stock from treasury shares.

Accumulated Other Comprehensive Income (Loss)

The components of accumulated other comprehensive income (loss) are as follows:

	Currency Translation Adjustments ^(a)	Net Unrealized Gains (Losses) on Cash Flow Hedges ^(b)	Minimum Pension Liability Adjustment ^(c)	Accumulated Other Comprehensive Income (Loss)
Balance, January 1, 2020	\$ 9	\$ (20)	\$ (146)	\$ (157)
Other comprehensive income (loss) before reclassifications	33	(39)	(36)	(42)
Amounts reclassified from accumulated other comprehensive income (loss)	(2)	8	6	12
Net current-period other comprehensive income (loss)	31	(31)	(30)	(30)
Balance, December 31, 2020	40	(51)	(176)	(187)
Other comprehensive income (loss) before reclassifications	(35)	18	39	22
Amounts reclassified from accumulated other comprehensive income (loss)	11	14	7	32
Net current-period other comprehensive income (loss)	(24)	32	46	54
Balance, December 31, 2021	16	(19)	(130)	(133)
Other comprehensive income (loss) before reclassifications	(46)	57	11	22
Amounts reclassified from accumulated other comprehensive income (loss)	—	7	3	10
Net current-period other comprehensive income (loss)	(46)	64	14	32
Balance, December 31, 2022	\$ (30)	\$ 45	\$ (116)	\$ (101)

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 for impacts of the Tax Act) and include a \$114 million gain, net of tax, related to our hedge of our investment in euro-denominated foreign operations (See Note 20 – Financial Instruments).

- (a) For the years ended December 31, 2021 and 2020, the amounts were reclassified from accumulated other comprehensive income (loss) into restructuring and other related charges.
- (b) For the years ended December 31, 2022, 2021 and 2020, the amounts reclassified from accumulated other comprehensive income (loss) into corporate interest expense were \$9 million (\$7 million, net of tax), \$17 million (\$12 million, net of tax) and \$9 million (\$6 million, net of tax), respectively. For the years ended December 31, 2021 and 2020, the amounts reclassified from accumulated other comprehensive income (loss) into vehicle interest expense were \$2 million (\$2 million, net of tax).
- (c) For the years ended December 31, 2022, 2021 and 2020, amounts reclassified from accumulated other comprehensive income (loss) into selling, general and administrative expenses were \$5 million (\$3 million, net of tax), \$9 million (\$7 million, net of tax) and \$9 million (\$6 million, net of tax), respectively.

17. Related Party Transactions

SRS Mobility Ventures, LLC

In 2021, SRS Mobility Ventures, LLC acquired a 33 1/3% Class A Membership Interest in one of our subsidiaries at fair value of \$37.5 million. SRS Mobility Ventures, LLC is an affiliate of our largest shareholder, SRS Investment Management, LLC.

On September 1, 2022, through the issuance of Class B Preferred Voting Membership Interests, SRS Mobility Ventures, LLC increased their ownership in this subsidiary to 51% at a fair value of \$62 million. As a result, we deconsolidated our former subsidiary, Avis Mobility Ventures LLC (“AMV”), from our financial statements and now record our proportional share of the former subsidiary’s income or loss within other (income) expense, net in our Consolidated Statements of Operations as we do not have the ability to direct the significant activities of the former subsidiary and are therefore no longer primary beneficiary of the VIE.

In accordance with ASC Topic 810-10-40, we must deconsolidate a subsidiary as of the date we cease to have a controlling interest in that subsidiary and recognize the gain or loss in net income at that time. The fair value of our retained investment was determined utilizing a discounted cash flow methodology based on various assumptions, including projections of future cash flows, which include forecast of future revenue and EBITDA. Upon deconsolidation, our former subsidiary had a net asset carrying amount of \$49 million resulting in a gain of \$10 million, which is reported within other (income) expense, net during the year ended December 31, 2022.

We provide vehicles and related fleet services to AMV, as well as certain administrative services to support their operations. For the year ended December 31, 2022, we recognized \$7 million of income related to

these services within other (income) expense, net. At December 31, 2022, we had receivables from AMV of \$6 million and a net investment in vehicle finance leases of \$36 million. The carrying amount of our equity investment was approximately \$49 million at December 31, 2022 and is recorded within other non-current assets in our Consolidated Balance Sheet. For the year ended December 31, 2022, we recorded losses of \$10 million within other (income) expense, net related to our equity investment.

SRS Investment Management LLC

On December 23, 2022, we also entered into an amended and restated cooperation agreement with SRS Investment Management LLC and certain of its affiliates.

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 approximately 4.1 million shares available as of December 31, 2022. 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- or market-based awards generally vest three years following the date of grant based on the attainment of performance- or market-based goals, all 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. Certain performance-based RSUs vest based upon the level of performance attained, but vesting can increase (typically by up to 20%) if certain relative total shareholder return goals are achieved. Market-based RSUs generally vest based on the level of total shareholder return or absolute stock price attainment.

In June 2020, we granted market-based RSUs that vest based on absolute stock price attainment. The grant date fair value of this award is estimated using a Monte Carlo simulation model. The weighted average assumptions used in the model are outlined in the table below. During the years ended December 31, 2022 and 2021, we did not issue any stock unit awards containing a market condition.

Expected volatility of stock price	91%
Risk-free interest rate	0.18%
Valuation period	3 years
Dividend yield	—%

Annual 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 at January 1, 2022	671	\$ 39.39		
Granted ^(a)	180	172.34		
Vested ^(b)	(360)	37.35		
Forfeited	(40)	61.80		
Outstanding and expected to vest at December 31, 2022 ^(c)	<u>451</u>	<u>\$ 92.06</u>	1.1	\$ 74
Performance-based and market-based RSUs				
Outstanding at January 1, 2022	886	\$ 35.40		
Granted ^(a)	99	193.48		
Vested ^(b)	(254)	34.24		
Forfeited	(40)	49.75		
Outstanding at December 31, 2022	<u>691</u>	<u>\$ 57.56</u>	0.9	\$ 113
Outstanding and expected to vest at December 31, 2022 ^(c)	<u>683</u>	<u>\$ 55.99</u>	0.9	\$ 112

^(a) Reflects the maximum number of stock units assuming achievement of all performance-, market- and time-vesting criteria and does not include those for non-employee directors, which are discussed separately below. The weighted-average fair value of time-based RSUs, and performance-based and market-based RSUs granted in 2021 was \$65.23 and \$62.27, respectively, and the weighted-average fair value of time-based RSUs and performance-based RSUs granted in 2020 was \$23.14 and \$21.06, respectively.

^(b) The total fair value of RSUs vested during 2022, 2021 and 2020 was \$22 million, \$17 million and \$19 million, respectively.

^(c) Aggregate unrecognized compensation expense related to time-based RSUs and performance-based and market-based RSUs amounted to \$49 million and will be recognized over a weighted average vesting period of 1.0 year.

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 2022, 2021 and 2020, we granted 2,500, 8,800 and 34,000 awards, respectively, to non-employee directors.

Stock-Compensation Expense

During 2022, 2021 and 2020, we recorded stock-based compensation expense of \$25 million (\$17 million, net of tax), \$30 million (\$21 million, net of tax) and \$9 million (\$7 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 \$26 million, \$22 million and \$23 million during 2022, 2021 and 2020, 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 loss, net of tax.

The components of net periodic (benefit) cost consisted of the following:

	Year Ended December 31,		
	2022	2021	2020
Service cost ^(a)	\$ 5	\$ 6	\$ 5
Interest cost ^(b)	16	12	17
Expected return on plan assets ^(b)	(37)	(35)	(31)
Amortization of unrecognized amounts ^(b)	5	9	9
Net periodic (benefit) cost	<u>\$ (11)</u>	<u>\$ (8)</u>	<u>\$ —</u>

^(a) For the years ended December 31, 2022, 2021, and 2020, \$4 million was included in operating expenses, in each period, and \$1 million, \$2 million and \$1 million was included in selling, general and administrative expenses, respectively.

^(b) Included in selling, general and administrative expenses.

We use a measurement date of December 31 for our pension plans. The funded status of the pension plans were as follows:

	As of December 31,	
	2022	2021
Change in Benefit Obligation		
Benefit obligation at end of prior year	\$ 881	\$ 926
Service cost	5	6
Interest cost	16	12
Actuarial (gain) loss	(247)	(17)
Plan amendments	(1)	(3)
Currency translation adjustment	(51)	(12)
Net benefits paid	(28)	(31)
Benefit obligation at end of current year	<u>\$ 575</u>	<u>\$ 881</u>
Change in Plan Assets		
Fair value of assets at end of prior year	\$ 772	\$ 722
Actual return on plan assets	(196)	71
Employer contributions	12	16
Currency translation adjustment	(46)	(5)
Net benefits paid	(28)	(32)
Fair value of assets at end of current year	<u>\$ 514</u>	<u>\$ 772</u>

Amounts recognized in the statement of financial position consist of the following:

Funded Status	As of December 31,	
	2022	2021
Classification of net balance sheet assets (liabilities):		
Non-current assets	\$ 36	\$ 50
Current liabilities	(4)	(5)
Non-current liabilities	(93)	(154)
Net funded status	\$ (61)	\$ (109)

The following assumptions were used to determine pension obligations and pension costs for the principal plans in which our employees participated:

U.S. Pension Benefit Plans	For the Year Ended December 31,		
	2022	2021	2020
Discount rate:			
Net periodic benefit cost	2.67 %	2.25 %	3.10 %
Benefit obligation	5.18 %	2.67 %	2.25 %
Long-term rate of return on plan assets	6.25 %	6.75 %	7.00 %
Non-U.S. Pension Benefit Plans			
Discount rate:			
Net periodic benefit cost	1.83 %	1.40 %	1.95 %
Benefit obligation	4.79 %	1.83 %	1.40 %
Long-term rate of return on plan assets	4.39 %	3.71 %	3.80 %

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 6.25% and 4.39% 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, 2022 and 2021, plans with projected benefit obligations in excess of plan assets had projected benefit obligations of \$332 million and \$453 million, respectively, and plan assets of \$235 million and \$297 million, respectively. As of December 31, 2022 and 2021, plans with accumulated benefit obligations in excess of plan assets had accumulated benefit obligations of \$329 million and \$453 million, respectively, and plan assets of \$235 million and \$303 million, respectively. The accumulated benefit obligation for all plans was \$571 million and \$872 million as of December 31, 2022 and 2021, respectively. We expect to contribute approximately \$1 million to the plans in 2023.

Our defined benefit pension plans' assets are invested primarily in mutual funds and 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

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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.

The equity 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 that invest in equity securities and are diversified among funds that invest in large cap, small cap, growth, value and international stocks as well as funds that are intended to "track" an index, such as the S&P 500. The equity 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 equity component is expected to approximate 35%-55% of the plans' assets.

The purpose of the fixed income 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 that invest in securities issued by governments, government agencies and corporations. The fixed income component is expected to approximate 35%-55% 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 will not be 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. 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:

Asset Class	As of December 31, 2022			
	Level 1	Level 2	Level 3	Total
Cash equivalents and short-term investments	\$ 18	\$ 6	\$ —	\$ 24
U.S. equities	69	19	—	88
Non-U.S. equities	39	30	—	69
Government bonds	—	2	—	2
Corporate bonds	126	48	—	174
Other assets	2	101	54	157
Total assets	\$ 254	\$ 206	\$ 54	\$ 514

For the year ended December 31, 2022, we purchased and classified \$54 million of investments as Level 3.

Asset Class	As of December 31, 2021			
	Level 1	Level 2	Level 3	Total
Cash equivalents and short-term investments	\$ 14	\$ 48	\$ —	\$ 62
U.S. equities	115	45	—	160
Non-U.S. equities	56	89	—	145
Government bonds	6	11	—	17
Corporate bonds	134	51	—	185
Other assets	5	152	46	203
Total assets	\$ 330	\$ 396	\$ 46	\$ 772

For the year ended December 31, 2021, we purchased and classified \$46 million of investments as Level 3.

We estimate that future benefit payments from plan assets will be \$30 million, \$31 million, \$32 million, \$33 million, \$34 million and \$183 million for 2023, 2024, 2025, 2026, 2027 and 2028 to 2032, 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 year ended December 31, 2022, we contributed \$8 million and for the years ended December 31, 2021 and 2020, we contributed \$7 million, in each period, 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. Forward contracts used to hedge forecasted third-party receipts and disbursements up to 12 months are designated and do qualify as cash flow hedges. 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 \$16 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 gasoline. 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 at December 31, 2022 or 2021, other than (i) risks related to our repurchase and guaranteed depreciation agreements with domestic and foreign car manufacturers, and primarily with respect to

receivables for program cars that were disposed 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,	
	2022	2021
Foreign exchange contracts	\$ 1,160	\$ 1,655
Interest rate caps ^(a)	14,219	11,900
Interest rate swaps	1,450	1,450

^(a) Represents \$9.8 billion of interest rate caps sold, partially offset by approximately \$4.4 billion of interest rate caps purchased at December 31, 2022 and \$7.2 billion of interest rate caps sold, partially offset by approximately \$4.7 billion of interest rate caps purchased at December 31, 2021. These amounts exclude \$6.2 billion and \$3.0 billion of interest rate caps purchased by our Avis Budget Rental Car Funding subsidiary at December 31, 2022 and 2021, respectively.

Fair values (Level 2) of derivative instruments are as follows:

	As of December 31, 2022		As of December 31, 2021	
	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)	\$ 61	\$ —	\$ 2	\$ 27
Derivatives not designated as hedging instruments				
Foreign exchange contracts ^(b)	4	6	7	10
Interest rate caps ^(c)	46	111	11	15
Total	\$ 111	\$ 117	\$ 20	\$ 52

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 derivatives recognized in our Consolidated Financial Statements are as follows:

	Year Ended December 31,		
	2022	2021	2020
Financial instruments designated as hedging instruments ^(a)			
Interest rate swaps ^(b)	\$ 64	\$ 32	\$ (31)
Euro-denominated notes ^(c)	44	56	(67)
Financial instruments not designated as hedging instruments ^(d)			
Foreign exchange contracts ^(e)	36	(3)	(5)
Interest rate caps ^(f)	(1)	(1)	—
Commodity contracts ^(g)	—	—	(6)
Total	\$ 143	\$ 84	\$ (109)

^(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 adjustment 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, 2022, included a \$39 million gain in interest expense and a \$3 million loss in operating expenses. For the year ended December 31, 2021, included a \$2 million loss in interest expense and a \$1 million loss in operating expenses. For the year ended December 31, 2020, included a \$3 million loss in interest expense and a \$2 million loss in operating expenses.

^(f) Primarily included in vehicle interest, net.

^(g) Included in operating expenses.

Debt Instruments

The carrying amounts and estimated fair values (Level 2) of debt instruments are as follows:

	As of December 31, 2022		As of December 31, 2021	
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value
Corporate debt				
Short-term debt and current portion of long-term debt	\$ 27	\$ 26	\$ 19	\$ 18
Long-term debt	4,644	4,411	3,990	4,153
Debt under vehicle programs				
Vehicle-backed debt due to Avis Budget Rental Car Funding	\$ 11,275	\$ 10,848	\$ 8,848	\$ 9,009
Vehicle-backed debt	2,423	2,422	2,528	2,559
Interest rate swaps and interest rate caps ^(a)	111	111	14	14

^(a) Derivatives in liability position.

21. Segment Information

Our chief operating decision-maker assesses performance and allocates resources based upon the separate financial information of our operating segments. In identifying our reportable segments, we also consider the nature of services provided by our operating segments, the geographical areas in which the segments operate and other relevant factors. We aggregate certain of our operating segments into our reportable segments.

Management evaluates the operating results of each of our reportable segments based upon revenues and "Adjusted EBITDA," which we define as income from continuing operations before non-vehicle related depreciation and amortization; any impairment charges; restructuring and other related charges; early extinguishment of debt costs; non-vehicle related interest; transaction-related costs, net; charges for unprecedented personal-injury and other legal matters, net, which includes amounts recorded in excess of \$5 million related to class action lawsuits; non-operational charges related to shareholder activist activity, which include third party advisory, legal and other professional fees; COVID-19 charges, net; other (income)

expense, net; and income taxes.

We revised our definition of Adjusted EBITDA to exclude other (income) expense, net. We did not revise prior years' Adjusted EBITDA because there were no other charges similar in nature. 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. Our presentation of Adjusted EBITDA may not be comparable to similarly-titled measures used by other companies.

Year Ended December 31, 2022

	Americas	International	Corporate and Other ^(a)	Total
Revenues	\$ 9,474	\$ 2,520	\$ —	\$ 11,994
Vehicle depreciation and lease charges, net	414	414	—	828
Vehicle interest, net	348	54	—	402
Adjusted EBITDA	3,660	560	(87)	4,133
Non-vehicle depreciation and amortization	141	66	18	225
Assets exclusive of assets under vehicle programs	5,798	2,402	299	8,499
Assets under vehicle programs	14,269	3,159	—	17,428
Capital expenditures (excluding vehicles)	117	33	96	246

(a) Primarily represents unallocated corporate expenses and receivables from our former subsidiaries.

Year Ended December 31, 2021

	Americas	International	Corporate and Other ^(a)	Total
Revenues	\$ 7,557	\$ 1,756	\$ —	\$ 9,313
Vehicle depreciation and lease charges, net	851	346	—	1,197
Vehicle interest, net	258	55	—	313
Adjusted EBITDA	2,364	118	(71)	2,411
Non-vehicle depreciation and amortization	178	84	10	272
Assets exclusive of assets under vehicle programs	5,746	2,716	119	8,581
Assets under vehicle programs	11,437	2,582	—	14,019
Capital expenditures (excluding vehicles)	74	26	8	108

(a) Primarily represents unallocated corporate expenses and receivables from our former subsidiaries.

Year Ended December 31, 2020

	Americas	International	Corporate and Other ^(a)	Total
Revenues	\$ 3,965	\$ 1,437	\$ —	\$ 5,402
Vehicle depreciation and lease charges, net	968	400	—	1,368
Vehicle interest, net	274	44	—	318
Adjusted EBITDA	72	(202)	(45)	(175)
Non-vehicle depreciation and amortization	185	91	10	286
Assets exclusive of assets under vehicle programs	5,510	2,754	101	8,365
Assets under vehicle programs	7,155	2,018	—	9,173
Capital expenditures (excluding vehicles)	65	29	—	94

^(a) Primarily represents unallocated corporate expenses and receivables from our former subsidiaries.

Provided below is a reconciliation of Adjusted EBITDA to income (loss) before income taxes.

	For the Year Ended December 31,		
	2022	2021	2020
Adjusted EBITDA	\$ 4,133	\$ 2,411	\$ (175)
Less:			
Non-vehicle related depreciation and amortization ^(a)	235	279	286
Interest expense related to corporate debt, net			
Interest expense	250	218	231
Early extinguishment of debt	—	136	9
COVID-19 charges ^(b)	(9)	(2)	122
Restructuring and other related charges	19	64	118
Non-operational charges related to shareholder activist activity ^(c)	—	3	8
Unprecedented personal-injury and other legal matters, net ^(d)	1	—	4
Transaction-related costs, net	8	5	3
Other (income) expense, net	(7)	—	—
Income (loss) before income taxes	\$ 3,636	\$ 1,708	\$ (956)

^(a) Includes amortization of intangible assets recognized in purchase accounting of \$43 million in 2022, \$66 million in 2021 and \$66 million in 2020. Includes operating expenses in our Consolidated Statements of Operations related to cloud computing costs of \$10 million and \$7 million in 2022 and 2021, respectively.

^(b) The following table presents the unusual, direct and incremental costs due to the COVID-19 pandemic:

	2022	2021
Minimum annual guaranteed rent in excess of concession fees, net	\$ (9)	\$ (2)
Vehicles damaged in overflow parking lots, net of insurance proceeds	—	(7)
Other charges	—	7
Operating expenses	\$ (9)	\$ (3)
Selling, general and administrative expenses	—	1
COVID-19 charges, net	\$ (9)	\$ (2)

^(c) Reported within selling, general and administrative expenses in our Consolidated Statements of Operations.

^(d) Reported within operating expenses on our Consolidated Statements of Operations.

The geographic segment information provided below is classified based on the geographic location of our subsidiaries.

	<u>United States</u>	<u>All Other Countries</u>	<u>Total</u>
2022			
Revenues	\$ 8,975	\$ 3,019	\$ 11,994
Assets exclusive of assets under vehicle programs	5,622	2,877	8,499
Assets under vehicle programs	13,514	3,914	17,428
Net long-lived assets	1,386	944	2,330
2021			
Revenues	\$ 7,254	\$ 2,059	\$ 9,313
Assets exclusive of assets under vehicle programs	5,575	3,006	8,581
Assets under vehicle programs	10,915	3,104	14,019
Net long-lived assets	1,328	1,041	2,369
2020			
Revenues	\$ 3,758	\$ 1,644	\$ 5,402
Assets exclusive of assets under vehicle programs	5,262	3,103	8,365
Assets under vehicle programs	6,797	2,376	9,173
Net long-lived assets	1,421	1,147	2,568

22. Subsequent Event

In January 2023, our Avis Budget Rental Car Funding (AESOP) LLC subsidiary issued \$850 million of asset-backed notes to investors with a weighted average interest rate of 5.34%.

In February 2023, our Board of Directors approved a \$1 billion increase in repurchase authorization to our Stock Repurchase Program.

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,					
2022	\$ 84	\$ 91	\$ (3)	\$ (86)	\$ 86
2021	60	107	(2)	(81)	84
2020	52	73	3	(68)	60
Tax Valuation Allowance:					
Year Ended December 31,					
2022	\$ 169	\$ (63)	\$ (3)	\$ —	\$ 103
2021	207	(35)	(3)	—	169
2020	214	(1)	(6)	—	207

^(a) Primarily currency translation adjustments.

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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. (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, dated September 5, 2006).
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 September 26, 2016 among Avis Budget Finance plc, as Issuer, the Guarantors from time to time parties hereto and Deutsche Bank Trust Company Americas as Trustee, Deutsche Bank AG, London Branch as Paying Agent and Deutsche Bank Luxembourg S.A., as Registrar, governing the 4.125% Senior Notes due 2024 (Incorporated by reference to Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2016, dated November 3, 2016).
4.2	Indenture dated as of March 8, 2017 among Avis Budget Finance, plc, as Issuer, the Guarantors from time to time parties hereto, Deutsche Bank Trust Company Americas, as Trustee, Deutsche Bank AG, London Branch, as Paying Agent and Deutsche Bank Luxembourg S.A., as Registrar, governing the 4.50% Senior Notes due 2025 (Incorporated by reference to Exhibit 4.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017, dated May 4, 2017).
4.3	Indenture dated as of October 4, 2018 among Avis Budget Finance, plc, as Issuer, the Guarantors from time to time parties thereto, Deutsche Bank Trust Company Americas, as Trustee, Deutsche Bank AG, London Branch, as Paying Agent and Deutsche Bank Luxembourg S.A., as Registrar, governing the 4.75% Senior Notes due 2026 (Incorporated by reference to Exhibit 4.1 to the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2018 dated November 6, 2018).
4.4	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).
4.5	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).
4.6	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).
4.7	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).
4.8	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	Service Agreement between Patrick Rankin and Avis Budget Services Limited, dated February 22, 2019 (Incorporated by reference to Exhibit 10.8 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, dated February 20, 2020). †
10.3	Agreement between Patrick Rankin and Avis Budget Services Limited, dated August 15, 2019 (Incorporated by reference to Exhibit 10.9 to the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, dated February 20, 2020). †
10.4	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). †
10.5	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). †
10.6	Offer Letter, dated February 4, 2021, between Veresh Sita and Avis Budget Group, Inc. (Incorporated by reference to Exhibit 10.6 to the Company's Annual Report on Form 10-K, dated February 17, 2022). †
10.7	Separation Agreement, dated April 19, 2022, between Veresh Sita and Avis Budget Group, Inc. (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated April 22, 2022).

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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	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). †
10.11	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). †
10.12	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). †
10.13	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). †
10.14	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). †
10.15	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). †
10.16	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). †
10.17	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. †
10.18	Avis Budget Group, Inc. Supplemental Savings Plan, amended and restated as of January 1, 2023. †
10.19	Avis Budget Group, Inc. Savings Restoration Plan, amended and restated as of November 1, 2008 (Incorporated by reference to Exhibit 10.18 to the Company's Annual Report on Form 10-K for the year ended December 31, 2008, dated February 26, 2009). †
10.20	Avis Rent A Car System, LLC Pension Plan (Incorporated by reference to Exhibit 10.20 to the Company's Annual Report on Form 10-K for the year ended December 31, 2018, dated February 21, 2019). †
10.21	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).
10.22	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).
10.23	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).
10.24	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).
10.25	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).
10.26	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).
10.27	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).
10.28	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).

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10.29	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).
10.30	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).
10.31	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).
10.32	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).
10.33	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).
10.34	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).
10.35	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).
10.36	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).
10.37	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).
10.38	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).
10.39	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).
10.40	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).
10.41	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).
10.42	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).
10.43	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).

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10.44	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).
10.45	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).
10.46	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).
10.47	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).
10.48	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).
10.49	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).
10.50	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).
10.51	Fifth Amended and Restated Series 2010-6 Supplement, dated as of April 14, 2022, 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 10.2 to the Company's Current Report on Form 8-K, dated April 19, 2022).
10.52	Third Amended and Restated Series 2015-3 Supplement, dated as of April 14, 2022, 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 10.3 to the Company's Current Report on Form 8-K, dated April 19, 2022).
10.53	Series 2017-1 Supplement, dated as of March 15, 2017, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2017-1 Agent (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated March 21, 2017).
10.54	Amended and Restated Series 2017-2 Supplement, dated as of May 31, 2022, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and Series 2017-2 Agent (Incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, dated June 10, 2022).
10.55	Amended and Restated Series 2018-1 Supplement, dated as of May 31, 2022, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and Series 2018-1 Agent (Incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K, dated June 10, 2022).
10.56	Amended and Restated Series 2018-2 Supplement, dated as of June 18, 2021, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2018-2 Agent (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated June 23, 2021).
10.57	Series 2019-1 Supplement, dated as of February 13, 2019, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2019-1 Agent (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated February 20, 2019).
10.58	Amended and Restated Series 2019-2 Supplement, dated as of June 18, 2021 between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2019-2 Agent (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated June 23, 2021).

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10.59	Amended and Restated Series 2019-3 Supplement, dated as of May 26, 2022, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and Series 2019-3 Agent (Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, dated June 10, 2022).
10.60	Amended and Restated Series 2020-1 Supplement, dated as of June 18, 2021, between Avis Budget Rental Car Funding (AESOP) LLC and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2020-1 Agent. (Incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K, dated June 23, 2021).
10.61	Series 2020-2 Supplement, dated as of August 12, 2020, 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 10.1 to the Company's Current Report on Form 8-K, dated August 14, 2020).
10.62	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).
10.63	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).
10.64	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).
10.65	Series 2022-2 Supplement, dated as of June 7, 2022, between Avis Budget Rental Car Funding (AESOP) LLC, 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 2022-2 Agent (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated June 10, 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	Series 2022-5 Supplement, dated as of November 29, 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 2022-5 Agent (Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated December 2, 2022).
10.69	Series 2023-1 Supplement, dated as of January 17, 2023, 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 Current Report on Form 8-K dated January 20, 2023).
10.70	Series 2023-2 Supplement, dated as of January 17, 2023, 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 10.2 to the Company's Current Report on Form 8-K dated January 20, 2023).
10.71	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 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).
10.72	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).
10.73	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).
10.74	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).
10.75	Offer Letter, dated May 17, 2022, between Ravi Simhambhatla and Avis Budget Group, Inc.†

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10.76	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.
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.
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, 2022, formatted as Inline XBRL and contained in Exhibit 101.

* 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.

†† Confidential treatment has been requested for certain portions of this Exhibit pursuant to Rule 24b-2 of the Securities Exchange Act of 1934, as amended, which portions have been omitted and filed separately with the Securities and Exchange Commission.

GUARANTEE OF PERFORMANCE

For value received, Avis Budget Group, Inc., a Delaware corporation (the "Guarantor"), located at 6 Sylvan Way, Parsippany, New Jersey 07054, absolutely and unconditionally guarantees to assume the duties and obligations of Budget Rent A Car System, Inc., located at 6 Sylvan Way, 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 2023 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 24th day of April, 2023.

Guarantor: AVIS BUDGET GROUP, INC.

By:  _____

Name: Jean M. Sera

Title: SVP and General Counsel

EXHIBIT H
LICENSE AGREEMENT

BUDGET RENT A CAR SYSTEM

LICENSE AGREEMENT

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EXHIBITS

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**BUDGET RENT A CAR SYSTEM
LICENSE AGREEMENT**

SUMMARY PAGES

The following pages summarize certain terms of the attached Budget Rent A Car 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
Initial License Purchase Fee (See Paragraph 7.1):	Upon execution of Agreement
License Fees (See Paragraph 7.2): 7.5% of Gross Revenues	10 th of each month
Monthly Marketing Fees (See Paragraph 7.3):	15 th of each month
Reservation Fees (See Paragraph 7.4): Fees assessed pursuant to Rental System Agreement(attached hereto as Exhibit E)	
Global Distribution System Fees (See Paragraph 7.4): Fees assessed pursuant to Rental System Agreement (attached hereto as Exhibit E)	
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

<p>Termination Fee (See Paragraphs 7.6 and 11.2):</p> <p>6x the amount of the average License Fees for one-year period multiplied by formula</p>	Upon termination
<p>Customer Complaint Fee (See Paragraphs 6.3 and 7.7):</p> <p>Budget 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.</p>	Upon receipt of invoice
<p>Late Fees (See Paragraph 7.12):</p> <p>Two percentage points (2%) over the prime interest rate listed in the Wall Street Journal or any successor or comparable publication selected by Budget as of the first (1st) day of each month or at the highest rate permitted under applicable law, whichever is lower.</p>	Upon receipt of invoice
<p>Renewal Fee (See Paragraph 11.1):</p> <p>\$2,500</p>	Upon renewal
<p>Transfer Fee (See Paragraph 12.2(a)):</p> <p>5% of sales price (minimum \$2,500)</p>	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. BUDGET PROGRAMS (See Paragraph 6.6):

Programs	Check If Applicable
Inter-City Program	<input type="checkbox"/>
Rental System Agreement (including Budget Licensee Customer Adjustment Procedure)	<input type="checkbox"/>
Payment Programs	<input type="checkbox"/>
Other: _____	<input type="checkbox"/>

14. NOTICES TO LICENSEE (See Paragraph 14.20):

Name: _____

Address: _____

Attention: _____

E-mail Address: _____

15. NOTICES TO BUDGET (See Paragraph 14.20):

Name: Avis Budget Group, Inc.

Address: 6 Sylvan Way, Parsippany, New Jersey 07054

Attention: _____

E-mail Address: _____

With a copy to: Legal Department, Avis Budget Group, Inc.

6 Sylvan Way, Parsippany, New Jersey 07054

Attention: Vice President of Licensee Relations

**BUDGET RENT A CAR SYSTEM
LICENSE AGREEMENT**

THIS LICENSE AGREEMENT (the “**Agreement**”) is made this ____ day of _____, 20__, (the “**Effective Date**”) by and between **Budget Rent A Car System, Inc.**, a Delaware corporation (“**Budget**”), with its principal office at 6 Sylvan Way, Parsippany, New Jersey 07054 and _____ d/b/a Budget Rent a Car of _____ (“**Licensee**”).

PREAMBLES

Budget 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 Budget in writing, which business is commonly known as a Budget Rent a Car business and more fully defined in **Paragraph 1.2** (the “**Rental Business**”). Rental Businesses are conducted under certain trade names, trademarks and service marks, including “Budget,” “Budget Rent a Car,” and “Budget” with road designs, and their associated logos, color schemes and other existing or future trademarks, service marks, and indicia as designated by Budget (collectively the “**Marks**”). The System has acquired substantial good will through the efforts of Budget 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 Budget through the use of standards, specifications and operating procedures prescribed by Budget in its Rent A Car Administration Manual (the “**Manual**”). The System will be the same for both Budget and its licensees and will be applicable to all Budget licensees (collectively, the “**Standards**”).

Licensee shall be exclusively licensed by Budget 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 Budget’s entering into this Agreement, Licensee represents to Budget that all information set forth in any and all applications, financial statements and submissions to Budget is true, complete and accurate in all respects and that there have been no misrepresentations or omissions in any application, statement or submission to Budget.

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, Budget 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 Budget. 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 Budget 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 Budget 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 Budget.

Budget reserves all rights not expressly granted to Licensee in this Agreement, including rights of Budget 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 Businesses 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 Budget 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 Budget's 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, Budget 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 Budget 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 Budget to another person or entity.

1.5 Exclusive Relationship. Budget 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 Budget if Licensee, its beneficial owners or persons related to Licensee or its beneficial owners were permitted to engage in other businesses competing with Rental Businesses or Budget. 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 Budget or, with Budget's consent, any of the Related Entities.

ARTICLE II

MARKS AND SYSTEM

2.1 Budget's Exclusive Ownership. Budget represents that it has applied for or is applying for registration in the Territory of the Marks. Licensee acknowledges and agrees that Budget, 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 Budget. 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 Budget's 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 Budget immediately in writing of any apparent infringement of or challenge to Licensee's use of any Mark or claim by any person other than Budget 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 Budget and Budget's counsel in connection with any such infringement, challenge or claim. Budget 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 Budget, be necessary or advisable to protect the interest of Budget in any such litigation or proceeding or to otherwise protect the interest of Budget in the Marks. Budget 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 Budget may resolve the matter by obtaining a license for Licensee at Budget's 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 Budget and agrees to fully indemnify, defend and hold harmless Budget from any third party infringement claims and or damages suffered by Budget 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 Budget. Licensee will not register or apply to register any trademarks or service marks containing or comprising the term Budget, 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 Budget's prior written approval. Licensee will not advertise the Rental Business on any other website aside from the authorized Budget website, absent Budget's prior written approval. Licensee may be required to develop and maintain an interior page on Budget's website at Licensee's expense; however, Budget 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 Budget upon demand. Licensee agrees

to display the Marks prominently and in the manner prescribed by Budget on signs, forms, and other materials and articles that Budget designates. Licensee agrees to give such notices of trademark, service mark and copyright ownership or registration as Budget 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 Budget 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 Budget. 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 Budget, 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 Budget. 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 Budget, in which Budget 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 Budget, to make available to Budget 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. Budget 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, Budget 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 Budget, Licensee will promptly accept and implement all such changes at Licensee’s expense and in accordance with the schedule prescribed by Budget.

ARTICLE III

BUDGET MANUAL

During the term of this Agreement, Budget 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 Budget specifies. The Manual may be revised, changed, modified or supplemented by Budget 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 Budget 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 Budget may issue, including bulletins, handbooks, newsletters, computer-based and computer-transmitted information. The Manual is confidential and will remain Budget’s 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 Budget 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), Budget 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 Budget will attend and complete a comprehensive training program for the operation of a Rental Business, and any additional required courses, to Budget’s satisfaction. The instruction will be furnished at the time and place and in such manner as designated by Budget. 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. Budget 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. Budget 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**. Budget will furnish to Licensee such operating training and assistance through regular notices and announcements concerning System developments on a continuing basis, as in Budget’s judgment is reasonably necessary. All training may require, at Budget’s 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 Budget's satisfaction. Licensee will cooperate with Budget and its representatives in connection with all training and assistance provided by Budget 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 Budget prescribes, then Budget may (but is not required to) correct, or cause the correction of, such deficiencies and Licensee will reimburse Budget for the reasonable costs and expenses it incurs in connection therewith.

4.3 Attendance at Conventions/Seminars. Budget 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 BUDGET

5.1 Monthly Marketing Fees Allocated to Advertising and Promotion. Budget will conduct such advertising and promotion, at its own expense, and in such manner and to such extent, as Budget sees fit in its sole discretion. With respect to such advertising and promotion by Budget, Budget 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 Budget, in its sole discretion, deems appropriate and desirable.

5.2 Advertising and Promotion Conducted by Budget. If Budget (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 Budget that Budget 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 Budget from Licensee towards expenses related to the promotion of reservation channels, pursuant to **Paragraph 7.5** and the **Summary Pages (Section 10(e))** herein. Budget 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. Budget's 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 Budget, will enhance brand awareness. Budget 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. Budget does not guarantee that any licensee will benefit directly from Budget's advertising and promotion expenditures, nor does Budget 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. Budget will have no obligation to segregate any funds paid by Licensee to Budget which Budget plans to expend for advertising and promotion, nor will any such funds be deemed trust funds but rather will be deemed general funds of Budget.

5.3 International Directory. Budget 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. Budget 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**"). Budget 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 Budget may establish and modify, including rebates, damage waivers and liability insurance coverage. Budget has established a centralized system of paying travel agents and other groups as a result of referral business to Licensees. Licensee will reimburse Budget 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 Budget may designate. Licensee will display any promotional programs, including special suggested rate promotions as a result of agreements Budget enters into with National Accounts. Licensee must provide service to the National Accounts in accordance with Budget's requirements. If Licensee fails to do so, in addition to other remedies available to Budget under this Agreement, Budget 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 Budget, in its sole discretion; (b) execute and comply with all of the terms and conditions of any rental system agreement with Budget or a Related Entity that Budget 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 Budget 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 Budget; (f) reserve for Budget 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 Budget 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 Budget 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, Budget shall handle customer complaints subject to the Budget Licensee Customer Adjustment Procedure (the “**Customer Adjustment Procedure**”). Under the Customer Adjustment Procedure, Budget shall have the right to resolve disputes at Budget’s discretion between Licensee and its customers and issue payments to customers on the Licensee’s behalf. Budget 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 Budget 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 Budget’s judgment, enhances brand awareness or other similar activities which Budget 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 Budget (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 Budget 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 Budget 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 Budget 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 Budget along with all fees due hereunder. Such fees will be subject to adjustment in accordance with the results of any audit by Budget of the records of Licensee.

7.3 Monthly Marketing Fees. Licensee will pay to Budget 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 Budget designates and in no other reservation system and will pay to Budget or one of its Related Entities the then-current reservation fees established by Budget 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 Budget. If Licensee fails to pay Reservation Fees when due, Budget may remove, suspend or block Licensee’s right to receive reservations. In addition to the Reservation Fees payable to Budget 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 Budget-approved programs for the centralized payment of travel agency commissions, will comply with Budget 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, Budget 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, Budget has the right to cease all reservations which Budget, or any third party, transmits to Licensee until all amounts due to Budget 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 Budget resolves a complaint on behalf of Licensee as described in Paragraph 6.3, Budget 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. Budget may specify periodic reports Licensee will submit to Budget and require Licensee to submit these forms electronically. Budget 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 Budget so chooses to use a Composite Statement, Licensee will pay to Budget (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 Budget (or its designated affiliate) pursuant to this **Paragraph 7.8** and the Rental System Agreement. Budget (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 Budget Rental Businesses that are most similar to the Rental Business, as determined by Budget 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. Budget 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 Budget 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 Budget, all of which will be in accordance with the Standards; provided, however, in no event will Budget have the right to access Licensee’s bank account directly.

(a) **System Fees.** Licensee will pay System Fees to Budget 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 Budget 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 Budget 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 Budget or the Related Entities will first be applied against any outstanding interest balance and then against any other monies due from Licensee to Budget 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**, Budget will have the sole discretion to apply any payments made by Licensee to any past due indebtedness of Licensee. Budget and the Related Entities will have the right to set off any and all amounts Licensee owes Budget or the Related Entities against any amounts owed to Licensee by Budget, the Related Entities or any third party for which Budget 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 Budget, the Related Entities, or any third party for which Budget 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 Budget, 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, Budget will rely upon factors such as population increases and the presence or absence of an airport. Budget 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 Budget.

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) Budget 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 Budget subject to acceptance of said assignment by Budget (at its option), (c) the lessor or other party to such license, concession agreement, lease or permit is authorized to deliver to Budget all information in its possession regarding the Rental Business, and (d) Budget will be authorized to enter the premises upon termination of this Agreement to remove materials and signage containing the Marks. At Budget’s 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 Budget in writing. Budget 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 Budget in its efforts, and to honor all of Budget’s 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 Budget 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 Budget 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. Budget 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 Budget 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 Budget's prior written consent, except where Budget has granted Licensee the right to operate non-exclusive Rental Businesses under this Agreement. Budget is not obligated to visit any specific site before declaring approval or disapproval.

(b) Layout and Appearance of Rental Business. Licensee will submit to Budget for Budget's written approval, plans and specifications for the layout of each proposed location of the Rental Business. Upon Budget's 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 Budget's 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 Budget 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 Budget logos and marks on all signage, forms, uniforms, stationery and any other items containing the Budget logos and Marks. If Budget 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 Budget to Budget's 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 Budget of any proposed change in its General Manager. Any replacement General Manager must complete the instruction Budget prescribes to Budget's satisfaction. No person may be employed as the General Manager unless such person will have completed the instruction furnished by Budget to Budget's satisfaction.

9.2 Management. Licensee shall notify Budget of the names and addresses of all of Licensee's officers, directors and managers. Licensee shall notify Budget immediately in the event changes in any such positions occur, including providing Budget with organizational documents executed to effect or approve such change, as set forth in Exhibit G. Budget 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 Budget 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. Budget 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 Budget 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 Budget naming Budget and its affiliates as additional insureds as prescribed by Budget in the Standards, and the insurer must waive any subrogation rights it may have against Budget. Budget 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. Budget 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 Budget for use in the applicable jurisdiction in which the Territory is located, or such other rental agreement that has been approved by Budget in writing.

9.7 Standard Chart of Accounts. Licensee will establish a bookkeeping and financial reporting system using Budget's 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 Budget monthly, on forms specified and/or supplied by Budget 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 Budget, 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 Budget, 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 Budget’s 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 Budget reasonably believes that any report, financial statement or other information provided to Budget understates the Gross Revenue of the Rental Business by five percent (5%) or more or is unclear or is misleading, Budget 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 Budget 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 Budget 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-five thousand (45,000) miles. The classification of Vehicles used in the Rental Business shall be made in accordance with the Rental System Agreement (**Exhibit E**), which Budget reserves the right to amend. Licensee agrees to adhere to such classifications. Budget 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 Budget, which might include or be limited to Budget 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 Budget 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 Budget and whose forms meet Budget's then-current specifications. Licensee shall not modify or alter the forms without Budget's prior written consent. Budget may require Licensee to send to Budget copies of some or all vehicle rental agreements and other customer agreements. Licensee may use only forms that Budget approves and/or requires.

9.15 Rental Rates. Budget may, advertise leisure rental rates as part of the promotional programs which it sponsors for the public. If Licensee communicates to Budget, by execution of a voluntary participation agreement or by another means required by Budget, 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 Budget 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 Budget 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 Budget 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 Budget, 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 Budget. All computer hardware and software used by Licensee will be totally compatible with Budget's computer systems and will strictly conform to the Standards. Licensee will comply with Standards Budget develops with regard to use of websites in connection with the operation and/or promotion of Rental Business. Licensee will provide Budget 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, Budget 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, Budget 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. Budget 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 Budget 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 Budget authorizes for the Rental Business. Licensee will not offer at a Location or otherwise any other products or services that Budget has not authorized or engage in any other business activities without Budget's 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 or on behalf of Budget. Budget 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 Budget's existing computer systems to the Reservation System (or successor system designated by Budget) 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 Budget.

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 Budget customer data. Licensee is also responsible for promptly notifying Budget 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 Budget to the fullest extent possible in Budget’s 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 Budget 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 Budget. Licensee will at all times adhere to all rental rates advertised by it or by Budget 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 Budget's prior written consent and, if it does so, Licensee must comply with the Standards regarding website advertising, including Budget's requirement that Licensee submit its proposed website material (and changes to approved website materials) to Budget 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 Budget 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 Budget. 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 Budget licensee; that it will not identify itself as being Budget, or a subsidiary, division, partner, joint venturer, agent or employee of Budget, or as being associated with Budget in any manner other than as an Budget 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 "Budget" and the Marks only in obvious conjunction with the words "an Independent Budget 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(r))** 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 Budget; (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 Budget, of any and all claims against Budget 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 Budget or the Related Entities and the then-existing claims of Licensee against Budget 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**. Budget 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. Budget 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 Budget. 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 Budget 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 Budget arising under this Agreement or otherwise.

11.3 Termination By Budget With Prior Notice. Budget 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. Budget will not be limited to the reasons set forth in any notice of default or similar notice issued by Budget in any judicial proceeding in which the validity of the termination of this Agreement is at issue. Any notice of default by Budget 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 Budget 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 Budget and upon expiration of the prescribed time period.

11.4 Termination By Budget Without Prior Notice. Budget 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 Budget 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 Budget's (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 Budget 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 Budget 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 Budget, 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 Budget or any of the Related Entities; Licensee waives any right or claim to offset the amounts due to Budget 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 Budget licensee or use the System, or any part thereof, the name “Budget” or any variation thereof, or any of the Marks, forms, slogans, signs, symbols, devices, or materials constituting part of the System; (d) return to Budget all Manual, Standard Rental Agreements, advertising materials, and all other materials bearing the “Budget” name or containing any of the Standards; (e) take all steps necessary to transfer to Budget, or to such person as Budget 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 Budget’s 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 Budget or to such other person as Budget may direct; (f) upon notice from Budget, take all steps necessary to effectuate the sale, transfer or assignment to Budget of the airport licenses, concession agreements, leases and permits as specified in **Paragraph 8.2** and, at Budget’s 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 the 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 “Budget” name and any website established in connection with operating the Rental Business; (h) take all steps necessary to transfer to Budget, or to such person as Budget 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 Budget’s data retention policies (which are applicable to any data obtained through Budget, and (j) promptly remove and destroy all Budget signage. Licensee will furnish Budget, within thirty (30) days after termination of this Agreement, evidence satisfactory to Budget of its compliance with these obligations.

11.7 Budget’s 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**, Budget 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 Budget’s Option to Purchase. Upon termination of this Agreement for any reason, Budget 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 Budget’s delivery of the Exercise Notice. If the parties cannot agree on fair market value within fifteen (15) days after Budget’s delivery of the Exercise Notice, then within five (5) days thereafter each of Budget 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 Budget elects to exercise its option to purchase, Budget will have the right to set-off all amounts due Budget or any of the Related Entities against payment of the purchase price.

11.9 Noncompetition. In addition to the obligations in **Paragraph 1.5**, 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 Budget. Licensee further acknowledges the impossibility of accurately determining the tangible and intangible damages which Budget will suffer if Licensee fails or refuses to adhere to this provision or the provisions of **Paragraphs 1.5** 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 Budget an amount equal to the aggregate of Budget’s 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, Budget 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, Budget 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 Budget. Budget will thereafter have the right to continue such management or service until it determines, in its sole discretion that the circumstances under which Budget 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 Budget’s 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 Budget’s appointed manager, will be charged to such

fund. As compensation for the management services provided, in addition to all other fees due hereunder, Budget will have the right to charge such fund a reasonable management fee during the period of Budget's management. Licensee agrees to indemnify and hold Budget and any representatives of Budget who may act hereunder harmless from any and all claims arising out of the acts or omissions to act of Budget and/or its representatives in connection with the management of the Rental Business, except those involving gross negligence or willful misconduct of Budget or its representatives.

11.11 Loss of Territorial Exclusivity. In addition to Budget's 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 Budget's requirements; and/or (d) participate and comply with all required Programs. Licensee agrees that Budget 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 Budget 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 Budget to be underdeveloped, and/or Licensee's rights with respect to those products and services determined by Budget 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 Budget 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 Businesses in the converted territory or converted market.

11.12 Budget 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"). Budget has the right to conduct its Truck business, at its sole discretion, inside the Territory.

ARTICLE XII

SALE, ASSIGNMENT, AND TRANSFER

12.1 By Budget. This Agreement will be fully transferable and assignable by Budget and will inure to the benefit of any assignee, transferee or other legal successor to the interest of Budget herein.

12.2 By Licensee.

(a) By Licensee. Licensee agrees that this Agreement is personal to Licensee and Licensee hereby acknowledges the personal confidence Budget 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 Budget, which will not be unreasonably withheld in accordance with this Agreement and the transfer requirements prescribed by Budget from time to time, including payment of a transfer fee (see the “**Transfer Requirements**” contained in **Exhibit F**) and Licensee’s execution of a general release of claims in a form satisfactory to Budget, except that such general release will exclude then- existing litigation between Licensee and Budget or the Related Entities and then-existing claims of Licensee against Budget 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 Budget 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 Budget’s need to consent thereto so long as Licensee gives prior written notice of any such disposition to Budget.

(c) **Notice of Any Sale, Assignment, or Transfer.** Notwithstanding the foregoing, Licensee will provide to Budget 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 an Budget Rent A Car System License Agreement with Budget Rent A Car 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 Budget may not consent to Licensee's private offering if Budget determines, in its sole discretion, that such an offering is not in the best interest of Budget or its franchise system. If Budget allows a private offering, Licensee will need to pay a higher transfer fee, as reasonably determined by Budget, 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 Budget upon execution of this Agreement, within ten (10) days of any change, and at any other reasonable times upon Budget's request.

12.3 Budget's 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 Budget along with all information in Licensee's or the transferee's possession concerning the proposed buyer. Budget or its designee (hereinafter also referred to as "Budget" 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 Budget 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, Budget, 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. Budget may elect to close any purchase through an escrow in accordance with terms and conditions reasonably prescribed by Budget. If Budget does not exercise this option, the Licensee and/or its beneficial owners, subject to approval by Budget 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 Budget 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 Budget in its sole discretion), Budget 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 Budget 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 Budget's 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 Budget's 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 Budget by Licensee. Nothing in this Agreement authorizes Licensee to make any contract, agreement, warranty, or representation on Budget's behalf, or to incur any debt or other obligation in Budget's name; and, that Budget 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 Budget and the Related Entities and their respective officers, directors, employees, affiliates, agents, successors and assigns (collectively, "**Budget 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 Budget's request, defend, at Licensee's expense, Budget and the other Budget Indemnified Parties against such claims, demands and causes of action; provided, however, that Licensee will relinquish such defense to Budget immediately upon Budget's request, although Licensee will remain obligated to pay Budget's and the other Budget Indemnified Parties' defense costs (but Licensee shall not be liable for the expenses of more than one law firm representing such Budget Indemnified Parties unless there is a conflict of interest.) and any settlements entered into by Budget and the other Budget Indemnified Parties at their discretion. In no event may Licensee enter into any settlement of any such claim on behalf of an Budget Indemnified Party without Budget's prior written approval.

If Budget withholds its consent to a settlement offer received by Licensee with respect to such a claim, and Licensee advises Budget that it desires to accept such offer, Budget will take over the defense of such legal action at such time as it withholds its consent (if Budget

has not done so previously), and Licensee will be responsible for and will indemnify the Budget Indemnified Parties for all costs and expenses relating to the defense of such legal action incurred by the Budget Indemnified Parties up to such time as Budget withholds its consent, and subject to the following paragraph, Budget 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 Budget withholds its consent. Furthermore, if Budget withholds its consent to a settlement offer received by Licensee with respect to such a claim, and Licensee advises Budget 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 Budget Indemnified Parties for up to and including the amount of such rejected settlement offer, and Budget 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 Budget withholds its consent to a settlement offer received by Licensee and Licensee has advised Budget 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 Budget withheld its consent and paying the actual settlement or judgment amount or combination thereof), will indemnify the Budget Indemnified Parties for the additional costs and expenses incurred by the Budget 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 Budget 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; Budget 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 Budget and, except as expressly provided herein, Budget 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 Budget 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 Budget may unilaterally issue new (or amend or modify existing) Standards, operating procedures, policies and guidelines in the Manual pertaining to the System.

(b) Budget Does Not Control Licensee. Budget 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 Budget 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 Budget, 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 Budget 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 Budget 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 Budget of such power will be conclusive evidence of its right to exercise the same.

14.6 Waiver. Budget 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 Budget 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 Budget 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 Budget 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 Budget's 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 Budget 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 Budget and Licensee. In addition to all of the remedies granted to Budget 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 Budget 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 Budget 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 Budget 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 Licensee 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 Budget at 6 Sylvan Way, Parsippany, New Jersey, 07054, Attention: Natasha Joseph with a copy addressed to: Legal Department, Avis Budget Group, Inc. at 6 Sylvan Way, Parsippany, New Jersey 07054, Attention: Vice President of Licensee Relations or to such other address as Budget 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 Budget has received written notification.

14.19 Payment of Obligations. Licensee will pay when due all obligations to Budget 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 Budget 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 Budget.

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 Budget in any way, except by an instrument in writing duly executed by the president or any vice-president of Budget.

14.22 Representation. No representations, promises, guarantees, projections, or warranties of any kind have been made by Budget 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 Budget nor any other party has guaranteed Licensee’s success in the business contemplated by this Agreement.

14.23 Survival. All obligations of Budget and Licensee which expressly or by their nature survive the expiration or termination of this Agreement, including Licensee’s obligations to pay amounts to Budget 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.

BUDGET RENT A CAR 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 **BUDGET RENT A CAR SYSTEM, INC.** ("**Budget**"), and the persons whose names and address are set out below (collectively "**Guarantors**").

NOW IT IS HEREBY AGREED as follows:

1. In consideration of Budget 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 Budget, its Related Entities (as defined in the Agreement), and each of their respective successors and assigns (hereinafter "**Budget**" 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 Budget 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 Budget, 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 Budget of any remedies against Licensee or any other person.

2. The Guarantors undertake as a separate and additional obligation under the Guarantee to indemnify Budget 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 Budget.

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, Budget 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 Budget being void, defective, or informal; or

(g) Budget entering into any deed of priority or postponement in relation to any security held or taken at any time by Budget; 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 Budget 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 Budget, all of their rights (whether against Budget, Licensee or any other person) to the extent necessary to give full effect to this Guarantee and will as and when required by Budget, sign or execute all such documents and perform all such things as may be reasonably required by Budget to give effect to this instrument or more satisfactorily assure to Budget any of Budget's 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 Budget 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 Budget holds any other security for or right in respect of all or any of the amounts hereby guaranteed, Budget 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 Budget, whether in answer to an inquiry by or on behalf of the Guarantor or not, and that Budget 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 Budget.

The Guarantors will pay all Budget's costs and expenses (including attorneys' fees) incurred in the enforcement of Budget's 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 Budget Rent A Car System, Inc. (“**Budget**”), in which Budget granted Licensee the right to own and operate a vehicle rental business using the name and service mark “**BUDGET**” and other service marks at _____ (the “**Rental Business**”), Licensee hereby assigns to Budget, 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 Budget’s 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), Budget has the right and is hereby authorized to effect the assignment of the Telephone Numbers and Listings to Budget 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, Budget will have the sole right to, and all interest in, the Telephone Numbers and Listings, and Licensee hereby appoints Budget as its true and lawful attorney-in-fact to direct the telephone company to assign the Telephone Numbers and Listings to Budget or our designee, and execute such documents and take such actions as may be necessary to effect the assignment. The telephone company may accept Budget’s written direction or this Assignment as conclusive proof of Budget’s 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 Budget 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 Budget to carry out the intent of this Assignment.

LICENSEE:

By:
Print/Type Name:
Its:

BUDGET RENT A CAR SYSTEM, INC.:

By:
Print/Type Name:
Its:

EXHIBIT C
NONDISCLOSURE AND NONCOMPETITION AGREEMENT
(License Agreement)

In consideration of the execution by **BUDGET RENT A CAR 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:

BUDGET: Budget Rent A Car System, Inc.
6 Sylvan Way
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 Budget 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 Budget 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 Budget’s standard signage, Budget will not unreasonably withhold its consent to the modification of its standard signage to comply with such requirements.

- 3. Notices.** Concessionaire agrees to furnish Budget 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 Budget 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 Budget's option, assign to Budget or Budget's 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:

(i) Budget will notify Concessionaire in writing within thirty (30) days after termination or expiration of the License Agreement or Budget's receipt of any notice of default by Licensee under the Concession if Budget elects to accept assignment of the Concession; Budget's failure to accept assignment of the Concession upon any default of Licensee under the Concession, will not be deemed a waiver of Budget's future right to accept such assignment in the event of any future default of Licensee;

(j) If Budget elects to accept assignment of the Concession, Budget will execute and deliver to Concessionaire a concession containing the same terms and conditions (including concession fees) as the Concession; provided, however, that Budget's concession interest will not be subject to any defaults or claims that may then exist between Concessionaire and Licensee;

(k) If Budget elects to accept assignment of the Concession, Budget will take possession of the Premises within thirty (30) days after notice of such election to Concessionaire;

(l) 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 Budget 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, Budget 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 Budget, Budget will have the right to revoke its acceptance of assignment of the Concession and will have no further obligations thereunder.

6. Entry By Budget. Concessionaire and Licensee hereby acknowledge that Licensee has agreed under the License Agreement that Budget 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 Budget's 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 Budget, 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 "Budget" business operated by

Licensee. Concessionaire agrees to cooperate fully with Budget in enforcing such provisions of the License Agreement against Licensee, including allowing Budget, its employees and agents to enter the Premises and remove signs, decor and materials bearing or displaying any marks, designs or logos of Budget; 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, Budget may cause all required de-identification to be completed at Licensee's expense.

8. General Provisions.

(m) This Agreement will be binding upon the parties hereto and their successors, assigns, heirs, executors, and administrators.

(n) 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.

(o) Nothing contained in this agreement will affect any term or condition in the License Agreement between Licensee and Budget. Nothing herein will be deemed to constitute a guaranty or endorsement by Budget of the terms and conditions of the Concession between Concessionaire and Licensee. In the event that Budget, in its sole discretion, determines not to accept assignment of the Concession as permitted hereunder, neither Concessionaire nor Licensee will have any claims against Budget. No terms or conditions contained in the Concession will be binding on Budget 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.

BUDGET RENT A CAR SYSTEM, INC.:

By: _____

Its: _____

Date: _____

LICENSEE:

By: _____

Its: _____

Date: _____

CONCESSIONAIRE:

By: _____

Its: _____

Date: _____

EXHIBIT E
RENTAL SYSTEM AGREEMENT

(See Exhibit I of Franchise Disclosure Document)

EXHIBIT F
BUDGET TRANSFER REQUIREMENTS

In order to assure the quality of service, operational uniformity, integrity and continued success of the network of mutually interdependent vehicle rental businesses operating under the “Budget” name (the “**Network**”), it is essential that Budget Rent a Car System, Inc. (“**Budget**”) ensure that each Licensee satisfy the financial, managerial and operational standards, methods, and procedures that Budget periodically implements for the Network (the “Rent a Car System”). Thus, Budget’s consideration of a transfer involves a managerial judgment made by Budget based on its assessment of the licensor-licensee relationship in connection with the long-range needs and continued success of the Network. Therefore, Budget sets forth below Requirements, which will apply to all licensees who wish to transfer ownership or control of their Budget License Agreement or their Budget Rent a Car business operated pursuant thereto (the “**Rental Business**”). These Requirements will not constitute a waiver of or otherwise limit Budget’s or a Licensee’s rights under any Budget 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 Budget franchise, or the identity of the parties dealing with Budget on either an ownership or operational level.

B. **APPROVAL BY BUDGET**

Before any transfer becomes effective, the written approval of Budget, 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 Budget has to update, supplement or register its FDD), but in no event shall the proposed transfer take effect until such time as Budget 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 BUDGET**

Transferring Licensee will submit to Budget written notice of its intent to transfer, together with all of the following documents and information for Budget’s 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 Budget’s 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, Budget 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 Rent a Car System (including the then current Budget 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 Budget 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 Budget's then current standards including (a) operating the Budget business using Wizard or other approved electronic distribution system, (b) maintaining Budget's then current trade dress and facility standards and (c) following Budget's other Standards and Programs regarding National Accounts corporate accounts and form of rental agreement.

E. THE PROPOSED TRANSFEEE WILL BE REQUIRED TO:

1. Execute and comply with all of the terms of Budget's then current License Agreement, Programs and any terms of Budget's 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 Budget 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 Budget's Conditional Consent Letter.

2. Pay from the sale proceeds or otherwise as of the closing date of the transfer:

a. All amounts due Budget whether pursuant to the Budget License Agreement or otherwise;

b. All amounts due to other members of the Network, which Budget 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 Budget 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 Budget. Transferring Licensee is responsible for their transfer request and for facilitating any communication between Budget, proposed Transferee and Transferring Licensee. **BROKERS SHOULD NOT contact Budget at any time.**

4. Transferring Licensee shall pay a transfer fee of \$2,500.00 (plus any CPI-U adjustment as described below) to Budget when Licensee requests that Budget 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 Budget during the transfer review and approval process, but in no event will the out of pocket expenses recovered by Budget be more than \$7,500.00 The out of pocket expenses if any, shall be paid by the Transferring Licensee to Budget upon the conclusion of the transfer. No transfer fee shall be due and Budget shall refund any transfer fee if the transfer does not conclude as a result of Budget's refusal to approve such transfer.

5. The transfer fee in this **Exhibit H** 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 Budget's then current Termination and Release Agreement and any other documentation requested by Budget.

G. TRANSFERS OF VOTING SECURITIES IN STOCK OFFERINGS

Licensee acknowledges and understands that Budget may not consent to Licensee's private offering if Budget determines, in its sole discretion, that such an offering is not in the best interests of Budget, as Licensor, or its Network. If Budget 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 Budget 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/FEEES TO BE SUBMITTED TO BUDGET

Transferring Licensee shall submit to Budget written notice of its intent to transfer, providing Budget with all required documentation and information sufficiently in advance of the date the proposed transfer is scheduled to take effect so as to enable Budget 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 Budget 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, Budget's consideration of requests for approval of any transfer are based upon the judgment of Budget, 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 Budget 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 Budget 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 Budget.

d. The accuracy and completeness of any necessary disclosures in the stock offering prospectus and other documents, concerning Budget's rights of approval and Budget's 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 Budget 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 Budget's rights under the License Agreement.

3. REQUIREMENTS APPLICABLE TO LICENSEES SUBSEQUENT TO STOCK OFFERING

In those instances where Budget 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 Budget's 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 Budget 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 Budget Rent a Car 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 Budget Rent a Car System Transfer Requirements.

or such other form of notice as may be required by Budget 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 Budget communicated by Budget directly to the registrar/transfer agent.

c. Giving Budget 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 Budget or the Rental Business other than those required by law.

d. Including in all filings and offering documents a disclaimer that Budget (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 Budget's Non-Disclosure/Non-Compete Agreement.

f. Making certain that the word "Budget" 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 Budget under the License Agreement.

H. NO PUBLIC OFFERING

Licensee acknowledges and agrees that it is in the intent of both Budget 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 Budget 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. BUDGET DISCLAIMER

Budget's 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 <u>common</u> voting stock issued and outstanding:	
	Total number of <u>preferred</u> 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 _____¹ AGREEMENT

THIS ADDENDUM (“Addendum”) is made and entered into on _____, 20____, by and between _____ (“_____”), located at _____, and _____ (“_____”), located at _____.

_____ and _____ entered into a _____ Agreement on _____, 20____, (such Agreement, together with any amendments, the “_____ Agreement”). _____ 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 _____ Agreement or any other document _____ requires _____ to sign:

CHANGE OF OWNERSHIP

- If _____ is proposing to transfer a partial interest in _____ and _____ has an option to purchase or a right of first refusal with respect to that partial interest, _____ may exercise such option or right only if the proposed transferee is not a current owner or family member of a current owner of _____. If the _____’s consent is required for any transfer (full or partial), _____ will not unreasonably withhold such consent. In the event of an approved transfer of the _____ interest or any portion thereof, the transferor will not be liable for the actions of the transferee _____.

FORCED SALE OF ASSETS

- If _____ has the option to purchase the business personal assets upon default or termination of the _____ 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 _____ owns the real estate where the _____ location is operating, _____ will not be required to sell the real estate upon default or termination, but _____ may be required to lease the real estate for the remainder of the _____ 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 _____ owns the real estate where the _____ location is operating, _____ has not and will not during the term of the _____ 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 _____'s real estate, they must be removed in order for the _____ to obtain SBA-assisted financing.

EMPLOYMENT

- _____ will not directly control (hire, fire or schedule) _____'s employees. For temporary personnel franchises, the temporary employees will be employed by the _____ not the _____.

As to the referenced _____ Agreement, this Addendum automatically terminates when SBA no longer has any interest in any SBA-assisted financing provided to the _____.

Except as amended by this Addendum, the _____ Agreement remains in full force and effect according to its terms.

_____ and _____ 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 _____:

By: _____

Print Name: _____

Title: _____

Authorized Representative of _____:

By: _____

Print Name: _____

Title: _____

Note to Parties: This Addendum only addresses "affiliation" between the _____ and _____. Additionally, the applicant _____ and the _____ system must meet all SBA eligibility requirements.

EXHIBIT I
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 _____, 201_ (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 **Budget Rent A Car System, Inc.** (“**Budget**”), and _____ (“**Licensee**”).

WITNESSETH:

WHEREAS, Licensee is party to a License Agreement with Budget and pursuant to that License Agreement operates a Budget 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 Budget reservation centers, Global Display Systems or “GDS”, websites (including www.budget.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 Budget 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 budget.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. Budget 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 Budget Customer Service Department or other department ABCR designates), in accordance with the then current Budget 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 \$150 without prior approval from Licensee, with adjustments greater than \$150 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), Budget 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) Budget 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 Budget 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 Budget 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 Budget rental locations which information Budget may reasonably deem, from time to time, to be necessary for the efficient operation of the Reservation System. Licensee agrees that Budget 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) Budget'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 Budget 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 Budget 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), Budget 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 Budget 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 Budget locations as well as Budget 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 Budget deems necessary to insure the proper operation of Licensee's Business with the System. Budget 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 Budget customer data. Licensee is responsible for promptly notifying Budget 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, Budget 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 Budget Rent A Car System, Inc. at 6 Sylvan Way, 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:

BUDGET RENT A CAR 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 Transaction

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 associated 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 (Avis and Budget):

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 Budget 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 Budget Rent A Car of _____ (“**Licensee**”).

WITNESSETH

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. ABCR'S Responsibilities.

(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 Budget Rent A Car 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. Severability.

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”).

WITNESSETH:

WHEREAS, Licensee operates a Budget Rent A Car Business under a license agreement (the “License”) with Budget Rent A Car System, Inc. (“Budget”).

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 Budget Rent A Car 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

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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.

<u>REPORT ID</u>	<u>REPORT NAME</u>
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 BCD number from those that are non-BCD.
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 Budget licensees and Budget 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 –

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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 Budget 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 (IAJBHIS)

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

<u>SERVICE DESCRIPTION</u>	<u>SERVICE CHARGE</u>
<u>Warranty Claim Processing</u>	
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, 6 Sylvan Way, 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: Budget 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 \$4.10 per reservation and includes reservations from phone/GDS equipment, phone calls or internet/direct link, including budget.com). This fee includes the corporate overhead expenses, promotional expenses for budget.com and customer complaint service expenses.

2. **International Phone Reservation Fee**. This fee is \$15.10 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 Budget Centralized Commission Services Program fee will be determined in accordance with the BCCS 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

<u>AIRLINE</u> <u>CODE</u>	<u>AIRLINES</u>	<u>FEES</u>
1A	Amadeus	\$4.92
AA	SABRE	\$4.76
UA	Galileo	\$4.99
WN	Southwest Internet	\$3.50
TW	WorldSpan	\$4.99
	Priceline	\$2.75

SCHEDULE 3

TO RESERVATION FEES

**BUDGET CENTRALIZED COMMISSION SERVICES PROGRAM
(BCCS)**

**POLICIES AND PROCEDURES
(U.S.)**

A. SCOPE

1. The Budget Centralized Commission Services Program (“BCCS”), operated by Budget on behalf of Avis Budget Car Rental, LLC. (“ABCR”) is designed to pay travel sources on a worldwide basis, on behalf of all Budget car rental properties, worldwide commissions for both local and one-way car rentals via one central payment method. The current BCCS 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 BCCS, whether made directly with the travel source or received from Budget’s Worldwide Reservation Center. The reservations must be reported to BCCS in accordance with the Instruction Package provisions as commissionable or specific non-commissionable categories. This reporting must be done in the same month, or BCCS 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 BCCS 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 Budget 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 Budget or ABCR may issue payment to travel sources.

2. **Frequency of Payment.** BCCS disburses payment twice per month either directly to the travel sources or via a third party vendor.

3. **Commission Calculations.** Regardless of how Budget licensees submit data, the current Budget 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 Budget 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 Budget 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 BCCS. Compensation payments may be calculated as a percentage of revenue, a flat dollar amount or any other calculation method selected by Budget. 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 Budget licensees. They may be reviewed and revised by Budget in the future to meet business objectives. Budget licensees shall not deviate from, manipulate or change these mandatory commission percentages in any manner, as part of any BCCS submission, nor use other commission percentages on a local basis to pay any travel source commissions.

5. **Override/Bonus Program.** Budget also provides, as a part of BCCS, 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 Budget system. By participating in joint marketing promotions or programs with Budget, 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 Budget 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 BCCS by properties.

2. Output by Budget (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 BCCS 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. Budget 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 Budget'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 Budget 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 BCCS 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 Budget for these charges no later than forty-five (45) days from the date of the Composite Statement. Every attempt will be made by Budget to ensure such Composite Statements are mailed promptly or sent electronically to Licensee. There may be occasions however where circumstances beyond Budget'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 BCCS policy should be sent in writing to:

Manager
Budget 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 Budget 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
INTER-CITY RULES AND REGULATIONS

**BUDGET
INTERCITY
RULES
AND
REGULATIONS
DECEMBER 1, 2014**

**BUDGET RENT A CAR SYSTEM, INC.
INTERCITY RULES AND REGULATIONS
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**BUDGET RENT A CAR SYSTEM, INC.
INTERCITY RULES AND REGULATIONS**

I. GENERAL

This plan for nationwide intercity rental service is to be followed by all Budget System Members in the continental United States. As these rules apply, there is no distinction between Licensor and Licensee cities.

Intercity rental service is to be offered to any qualified Budget customer at all Budget stations without exception.

These procedures supersede those currently in existence and are effective as of July 1, 2014.

Each city should establish an "Intercity Control" or designate an individual to centralize information on intercity and local rentals of foreign cars at one point in each city. All communications between Budget cities regarding intercity rentals are to be addressed to the attention of the designated individual in that city.

It is the responsibility of the renting station to originate the Rental Agreement. It is the responsibility of the receiving city to complete the Rental Agreement and to distribute copies. It is the responsibility of an exchange city to complete and distribute copies of the exchange document.

All cars must be identified with the proper information, including owning city name, city code designation and vehicle number.

BUDGET SYSTEM AND CUSTOMER QUALIFICATION STANDARDS

1. Acceptance of all confirmed reservations subject to Budget system qualification criteria, without modification, addendum, or deletion is required. There will be no modifications, addendums, or deletions to the Standard Budget Rental Agreement.
2. Acceptance of Budget credit qualification practices for all customers must be consistent with 3rd party vendor agreements.
3. Participants must honor vehicle exchange process and comply with the Budget ERS procedures.
4. Budget System Members will comply with Budget System bulletins, practices, policies, and procedures in providing hand controls to the disabled renter.

II. DEFINITION OF TERMS

1. Book Value - Owing city's actual cost of a vehicle including rebates, if any, tax, less 2.083% depreciation per month from date of purchase.
2. Converted Car - For the purpose of this program only, and not as a statement of legal conclusion, a converted car may be any car rented which subsequently:
 - a. Is not returned within five days of the indicated due-in date or authorized extension thereof, or
 - b. Is not returned upon demand.
3. Loss Damage Waiver - An optional service available at Budget Locations in the United States. If LDW is accepted at the time of rental, it relieves the customer of financial responsibility for towing, storage, diminished value, loss of, or damage to, the car when the customer complies with the terms of the rental agreement.

Exception – Vehicles rented in states where customer legislation has been enacted that restricts (a) the sale of LDW (b) the recovery of damages, and/or (c) requires specific disclosure, are subject to the prevailing law(s) of that state. There is no fee due the owning city in states that prohibit the sale of LDW. There is no recovery of damages due the owning city in states that restrict or prohibit the recovery of damages from consumers.
4. Deadhead – Deadheading is the non-revenue movement of a car outside the custodial city's area control. This term generally applies to vehicles being transported back to, or in the general direction of the owning location.
5. Exchange City – City in which a vehicle exchange occurs.
6. Foreign Car – All cars not owned by, or assigned to, the renting city.
7. Intercity/District Rental – Car rental originating in one Budget city/district and terminating in another city/ district, at which there is a Budget location, and rented in accordance with these rules.
8. Intercity Fee – The additional charge to renters for intercity rental service. Sometimes referred to as “drop fee”, “drop charge”, “one-way fee” etc. This is due to the owning city.
9. Local Rental – Rental of an owned or foreign car that originates and terminates in the same city.
10. Agency Operator – A rental station operator under contract with the Budget system to rent cars for the Budget system.

11. Overshoot-
- a. *By renting city* – A rental of a foreign car not in the general direction of the owning city and terminating with a distance involved greater than the distance, as indicated in wizard, between the renting city and the owning city.
 - b. *By customer* – The termination of a rental by a customer which was not authorized by renting city which results in an overshoot as defined in “a” above.
- 12A. P.A.E. (Personal Accident Insurance) – Charges paid by the customer for coverage of accident, medical, death, and dismemberment benefits for bodily injury, and for certain personal property. This fee is due the renting city.
- 12B. RSN: (Roadside Safety Net) - is an optional fee paid by the customer for protections from the cost of roadside hazards, such as lost keys, towing, running out of gas. This fee is due the renting city.
- 12C. SLI (Supplemental Liability Insurance) -is an optional charge that provides excess automobile liability insurance for claims filed by third parties. This fee is due the renting city.
- 12D. RLI (Renter’s Liability Coverage) - is an optional fee charged to the customer to provide first dollar liability coverage. This fee is due the renting city.
- 12E. ESP (Emergency Sickness Protection) - an optional fee paid by the customer for sickness protection, available for non U.S. renters. This fee is due the renting city.
13. Qualified Renter – Except as otherwise required by law, a person 18 years of age or older, who is in possession of a valid driver’s license, and of a Budget honored method of payment. Also, except as otherwise required by law, persons over the age of 25 who do not possess Budget or Budget honored method of payment, must complete a cash rental application in order to establish personal and financial responsibility. This is subject to verification according to Budget’s standard cash qualification procedures. Persons between the ages 18 and 25 may qualify for rental provided they are employed by a company identified as a “National Account” or “Key Account” by BUDGET RENT A CAR SYSEM, INC.
14. Unqualified Renter – Someone who is not a qualified renter. For example, any prospective renter who fails the Equifax or TML checks, or fails to qualify under the terms of 13 above.
15. Receiving City - The city at which the rental terminates.

16. Custodial City- The city to which the rental vehicle is returned, delivered, or towed.
17. Renting City – The city originating a rental either of its own or of a foreign car.
18. Shuttling – Shuttling is the non – revenue movement of a car within an owning control.
19. Special Equipment Car – Classes G, H, K, W, V, F, X and Xa-Xz – these classifications are subject to change.
20. Time and Mileage Charges – Amount shown under that title on the rental agreement after a customer discount has been taken.
21. Unauthorized Drop – A car left at a Budget Station other than that entered on the rental agreement.
22. Vehicle Classifications

A	Subcompact	K	Convertible
B	Compact	L	Premium SUV-8 Pass
C	Intermediate	P	12 Passenger Van
D	Standard	S	Standard SUV-7 Pass
E	Full Size 4 Dr.	V	Mini-Van
F	Intermediate SUV	W	Standard SUV-5 Pass
G	Premium	X	Specialty (Generic)
H	Luxury	Z	Full-Size SUV-8 Pass
		Xa-Xz	Street Fleet

Special Equipment Car – Those car classes not subject to automatic confirmation in wizard (ACFM). These classes include G, H, K, W, V, F, X, and, Xa-Xz and are subject to change.

III. RENTING

1. The renting city is responsible for “Customer Qualification”.
2. The renting city is responsible for performing Preventive Maintenance functions (PMs) and notifying the owner upon completion.
3. The renting city is responsible for labor for handling and preparation of unit.
4. The renting city is responsible for washing and cleaning of unit.

5. The renting and exchange custodial cities must take caution to be sure that foreign cars rented or exchanged are clean and in good mechanical condition. All necessary mechanical repairs are to be made. However, if the repair cost is estimated to exceed \$250.00, authorization from the owning city is required. Written authorization can be obtained by Email, fax, or Wizard message. Verbal authorization can be obtained by telephoning the owning city direct or collect and must document the authorizing manager, date, and time of authorization.
6. On intercity rentals, owning city is guaranteed its share of charges by renting city after deduction of customer purchase credits and any other items supplied by renting city. Hence, owning city is guaranteed 60% of total time and mileage charges on an intercity rental, and full amount collected for any damages. Owner is to receive any odd one-cent amounts, which may result from percentage calculations. From the amount due the owner, deduction is made for customer purchase credits and other items chargeable to owning city which are supplied by renting city, owning city may be entitled to 100% of time and mileage on wrong way rentals. Refer to sections 10 and 11 below.
7. On intercity rentals, the renting city is entitled to 40% of time and mileage charges, after discount, and 100% of ancillary fees (refer to Addendum A). On local rentals, defined as returned to “same station”, the renting city is entitled to 25% of time and mileage charges after discount.
8. If requested by a qualified customer, all Budget cities must rent their own cars to any other Budget city. This provision shall be governed by the reservation availability status indicated in Wizard at the time of such request.
9. An intercity rental of a licensee car may only be made to, in the direction of, or closer to the owning city. Local arrangements can be made between cities. All exceptions must be approved by the owning city by Email, Fax, Wizard message, or telephone call to the owning city, which documents authorizing party and date and time of authorization.
10. An intercity rental of a corporate owned car may be sent to any authorized location in the contiguous 48 states.
11. On deliberate overshoots the owning location has the option of:
 - a. 100% of all time and mileage, LDW, less customer purchases excepting tax. The renting city retains the tax, PAI, PAI Plus, ALI and PEP.
 - b. The normal intercity split plus the return of the vehicle, as authorized and arranged for by the owner, within a reasonable period of time back to the renting or owning location at the renting location’s cost.
12. On overshoots created by the customer the owner is entitled to 100% of time and mileage, LDW and any unauthorized drop fees.

13. The principle of first-in, first-out will apply to foreign cars, except as provided below:
 - a. Cars going directly to owning city go out first.
 - b. If a foreign car has been on hand and available for rental for five days or more, such foreign cars will, from the fifth day, have the same in-line priority as a car going directly to its own city, where the rental in question is closer to, or in the direction of, such foreign cars home base.
 - c. If a foreign car is used on a local rental, it retains its same status “in-line” for intercity rental.
14. A foreign car should be rented or exchanged on intercity rentals before the renting city may use one of its own cars for such rental if the rental is to or toward the owning city.
15. A foreign car may be rented locally, unless owning city has given notice to the contrary. Restriction: a foreign car may not be rented locally unless and until the renting city has none of its own cars available. If an owner does not permit local rentals and a foreign car is not rented out or removed by owner within three days after notification of check-in by receiving city to owning city, whichever occurs first, a storage charge beginning with the fourth day of \$2 per full day or more, if the cost can be substantiated, may be charged by receiving city via parking charge receipts by outside concerns.

IV. SLI, PAI, RLI, AND PEP RESPONSIBILITY

When a customer accepts any of these optional coverages, the original renting location’s PAE, RLI, SLI, ESP, RSN, or policy, as the case may be, shall continue to apply until the rental agreement is closed out. The original renting location shall be responsible for the processing, filing, administration, and payments made on claims submitted under these coverages. The exchange or receiving city is to cooperate with the renting location in obtaining all appropriate information and documents relative to such claims.

V. RATES

1. On local rentals of foreign cars, the renting city may use any rate available which would normally be used on such rentals of its own cars without the expressed permission of the owner. In case of violations, the owning city is authorized to bill the renting city for the difference based on the renting city’s rate as found in Wizard utilizing the Shopper’s Guide (Best Buy) transaction.
2. On intercity rentals of foreign cars, the renting city may use any rate available within its station file, which would normally be used on rentals of its own cars

on intercity rentals. Restriction: All such rentals must be made to, towards, or closer to the owning locations. This does not apply to local rentals.

3. Compact, intermediate, full-size 2-door, and full-size 4-door cars, are to be used for intercity rentals. Special equipment cars, if rented by owner, are to have an intercity fee not more than the normal mileage rate as shown in Wizard per return mile. Special equipment cars may be rented for return to the owning city at basic car rates if special equipment cars cannot otherwise be rented.
4. The revenue derived from optional equipment charges for items such as ski racks, child safety seats, etc., not included in the rates shown in Wizard, are not a part of the definition of rental revenue.
5. Intercity rentals may be priced to customers on the basis of a minimum time period at the discretion of the owning city.

VI. INTERCITY FEE

1. An intercity fee may be added to the rental. The amount of an intercity fee is established by the renting city and is to be no higher than those published in their wizard station rate files.
2. Other exceptions which reduce the intercity fee are optional at the discretion of the owning city.
3. Cities are free to rent their own cars with no intercity fee, but may not waive any charges on foreign cars without the owner's consent.

VII. CHECKING IN

The receiving city is responsible for:

1. Completion and proper distribution of rental documents. In non wizard cities, all one-way service paperwork must be mailed, emailed, or faxed to the renting and owning locations within 3 working days. Corporate rental locations are no longer required to distribute copies of rental agreements; instead, licensee rentals that check into corporate-owned locations will have facsimile copies of rental agreements distributed by Virginia Beach.
2. Notification to owner of damages, necessary repairs, and other malfunctions of the unit.
3. Accident report, if any.
4. Cash collections on cash rentals.
5. Customer refunds.

6. Posting unauthorized drop fees on the rental agreement is a Wizard function. An unauthorized drop is a rental which terminates at any other location than that specified on the rental agreement. It is to be charged as Wizard programming dictates. Any modifications to programming derived charges, without owning city permission is chargeable to receiving city.

VIII. ERRORS

1. Errors in handling intercity transactions are the responsibility of the city in which the error occurred.
2. On cash rentals the erring city is immediately responsible, and on charge rentals the erring city is responsible if reasonable efforts by renting city have failed to effect the indicated adjustment.
3. Renting city is to handle all customer adjustments.

IX. EXPENSE RESPONSIBILITY

1. Owning city pays the following expenses (all expenses unless otherwise indicated, are charged at cost):
 - a. Oil, lubrication and anti-freeze.
 - b. Gas. All other gas expenses when not part of the rental transaction are charged based on the check-in location's cost for gas.
 - c. Oil changes when not part of the turnback process are to be billed at \$35. When required by manufacturer guidelines, synthetic oil is to be billed at \$55. (NOTE: If the service is performed by a vendor, invoice must state Synthetic oil used) Contact the local supply chain manager for exceptions to this policy involving corporate vehicles.
 - d. Repairs involving parts and labor, which exceeds \$250 requires prior approval from the owning city.
 - e. Tire replacement: all tires must be purchased under Budget's' Bulk Purchasing Program where available, except in emergency situations. Advance authorization is not required for replacement of matching tires when the repair is less than \$250 and performed at a Budget facility or by an outside vendor. If the cost to replace tire(s) exceeds \$250, then prior approval must be obtained.
2. Renting city pays for the following expenses:
 - a. Monies Due Owning City – Owning city is guaranteed its share of charges by renting city after deduction of customer purchase credits and any other items supplied by renting city. Hence, owning city is guaranteed

60% of total time and mileage charges on an intercity rental and 75% of such charges on a local rental defined as returned to "same station"; and full amount collected for any damages. Owner receives any odd one cent amounts which may result from percentage calculations. From the amount due the owner, deduction is made for customer purchase credits and other items chargeable to owning city which are supplied by renting city. On intercity rentals, the renting city is entitled to 40% of time and mileage charges, after discount, and 100% of PAE, SLI, ESP and tax charges.

- b. Gas: renting city pays to the receiving city the amount which is charged on the RA. Fuel reimbursement for vehicles rented with less than a full tank, or which were involved in a breakdown, will be billed via an F-68.
- c. Labor for handling and preparation of the car.
- d. Washing, cleaning, storage and/or parking.
- e. Contract percentages due airports, hotel, agencies, and other third parties.
- f. All commissions (travel agents, GDS System Affiliates, Internet Service Affiliates such as Travelocity and Expedia, railroad ticket agents, taxi drivers etc.) including credit club commissions such as Diners Club, American Express, Visa, etc.
- g. Sales tax, if any.
- h. Collection costs.

X. PENALTIES FOR UNAUTHORIZED RENTAL OR USE

- 1. Unauthorized Rental or Use by an Operator is defined as:
 - a. A rental to an unauthorized destination;
 - b. A rental to a city without an Operator location;
 - c. A rental of a Franchisee Foreign Vehicle in the wrong direction (further away from the Owing City than the Renting City);
 - d. A rental of a Foreign Vehicle within seven (7) business days after the Owing City has requested that the vehicle be held; and
 - e. An unauthorized non-revenue movement of a Foreign Vehicle (except to facilitate a more timely rental back to the Owing City) for which the rental agreement, or other documentation, indicates that the Renting City approved the movement.

2. Penalties

- a. If a Foreign Vehicle is rented to an unauthorized destination, the Renting City will pay the Owing City one hundred percent (100%) of the rental revenue and all costs related to the Foreign Vehicle's return to an authorized location, including, without limitation, fuel costs, transfer fees, and shuttler wages.
- b. If a Foreign Vehicle is rented to a city without an Operator location, the Renting City will pay the Owing City one hundred percent (100%) of the rental revenue and all costs related to the Foreign Vehicle's safekeeping and return to an authorized location including, without limitation, fuel costs, storage costs, transfer fees, and shuttler wages.
- c. If a Foreign Vehicle is rented within seven (7) business days after it has been put on hold, the Renting City will pay the Owing City two hundred percent (200%) of the rental revenue and, if the Foreign Vehicle is not available for retrieval when scheduled, all costs related to the Owing City's attempted retrieval of the Foreign Vehicle including, without limitation, fuel costs, transfer fees and shuttler wages.
- d. If a Foreign Vehicle is non-revenue shuttled to another city without the Owing City's approval, the sending city will pay the Owing City \$.75 cents per mile driven. If a Foreign Vehicle was on hold, is non-revenue shuttled within seven (7) business days after it has been placed on hold, and the Foreign Vehicle is not available for retrieval when scheduled, the sending city will also pay the Owing City for all costs related to the Owing City's attempted retrieval of the Foreign Vehicle including, without limitation, fuel costs, transfer fees, and shuttler wages.
- e. If a Foreign Vehicle was on hold, was turnback eligible and was then rented or non-revenue shuttled resulting in mileage in excess of the mileage allowed without penalty under the applicable manufacturer's repurchase program, the Renting City or sending city, as applicable, will pay to the Owing City a penalty equal to the applicable manufacturer's program penalty for the excessive mileage.

XI. CREDIT, BILLING AND COLLECTION

Existing Budget system credit and customer qualification policies apply.

1. Billing and collection is the responsibility and risk of the renting city, but the owning city and receiving city must cooperate in all cases. However, billing and collection of licensee receivables that are purchased by Budget or its parent company is the responsibility of Virginia Beach subject to the terms and conditions of the Agreement for Computer Service and any accompanying schedules or amendments.

2. Be certain reference is made to the rental agreement number whenever a payment by “check” in connection with an intercity transaction is sent to another Budget city. If transaction is a gas, oil, or billing, be certain reference is made to owning city name, city code number, vehicle number and invoice number.
3. Renting City – Renting city always bills the customer. However, with respect to licensee receivables purchased by Budget or its parent company, Virginia Beach shall bill the customer subject to the terms and conditions of the Agreement for Computer Services and any accompanying schedules or amendments. On intercity rentals, the amount due owning city and exchange city is guaranteed by the renting city.
4. Receiving City – It is the responsibility of the receiving city to account to the renting city and the owning city for all funds received on completed rental transactions on an intercity rental, by compiling and distributing the rental agreement.
5. Billing Owing City Expenses – Owing city expense items (i.e., gas, oil, repairs, etc.) when not a part of the rental transaction are separately billed to the owning city and shall be submitted timely, but not longer than twelve (12) months from the date of service or purchase.
6. Refunds by Receiving or Exchange City – When money is refunded to the customer for on-the-road expenses, this is part of the rental transaction and is not to be billed separately to the owning city.
7. Intercompany Billing – Locations may accumulate charges (at their option) of up to \$250 per F-68 rather than make a separate F-68 for each item. Restrictions: Such accumulated expense items must be billed monthly and forwarded to World Headquarters for processing.

F-68's containing multiple entries where one or more entries are denied may be processed minus the rejected entry(s). Rejected entries are to be forwarded back to the billing location for review and/or re-submission.

XII. DAMAGE & THEFT RESPONSIBILITY

1. On deadheads, when prior authorization is obtained, the owning city is totally responsible for vehicle damage.
2. Damage to and theft of cars is the responsibility and risk of the owner except as outlined under this caption.
3. Renting city is responsible for the full amount of any damages, less a \$600 deductible in the event owner's car has been rented to an unqualified renter. Not to exceed book value.

4. Receiving / Custodial City is responsible for the following:
- a. For all damage expenses which occur post check in. less \$600, or if the car is used for any purpose not directly or indirectly connected with a rental. Not to exceed book value.
 - b. All damage expenses (except those resulting from Force Majeure) originating from theft, shuttling, fire, misuse, less deductible of \$600. These expenses are billed via F-68 directly between the two cities involved and shall be billed within twelve (12) months from the day the loss was reported to the owning city. Such expenses shall not exceed book value.
 - c. For obtaining authorization from owning city prior to repairing the vehicle. Owing city has the option of making alternate arrangements for the repair of its vehicles.
 - d. If repairable, receiving/custodial city must make available to owning city, an accident report or MVR, damage appraisal report, and photographs. If the vehicle is repaired, any parts/body shop invoices and other supporting papers pertinent to the damage claim are to be furnished to the owning city.
 - e. If vehicle is deemed a total loss, then owning city is to transfer title to receiving/custodial city after receipt of payment from receiving city. In such cases there will be a \$600 deductible. Owing city must provide receiving/custodial city with the following documents.
 - Title Certificate
 - Copy of original Purchase Orders, dealer invoices and depreciation schedules
 - Accident report(s), MVR's, Damage appraisal(s)
 - Photographs
 - Salvage Bids, Tow bills
 - Maintenance records, Warranty papers
 - f. If theft of a vehicle occurs from the custodial city's facilities and the vehicle is recovered within 60 days when first noted missing, no charges other than damages over \$600 are to be charged to the custodial city. Not to exceed book value.
 - g. If a vehicle is stolen from the custodial city, the custodial is responsible for the entire current book value of the vehicle at the end of a 60 day waiting period, which shall commence when the vehicle is first noted missing. In such instances there will be **no** \$600 deductible. The owning city is to provide the custodial city with the following documents, after payment from the custodial city:

Title Certificate (ownership papers)
Copy of original Purchase Orders, dealer's invoices, and depreciation Schedules
Record of maintenance, Warranty papers, Spare keys

In case of stolen or converted vehicles on rentals made to an unqualified renter, the Certificate of Title does not have to be turned over to the purchasing city until after the payment settlement is made.

5. On rentals to qualified customers, if the vehicle is stolen from the customer, the owning city assumes full responsibility.

XIII. CONVERTED CARS

Qualified Renter – The renting city must cooperate with the owning city for conversion follow through. In the case of a converted car where the rental was made to a qualified renter, the renting city will pay to the owning city the greater of:

1. 60% of the time charges to the indicated due in date

OR

2. The full amount of any deposits, credit club remittances, or other collections with respect to such rental. Such amount will be payable 30 days after the indicated due-in date.

Unqualified Renter – In the case of a converted car where a rental was made to an unqualified renter, the renting city is responsible to the owning city as follows:

1. If vehicle is recovered within 60 days of the rental, the renting city is responsible for the owning city's 60% of the share of gross T & M (not to exceed \$400 per month) up to the date owning city is notified of recovery.

OR

2. If vehicle is not recovered within 60 days of rental, renting city will acquire the vehicle from owning city for the current book value at the end of the 60-day waiting period. (In lieu of any obligation in (1) above). Owing city will provide such invoices and documentation, as well as title to the vehicle promptly after payment by renting city.

XIV. SHUTTLING AND DEADHEADING

1. Shuttling is the movement of a car within a custodial city's control with the ultimate goal of renting the vehicle to, towards, or closer to the owner. The decision to shuttle is made by the custodial city, as long as the shuttle distance is

less than 50 miles. Shuttling is at the custodial city's risk with respect to collision damage, less a \$600 deductible. The owning city's vehicle is not to be used as a "chase" vehicle during shuttling.

2. In the event that the damages exceed the book value, the custodial city's responsibility shall be the book value.
3. Deadheading is the movement of a car outside the custodial city's area of control. Deadheading is normally done, to, towards, or closer to the owner, and in all cases the owner must give authorization. The owner authorizing city is responsible for all collision damage incurred during deadheading movements.
4. Foreign cars must not be deadheaded anywhere except at the owning city's request or with its permission. Employees must not be permitted to deadhead cars to owning cities for fees when such practices interfere with normal efforts to rent cars toward the owning city.

XV. TURNBACKS

Certain manufacturers' vehicles purchased by Budget System Members, which are properly enrolled in a manufacturer's repurchase program, are eligible to be returned to the manufacturer subject to the manufacturer's stated terms and conditions.

To facilitate the turn back process, all Budget System Members will be required, as receiving locations, to return owned and non-owned eligible manufacturers' program vehicles to the manufacturer, subject to the direction and control of the owning city and pursuant to manufacturers' program rules and regulations.

Owning City Responsibilities

Owning city will be responsible for determining which vehicles are eligible for turnback to the manufacturer and to communicate to the receiving city the eligibility/ineligibility status of each vehicle, either through Email, Wizard, Profs, direct contact with receiving city, or by a procedural bulletin/ notice distributed in advance of vehicle's receipt in receiving city.

Owning city will be responsible for damage incurred by the custodial city to eligible turnback units only during the process of turning back vehicles. For purposes of this section, the turnback process begins when the owning city communicates to the receiving/custodial city the eligibility status of each vehicle.

Owning city will be responsible for resolving and/or negotiating any adjustments, damage disputes or other payments associated with a vehicle's acceptance or rejection at a manufacturer's return center. Owning city will direct receiving city in resolving these adjustments.

Owning city will express mail title and other pertinent documentation to the receiving city. Owning city will be responsible for affixing appropriate vehicle decals to the vehicle.

Renting Station Responsibilities

Renting station is responsible for ensuring that vehicles designated as eligible for turnback are rented in accordance with the current standard Budget turn back procedures. (See Expense Responsibility Section below).

Receiving Station Responsibilities

Receiving station is responsible for:

- Returning owned and non-owned repurchase program vehicles to the manufacturer subject to the terms and conditions of each individual manufacturer's repurchase program.
- Returning non-owned vehicles to the manufacturers return center within seven (7) days of receipt in receiving city, subject to the control and direction of the owning city.

Arranging for inspection and transportation of the vehicle prior to turnback to the manufacturer, and notifying owning city of any damages or other items which may result in the vehicle's rejection at a manufacturer's return center.

Returning to owning city appropriate documentation evidencing the vehicle's acceptance at the manufacturer's return center.

If mileage dictates: Preventive Maintenance functions must be performed in accordance with manufacturer's warranty and maintenance specifications.

Confirming receipt of title.

Expense Responsibility/Penalties

Receiving city will be compensated \$45.00 per vehicle by owning city. This fee includes oil and filter change, and local transportation (within 25 miles of city) to a manufacturer's return center. Owning city must make arrangements with receiving city for non-local transportation (more than 25 miles from city) to a manufacturer's return center. All other costs incurred, i.e.; shuttling, windshield, parts, etc. are to be billed to owner at cost.

Penalties apply only to returning/receiving locations that participate in the Wizard System:

Penalties only apply on vehicles properly updated in wizard by the fleet owner as a turnback vehicle. Such wizard update is to be performed prior to the rental, movement, or action causing such vehicle to be in violation of the program. Non-

automated locations must forward written verification of a vehicle's turnback status to the receiving location prior to check in of such vehicle in receiving city.

Penalties will not apply if it cannot be determined by the receiving city that a vehicle is in a turnback status prohibiting the subsequent rental or movement of that vehicle.

For wizard users, the custodian city will be responsible for penalties, if a rental occurs on a restricted status (i.e. "penalty" or "tbk"). For non wizard users, an owning city is responsible to provide written instructions to a custodian city on what action to take on a program car. Penalties which are the result of the custodian city's failure to execute the owning city's instructions will be the responsibility of the custodian city.

- I In either case, the renting/receiving city forfeits 100% of the revenue of the rental. In addition, if more than 7 days elapses between the check-in of the last revenue movement and return to the manufacturer's return center, there will be a \$10 per day penalty unless:
 - a) The manufacturer rejected the vehicle when returned; or
 - b) The title was not received from the owning city.
- II.
 - a) If a renting/returning city rents a vehicle in turnback status and the vehicle is not excluded from the manufacturer's repurchase program: \$200.
 - b) If a renting/returning city rents a vehicle in turnback status and the vehicle is excluded from a manufacturer's repurchase program: \$1000 (except Class "H" Luxury cars \$2000).

XVI. MILEAGE ACCOUNTABILITY

1. The receiving city is to account to an owner for all mileage from the date of receipt of the car until the date of receipt in another city. The owner has 90 days to bill for missing miles, and the receiving city has 60 days to respond to the bill.
2. Movement by a receiving city of a foreign car for service or to make a car available for rental must be covered by a non-revenue ticket, or Vehicle Transfer Contract, Form F-17, with the completed original sent to the owning city. Mileage so reported if reasonable in amount, is to be considered as satisfactorily accounted for.
3. Unaccounted mileage over 50 miles is to be billed to the receiving city by owning city at the rate of 50 cents per mile from the first mile.

XVII. INTERCOUNTRY RENTALS

1. No vehicle unit may be rented into Mexico, Canada, or Alaska without prior approval of the owning city.

2. Canadian Vehicles – Canadian vehicles in the U.S. may only be rented back to or toward Canada to comply with U.S custom laws.
3. U.S. Rentals into Canada – Owners may initiate rentals into Canada with the intercity fee optional. Cars in Canada may be rented back to U.S. cities.
4. U.S. Rentals into Mexico – Owners may initiate rentals into Mexico; however, the rental must terminate in the U.S.A and special insurance covering the car while in Mexico must be purchased by the customer at the border. Under no circumstances is a rental to be terminated in Mexico.

XVIII. INSURANCE

1. It is the responsibility of the renting, exchange, and receiving cities to cooperate fully with the owning city in the reporting and processing of liability or damage claims.
2. Budget licensees shall maintain insurance as required by the applicable license agreement.

PUBLIC LIABILITY AND PROPERTY DAMAGE INSURANCE

1. Public liability and property damage insurance “follows the car” i.e., coverage is provided by the owner.
2. Owner has full responsibility for handling claims involving third party responsibility.
3. A full report on all accidents involving foreign cars must be sent promptly to the owning city.
4. In case of accidents involving any personal injury or extensive property damage, telephone owning city collect for instructions.

PHYSICAL DAMAGE LOSSES (EXCLUDING COLLISION DAMAGE)

1. All fire, theft or physical damage losses, etc., commonly covered by “comprehensive insurance” are the responsibility of the owning city on both intercity and local rentals except as otherwise provided herein.
2. All information on such claims must be sent to the owning city promptly for proper reporting.

PHYSICAL DAMAGE (COLLISION)

Collision and upset damage losses are the responsibility of the owning city except as otherwise provided herein. All information on such claims must be sent to the owing city promptly, for proper reporting

XIX. INTERCITY RENTAL POLICY DISPUTES

Disputes Between Budget Cities – In cases where there is a disagreement between two Budget cities over the interpretation of these rules and regulations, submit facts of the matter to Licensee Relations Department, Budget World Headquarters, and a ruling will be given in accordance with system policy.

1. Customer Complaints and Inter-Station Relations – In cases where a customer of a Budget city advises Budget of any non-performance of these rules and regulations and an investigation indicates non-compliance, the offending city will be directed to correct the complaint by making the necessary adjustments with the customer and/or the Budget city.
2. F-68's Directly Between The Two Cities Involved – All unpaid expenses between Budget cities, if remaining unpaid after 60 days from the billing date, will be arbitrated by the Licensee Relations Department, who will have the only authorization to debit and credit city statements. For this ruling, there will be no distinction made between Budget cities.

XX. EMERGENCY ROAD SERVICE PROCEDURES

Customers who require breakdown assistance may utilize a special Emergency Road Service 800 number that will automatically connect them with the emergency road service department or a Budget authorized third party vendor assigned to handle emergency road service.

The cost of each transaction of the special ERS service is borne by the owning city.

Budget locations have authorization to reimburse customers out of pocket expenses up to \$250 without having to obtain approval from the vehicle owner. Such reimbursement is to be made in a prudent and businesslike manner at the discretion of the reimbursing party.

Authorization includes but is not limited to: Towing, Tire Replacement, Lost Keys, Hotel Accommodations, and Cab Fare. Excluding from this provision is: Customer reporting of stolen vehicle, and Lodging for customers involved in an accident.

XXI. CAR EXCHANGE PROCEDURES

General

1. **All Budget locations must provide an exchange car for customers experiencing mechanical failure or a safety hazard.** Locations whose failure or refusal to provide a vehicle for a car exchange will become responsible for excess expenses resulting from over towing or deliveries of replacement vehicles from Budget locations outside of the area. The following procedures apply to all corporate and licensee locations in the continental United States. In all cases

where a licensee is going to be charged under this provision, it will be reviewed and decided by the VP of Franchise Operations.

2. Other car exchanges, such as upgrading of the vehicle, should be made upon a customer's request whenever possible.
3. The exchange city is to make every reasonable effort to account to the owning city for the vehicle and to cooperate with the owner to recover the vehicle.
4. The underlying principle of the vehicle exchange procedure is that the customer will be billed exactly the same as if no exchange had taken place. This excludes any change in rates or drop fee because the customer violates the original terms of the rental agreement.

Examples:

- a. Customer returns the vehicle intercity when it was to be local rental, the customer would be subject to a rate change and drop fee.
- b. If the customer was on a weekend rate and returns beyond the weekend period, he may have to pay a higher rate. Any change in rate shall be based on the original rental location's rates.

Prior to Exchange

Prior to a vehicle exchange, the exchange city must:

1. Verify the customer's credit I.D. and driver's license.
2. Check the original rental agreement to ensure that the vehicle is not overdue.
3. Verify with the customer the check-in date and time.
4. Obtain additional authorization from the Credit Club if the rental is extended or appears to require additional authorization. On cash rentals being extended, the exchange location is responsible for obtaining an additional deposit equal to the estimated rental charges plus 40% up until the new return time and date. The additional authorization or prepayment must appear on both the original rental agreement and the vehicle exchange agreement.
5. Except as otherwise required by law, additional drivers are not permitted to exchange a vehicle. Only the named Renter, with Budget's permission may exchange a vehicle. The only exception to this rule would be for situations arising under the Emergency Road Service Program.
6. If the exchange location cannot perform all of the above, it must contact the original renting city for instructions.

7. In the event that the exchange location does not follow the above procedures it shall be liable to the exchange vehicle owner for commission, LDW and gas for the time after the exchange up until the time the vehicle is checked in or exchanged in another city. It shall also forfeit its renting city commission. In the event that the vehicle is converted and such conversion could have been prevented by complying with items 1, 2,3,4,5 and 6 above, the exchange city shall become liable to the vehicle owner for the book value of the vehicle as of the date of exchange. In the event the exchange city complies with 1, 2,3,4,5 and 6 above and the vehicle is subsequently converted, the exchange city will not be responsible for the vehicle other than to cooperate with the original renting station and the vehicle owner to recover the vehicle.

EXCHANGE PROCEDURES

Rental sales agents will process the car exchange transaction by completing the vehicle exchange agreement.

CAR EXCHANGE CHECK-IN AND CHECK-OUT OF NEW CAR

Complete the vehicle exchange in Wizard, with the following information:

All customer, rate, and rental information shown on the original rental agreement.

Car information for the new car being assigned is to be listed on the original rental agreement, using wizard exchange process on the 206 screen.

Have the customer sign the vehicle exchange agreement.

If an owning city vehicle is not available, non wizard locations should close out the original rental agreement prorating all charges. Open a new rental agreement with the appropriate vehicle information and prorated charges. Fax copies of the original (closed) rental agreement and the new exchange agreement to 757-687-3768.

When an exchange occurs within 24 hours of the opening of a rental agreement, Wizard programming determines that no revenue will be allocated to the originating city. When an exchange occurs within wizard, wizard considers the rental as an Intercity transaction and all revenue splits will apply from the exchange point forward.

FINAL CHECK-IN PROCEDURES

1. The rental is to be calculated by combining all of the vehicle usage and computing it on the original rental agreement and subsequent copies in the exchange documents. In no event shall the total rental charges be in excess of the charges had the exchange not taken place. Exception: if the customer chooses to upgrade the vehicle class at the time of exchange, the customer shall pay the appropriate higher rate for the period he or she utilized the higher class vehicle.

2. The exchange location is responsible for distribution of the updated or closed rental agreement, and forwarding copies to the original renting city, original owner, subsequent exchange city(s) and the subsequent owning city(s). Non wizard users should fax updated information involving ABG fleet to 757-687-3768.

PRORATION OF REVENUES

The original renting city is responsible for all customer billing adjustments and also pays the owning cities involved, as well as exchange cities. However, with respect to licensee receivables purchased by Budget its parent company, Virginia Beach shall bill the customer subject to the terms and conditions of the Agreement for Computer Services and any accompanying schedules and amendments. The proration and allocation of rental revenue will be based on the following principles:

1. Proration will be based on the **total** time and mileage calculated at the final check-in of the rental. Mileage driven on each part of the rental is **not** a basis for proration.
2. Calculations determining the daily prorated value will be based on completed 24-hour periods up to the last city in the exchange city chain. The last city in the car exchange chain will receive the remainder of the prorated charges after the original renting city and the intermediate exchange cities receive their prorated portions. **NOTE:** *If the entire period is less than one day or if none of the cities involved in an exchange has a complete 24-hour period of rental, the final exchange city will receive all of the revenue.*
3. Renting and owning city commissions will be determined based on the existing formula of 60% of time and mileage to owning city and 40% of time and mileage to renting city and prorated according to each vehicle used.
4. Distribution of LDW and PAI remains as it has in the past. LDW goes to the owning city and PAE, RLI, RSN, and PEP to the renting city. The amounts credited will be based on the prorated portions for each vehicle used.
5. Refueling charges for each vehicle will be credited to the owner of the vehicle and will not be prorated. The amount of refueling charges at each exchange will be posted in the appropriate box of the vehicle exchange agreement. This amount is the basis for refueling charges to be paid to the owner by the original renting city.
6. Payment of tax, airport fees, credit card fees, and travel agency commission is the first renting location's responsibility.
7. One-way fees will be credited to the last owner and are not prorated.

XXII. BILLING

1. Process the rental agreement normally for customer billing.
2. Whenever the exchange takes place between a corporate and licensee location and the rate on the original rental agreement is lower than the rates in the exchange location's station file, the exchange location may F-68 the renting location for difference in rates. This billing is not permitted among corporate locations. Billing between licensees and corporate locations may never be for an amount greater than the renting city's prorated revenue.
3. If the exchange location incurs extra costs such as delivery expenses, towing etc., then these expenses will be paid by the owning location. If the expense will be over \$250, contact the owning location for authorization before proceeding.

OVERDUE EXCHANGE VEHICLES

The exchange location is responsible for overdue exchange vehicles up until the time the original renting city is notified of the overdue status of the exchange vehicle.

XXIII. VEHICLE REGISTRATIONS, PM, AND REPAIR NOTIFICATION

When a vehicle is side-lined for expiring plate/registration, send an e-mail or fax the MVA number, the license plate number and the state where registered to the Fleet Processing Department for corporate cars. For licensee cars, the owning city is to be contacted. The Fleet Processing Department e-mail is: **reg.renewal@avisbudget.com**. Oil changes, when not part of the Turnback process, are to be billed at \$35. When required by manufacturer guidelines, synthetic oil is to be billed at \$55. (NOTE: If the service is performed by a vendor, invoice must state Synthetic oil used) Contact the local supply chain manager for exceptions to this policy. For record keeping purposes, please fax PM invoice to 303-200-1936 for an update. One invoice per (no bulk), VIN, Mileage, Tire Pressure's, Vendor name, location must be clearly legible.

ADENDUM A

REVENUE AND EXPENSE RESPONSIBILITIES

Revenue Splits	Renting City Licensee				Renting City Corporate	
	Corporate Vehicle		Licensee Vehicle		Licensee Vehicle	
	Owning City	Renting City	Owning City	Renting City	Owning City	Renting City
*Rental Revenue	60%	40%	---	----	-----	-----
-- to or toward Owning City	-----	-----	60%	40%	60%	40%
Local Use	75%	25%	75%	25%	75%	25%
Loss Damage Waiver	100%	0%	100%	0%	100%	0%
Personal Accident Ins	0%	100%	0%	100%	0%	100%
SLI, RSN, other Ancillary**	0%	100%	0%	100%	0%	100%
Drop Charge	100%	0%	100%	0%	100%	0%

Expense					
Credit card commissions	0%	100%	0%	100%	0% 100%
Vehicle repairs	100%	0%	100%	0%	100% 0%
Reservation charges	0%	100%	0%	100%	0% 100%
Travel agent commission	0%	100%	0%	100%	0% 100%
Airline commission	0%	100%	0%	100%	0% 100%
Airport concession and Airport recovery fee	0%	100%	0%	100%	0% 100%
Routine cleaning & maintenance	0%	100%	0%	100%	0% 100%

*Rental Revenue is defined as all charges associated with time charges (e.g. hourly, daily, weekly and monthly), and GPS fees.

** other ancillary includes all other products (RLI, XM units, delivery fee, chains, ski racks, safety seat)

EXHIBIT K

**ADDITIONAL DISCLOSURES FOR THE MULTISTATE
FRANCHISE DISCLOSURE DOCUMENT OF BUDGET
RENT A CAR SYSTEM, INC.**

EXHIBIT K

**ADDITIONAL DISCLOSURES FOR THE MULTISTATE
FRANCHISE DISCLOSURE DOCUMENT OF BUDGET
RENT A CAR SYSTEM, INC.**

**ADDITIONAL DISCLOSURES FOR THE
MULTISTATE FRANCHISE DISCLOSURE
DOCUMENT OF BUDGET RENT A CAR SYSTEM,
INC.**

THE FOLLOWING ARE ADDITIONAL DISCLOSURES FOR THE FRANCHISE DISCLOSURE DOCUMENT OF BUDGET RENT A CAR SYSTEM, INC. REQUIRED BY VARIOUS STATE FRANCHISE LAWS. EACH PROVISION OF THESE ADDITIONAL DISCLOSURES WILL NOT APPLY UNLESS, WITH RESPECT TO THAT PROVISION, THE JURISDICTIONAL REQUIREMENTS OF THE APPLICABLE STATE FRANCHISE REGISTRATION AND DISCLOSURE LAW ARE MET INDEPENDENTLY WITHOUT REFERENCE TO THESE ADDITIONAL DISCLOSURES.

CALIFORNIA

1. The following is added at the end of Item 3:

Except as disclosed above, neither Budget nor any person in Item 2 is subject to any currently effective order of any national securities association or national securities exchange, as defined in the Securities and Exchange Act of 1934, 15 U.S.C.A. Sections 78a et seq., suspending or expelling such person from membership in such association or exchange.

2. 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.

3. 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. For California franchisees who sign a development agreement, the payment of the development and initial fees attributed to a specific unit in your development schedule is deferred until that unit is open.

4. The following paragraphs are added at the end of Item 17:

California Law Regarding Termination and Nonrenewal. The California Business and Professions Code Sections 20000 through 20043 provide rights to franchisees concerning termination or nonrenewal of a franchise. If the License Agreement contains any provisions that are inconsistent with the law (and the law applies), the law will control.

Termination Upon Bankruptcy. The License Agreement provides for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C.A. Sections 101 et seq.).

Post-Termination Noncompetition Covenants. The License Agreement contains a covenant not to compete which extends beyond the termination of the agreement. This provision might not be enforceable under California law.

Liquidated Damages for Termination Without Cause. The License Agreement contains a provision providing for liquidated damages. This provision might not be enforceable under California law.

Applicable Law. The License Agreement and related agreements require application of the laws of New Jersey. This provision might not be enforceable under California law.

Forum. The License Agreement and related agreements require application of the forum of New Jersey. This provision might not be enforceable under California law.

California Corporations Code, Section 31125 requires us to give you a disclosure document, approved by the Department of Financial Protection & Innovation, prior to a solicitation of a proposed material modification of an existing franchise.

The License Agreement requires you to sign a general release of claims upon transfer of the License Agreement. California Corporations Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order thereunder is void. Section 31512 might void a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 31000 – 31516). Business and Professions Code Section 20010 might void a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043).

Despite the disclosures above, Budget and you agree to interpret and enforce the provisions of the License Agreement and related documents as written to the maximum extent the law allows.

ILLINOIS

1. 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.

2. The "Summary" sections of Item 17(v), entitled **Choice of forum**, in the charts for **The Budget License Agreement** and **Confidentiality Agreement** in Item 17(v) are deleted in their entirety.

3. The "Summary" sections of Item 17(w), entitled **Choice of law**, in the charts for **The Budget License Agreement**, **Rental System Agreement**, and **Confidentiality Agreement** in Item 17(w) are deleted and replaced with the following:

Illinois law applies.

4. 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 – Laws & Regulations Concerning the Car Rental Industry and the Announcement of the Department of Justice – Settlement Agreement.

5. Budget expects that you will finance 100% of your vehicle fleet. You must provide security for any loan you obtain and personally guarantee any financing. This Guarantee will place your personal assets (perhaps including your house) at risk if your franchise fails.

6. Item 6 in the disclosure document contains 7+ pages of “Additional Fees” that you must pay throughout the term of the franchise.

7. 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.

MARYLAND

1. The following language is added to the “Summary” section of Item 17(c), entitled **Requirements for you to renew or extend**, and Item 17(m), entitled **Conditions for Budget’s approval of transfer**, in the **Budget License Agreement** chart of Item 17:

Any release required as a condition of renewal and/or assignment/transfer will not apply to the extent prohibited by the Maryland Franchise Registration and Disclosure Law.

2. The following language is added to the end of the “Summary” section of Item 17(v), entitled **Choice of forum**, in the **Budget License Agreement** chart of Item 17:

, except that you may bring suit in Maryland for any claims arising under the Maryland Franchise Registration and Disclosure Law.

3. The following language is added to the end of the “Summary” section of Item 17(w), entitled **Choice of law**, in the **Budget License Agreement** chart of Item 17:

, except for claims arising under the Maryland Franchise Registration and Disclosure Law.

4. The following language is added to the end of the “Summary” section of Item 17(w), entitled **Choice of law**, in the **Rental System Agreement** chart of Item 17:

, except for claims arising under the Maryland Franchise Registration and Disclosure Law.

5. The following language is added to the end of the first sentence of the “Summary” section of Item 17(v), entitled **Choice of forum**, in the **Confidentiality Agreement** chart of Item 17:

, except that you may bring suit in Maryland for any claims arising under the Maryland Franchise Registration and Disclosure Law.

6. The following language is added to the end of the “Summary” section of Item 17(w), entitled **Choice of law**, in the **Confidentiality Agreement** chart of Item 17:

except for claims arising under the Maryland Franchise Registration and Disclosure Law.

7. The following language is added at the end of Item 17:

The License Agreement provides for termination upon bankruptcy. This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.); however, Budget and you will enforce the provision to the maximum extent the law allows.

8. The following language is added to the end of Item 22:

Avis Budget Group, Inc.’s Guaranty of Performance of our obligations under Maryland law is included in Exhibit M.

MINNESOTA

1. Payment of all initial fees is deferred until Franchisor has satisfied its pre-opening obligations and Franchisee’s Franchised Business opens to the public.

2. The third sentence of the last paragraph in Item 13 is deleted in its entirety and replaced by the following:

Budget is not required to indemnify or defend you against claims from your use of Budget’s Proprietary Marks, or to protect your right to use these marks, except to the extent otherwise required by the Minnesota Franchises Law.

3. The following language is added following the Item 17 charts:

With respect to franchises governed by Minnesota law, Budget will comply with Minn. Stat. Sec. 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 Budget License Agreement.

Minn. Stat. Sec. 80C.21 and Minn. Rule 2860.4400J prohibit Budget in certain cases from requiring litigation to be conducted outside Minnesota. Those provisions also provide that no condition, stipulations or provision in the Budget License Agreement shall in any way abrogate or reduce any rights you have under the Minnesota Franchises Law, including (if applicable) the right to submit

matters to the jurisdiction of the courts of Minnesota and the right to any procedure, forum or remedies that the laws of the jurisdiction provide.

Minn. Rule Part 2860.4400J prohibit a licensee in certain cases from waiving rights to a jury trial; waiving rights to any procedure, forum or remedies provided by the laws of the jurisdiction; or consenting to liquidated damages, termination penalties or judgment notes. However, Budget and you agree to enforce these provisions in the Budget License Agreement to the maximum extent the law allows.

Any release required as a condition of transfer/assignment will not apply to the extent prohibited by the Minnesota Franchises Law.

NEW YORK

1. The following risk factors are added to the cover page of the Federal Disclosure Document:

SPECIAL RISK FACTORS:

1. INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR SOURCES OF INFORMATION. REGISTRATION OF THIS FRANCHISE BY NEW YORK STATE DOES NOT MEAN THAT NEW YORK STATE RECOMMENDS IT OR HAS VERIFIED THE INFORMATION IN THIS DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND NEW YORK STATE DEPARTMENT OF LAW, BUREAU OF INVESTOR PROTECTION AND SECURITIES, 120 BROADWAY, 23rd FLOOR, NEW YORK, NEW YORK 10271

2. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE PROSPECTUS. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS WHICH ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS PROSPECTUS.

2. The following is added to the end of Item

Except for the litigation disclosed in Item 3, with regard to Budget, its predecessor or predecessors, and the persons identified in Item 2 or an affiliate offering franchise under Budget's principal trademark:

A. There is no pending administrative, criminal or civil action pending alleging: a felony; a violation of a franchise, antitrust or securities law; fraud,

embezzlement, fraudulent conversion, or misappropriation of property; unfair or deceptive practices; or comparable civil or misdemeanor allegations.

B. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10-year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or been held liable in a civil action alleging: violation of a franchise, antitrust or securities law; fraud, embezzlement, fraudulent conversion, or misappropriation of property; or unfair or deceptive practices; or comparable allegations.

C. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under any federal, state or Canadian franchise, securities, antitrust, trade regulation or trade practice law, as a result of a concluded or pending action or proceeding brought by a public agency; or is subject to any currently effective order of any national securities association or national securities exchange as defined in the Securities and Exchange Act of 1934, suspending or expelling such person from membership in such association or exchange; or is subject to a currently effective injunctive or restrictive order relating to any other business activity as a result of an action brought by a public agency or department, including, without limitation, actions affecting a license as a real estate broker or sales agent.

3. The following is added to the end of Item 4:

Except as described above, neither Budget nor any of its predecessors, affiliates or officers identified in Item 2, during the 10-year period immediately preceding the date of the disclosure document: (a) has filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code; (b) has obtained a discharge of its debts under the U.S. Bankruptcy Code; or (c) was a principal officer of a company or a general partner in a partnership that either filed as a debtor (or had filed against it) a petition to start an action under the U.S. Bankruptcy Code or that obtained a discharge of its debts under the U.S. Bankruptcy Code during or within 1 year after the officer or general partners held this position in the company or partnership.

4. The following sentence is added after the first sentence of the first paragraph in Item 5: Budget applies the initial franchise fee to defray its costs of obtaining and screening franchisees, training, and assisting in the opening of your Budget Franchise.

5. The first paragraph of Item 17 is deleted in its entirety and is replaced with the following: THIS TABLE LISTS CERTAIN IMPORTANT PROVISIONS OF THE LICENSE AND RELATED AGREEMENTS PERTAINING TO RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION. YOU SHOULD READ THESE PROVISIONS IN THE AGREEMENTS TO THE DISCLOSURE DOCUMENT.

6. The following is added to the “Summary” section of Item 17(d), entitled

Termination by you, in all of the Item 17 charts:

You may terminate the agreement on any grounds available by law.

7. The “**Summary**” section of Item 17(c), entitled **Requirements for you to renew or extend**, and Item 17(m), entitled **Conditions for Budget’s approval of transfer**, in the **Budget License Agreement** chart of Item 17 are amended by adding the following:

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

8. The “**Summary**” section of Item 17(j), entitled **Assignment of contract by Budget**, in the **Budget License Agreement** chart of Item 17 is amended by adding the following:

However, to the extent required by applicable law, no assignment will be made except to an assignee who, in Budget’s good faith and judgment, is willing and able to assume Budget’s obligations under the License Agreement.

9. The “**Summary**” sections of Item 17(v), entitled **Choice of forum**, and 17(w), entitled **Choice of law**, in the **Budget License Agreement** chart of Item 17 are amended by adding the following:

However, the governing choice of law and choice of forum shall not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the General Business Law of the State of New York.

10. The following language is added to the end of the “**Summary**” sections of Item 17(v), entitled **Choice of forum**, and Item 17(w), entitled **Choice of Law**, in the **Confidentiality Agreement** chart of Item 17:

However, the governing choice of law and choice of forum shall not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the General Business Law of the State of New York.

11. The following language is added to the end of the “**Summary**” section of Item 17(w), entitled **Choice of Law**, in the **Rental System Agreement** chart of Item 17:

However, the governing choice of law and choice of forum shall not be considered a waiver of any right conferred upon you by the provisions of Article 33 of the General Business Law of the State of New York.

12. There are circumstances in which an offering made by Budget would not fall within the scope of the New York General Business Law, Article 33, such as when the offer and acceptance occurred outside the State of New York. However, an offer or sale is deemed made in New York if you are domiciled in and the franchise will be opened in New

York. Budget is required to furnish a New York prospectus to every prospective franchisee who is protected under the New York General Business Law, Article 33.

NORTH DAKOTA

Item 17, “Renewal, Termination, Transfer and Dispute Resolution,” shall be amended by the addition of the following paragraphs:

The Securities Commissioner has held the following to be unfair, unjust or inequitable to North Dakota franchisees (Section 51-19-09, N.D.C.C.):

a. Restrictive Covenants: Franchise disclosure documents which disclose the existence of covenants restricting competition contrary to Section 9-08-06, N.D.C.C., without further disclosing that such covenants will be subject to this statute.

b. Situs of Arbitration Proceedings: Franchise Agreements providing that the parties must agree to the arbitration of the disputes at a location that is remote from the site of the franchisee’s business.

c. Restriction on Forum: Requiring North Dakota franchisees to consent to the jurisdiction of courts outside of North Dakota.

d. Liquidated Damages and Termination Penalties: Requiring North Dakota Franchisees to consent to liquidated damages or termination penalties.

e. Applicable Laws: Franchise Agreements which specify that they are to be governed by the laws of a state other than North Dakota.

f. Waiver of Trial by Jury: Requiring North Dakota franchisees to consent to the waiver of a trial by jury.

g. Waiver of Exemplary & Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

h. General Release: Franchise Agreements that require the franchisee to sign a general release upon renewal of the Franchise Agreement.

i. Limitation of Claims: Franchise Agreements that require the franchisee to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

VIRGINIA

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.

WASHINGTON

Notwithstanding anything to the contrary set forth in Item 5, all initial fees shall be

deferred until Franchisor has fulfilled its initial pre-opening obligations and until Franchisee's Franchised Business is open to the public.

**RIDER TO
BUDGET RENT A CAR SYSTEM
CONFIDENTIALITY AGREEMENT
REQUIRED BY THE STATE OF ILLINOIS**

This Rider is entered into this _____ day of _____, 20__ by and between BUDGET RENT A CAR SYSTEM, INC., a Delaware corporation (“**BUDGET**”) and _____, an _____ (“**PROSPECTIVE LICENSEE**”).

1. **Background.** BUDGET and PROSPECTIVE LICENSEE are parties to that certain “**Confidentiality Agreement**” dated _____, 20__ that has been executed concurrently with the execution of this Rider. This Rider is annexed to and forms part of the Confidentiality Agreement. This Rider is being executed because (a) PROSPECTIVE LICENSEE is a resident of the State of Illinois, and/or (b) the Budget Franchise that PROSPECTIVE LICENSEE will operate if it signs a License Agreement with BUDGET will be located within the State of Illinois and the offering or sales activity with respect to the License Agreement occurred or will occur in the State of Illinois. Each provision of this Rider shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this Rider.

2. **Law and Jurisdiction.** Paragraph 7 of the Confidentiality Agreement is deleted in its entirety and replaced with the following:

This Agreement is intended to be a contract governed and construed under the internal laws of the State of Illinois.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Rider on the day and year first above written.

PROSPECTIVE LICENSEE

By: _____

Its: _____

Accepted and Acknowledged:

BUDGET RENT A CAR SYSTEM, INC.

By: _____

Its: _____

**RIDER TO
BUDGET RENT A CAR SYSTEM
LICENSE AGREEMENT
REQUIRED BY THE STATE OF ILLINOIS**

This Rider is entered into this _____ day of _____, 20__ by and between **Budget Rent A Car System, Inc.**, a Delaware corporation (“**Budget**”) and _____, d/b/a Budget Rent A Car of _____, (“**Licensee**”).

1. **Background.** Budget and Licensee are parties to that certain License Agreement dated _____, 20__ (the “**License Agreement**”) that has been executed concurrently with the execution of this Rider. This Rider is annexed to and forms part of the License Agreement. This Rider is being executed because (a) Licensee is a resident of the State of Illinois, and/or (b) the Budget Franchise that Licensee will operate under the License Agreement will be located within the State of Illinois and the offering or sales activity with respect to the License Agreement occurred or will occur in the State of Illinois. Each provision of this Rider shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this Rider.

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. 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 – Laws & Regulations Concerning the Car Rental Industry and the Announcement of the Department of Justice – Settlement Agreement.

4. Budget expects that YOU will finance 100% of your vehicle fleet. You must provide security for any loan you obtain and personally guarantee any financing. This Guarantee will place your personal assets (perhaps including your house) at risk if your franchise fails.

5. Item 6 in the disclosure document contain 7+ pages of “Additional Fees” that YOU MUST PAY throughout the term of the franchise.

6. **Entire Agreement; Representations and Amendments.** 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.

7. **New Jersey Law Governs.** Paragraph 14.7 of the License Agreement is deleted in its entirety and the following is substituted in its place:

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 et seq.), Illinois law shall govern the Agreement(s).

8. **Jurisdiction.** Paragraph 14.8 of the License Agreement is deleted in its entirety.

9. **Waiver of Jury Trial.** The following is added after Paragraph 14.10 of the License Agreement:

However, the waiver in this paragraph shall not apply to the extent prohibited by Section 705/41 of the Illinois Franchise Disclosure Act of 1987 which provides that “Any condition, stipulation, or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of this Act or any other law of this State is void. This Section shall not prevent any person from entering into a settlement agreement or executing a general release regarding a potential or actual lawsuit filed under any of the provisions of this Act, nor shall it prevent the arbitration of any claim pursuant to the provisions of Title 9 of the United States Code” or Illinois Regulations at Section 200.609.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Rider on the day and year first above written.

BUDGET RENT A CAR SYSTEM, INC.

By: _____
Print/Type Name: _____
Its: _____

ATTEST:

By: _____
Print/Type Name: _____
Its: _____

LICENSEE:

By: _____
Print/Type Name: _____
Its: _____

**RIDER TO
BUDGET RENT A CAR SYSTEM
RENTAL SYSTEM AGREEMENT
REQUIRED BY THE STATE OF ILLINOIS**

This Rider is made and entered into as of the ____ day of _____, 20__ by and between Avis Budget Car Rental, LLC. (hereinafter referred to as “**Avis Budget Car Rental**”) and _____ d/b/a Budget Rent A Car of _____ (“**Licensee**”).

1. **Background.** Avis Budget Car Rental and Licensee are parties to that certain Rental System Agreement dated _____, 20__ (the “**Rental System Agreement**”) that has been executed concurrently with the execution of this Rider. This Rider is annexed to and forms part of the Rental System Agreement. This Rider is being executed because (a) Licensee is a resident of the State of Illinois, and/or (b) the Budget Franchise that Licensee will operate under the License Agreement with Budget Rent a Car System, Inc. (pursuant to which the parties are signing the Rental System Agreement) will be located within the State of Illinois and the offering or sales activity with respect to that License Agreement occurred or will occur in the State of Illinois. Each provision of this Rider shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Illinois Franchise Disclosure Act are met independently without reference to this Rider.

2. **Applicable Law.** Section XII, Paragraph 5(a) of the Rental System Agreement is deleted in its entirety and the following is substituted in its place:

This Agreement will be governed by and construed under and in accordance with the laws of the State of Illinois without giving effect to its conflicts rules.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the date written below.

AVIS BUDGET CAR RENTAL, LLC.

By: _____
Its: _____

Date: _____

Print or Type Licensee's Corporate Name:

d/b/a BUDGET RENT A CAR OF

By: _____
Its: _____

Print or Type Licensee's Corporate Name:

Date: _____

ON BEHALF OF THE FOLLOWING RAC LOCATIONS:

(Street, Address, City, State)

- 1. _____
- 2. _____
- 3. _____
- 4. _____
- 5. _____
- 6. _____
- 7. _____

Mailing Address for Notice to Licensee.

Attention:

RETURN SIGNATURE COPY TO:

Avis Budget Car Rental, LLC.
6 Sylvan Way
Parsippany, NJ 07054
Attention: Office of General Counsel

**RIDER TO BUDGET RENT A CAR SYSTEM CONFIDENTIALITY
AGREEMENT REQUIRED BY THE STATE OF MARYLAND**

This Rider is entered into this _____ day of _____, 20____, by and between BUDGET RENT A CAR SYSTEM, INC., a Delaware corporation (“**BUDGET**”) and _____, an _____ (“**PROSPECTIVE LICENSEE**”).

1. **Background.** BUDGET and PROSPECTIVE LICENSEE are parties to that certain “**Confidentiality Agreement**” dated _____, 20__ that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Confidentiality Agreement. This Rider is being signed because (a) PROSPECTIVE LICENSEE is a resident of the State of Maryland; and/or (b) the Budget Franchise that PROSPECTIVE LICENSEE will operate if it signs a License Agreement with BUDGET will be located in the State of Maryland. Each provision of this Rider will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law, as amended, are met independently without reference to this Rider.

2. **Law and Jurisdiction.** Paragraph 7 of the Confidentiality Agreement is amended by adding the following language:

Any provision restricting jurisdiction or venue to a forum outside of Maryland or requiring the application of the laws of another state is void for claims arising under the Maryland Franchise Registration and Disclosure Law, as amended. Maryland law provides that a franchisee may sue in Maryland for certain claims arising under the Maryland Franchise Registration and Disclosure Law, as amended.

PROSPECTIVE LICENSEE

By: _____

Its: _____

Accepted and Acknowledged:

BUDGET RENT A CAR SYSTEM, INC.

By: _____

Its: _____

**RIDER
TO
BUDGET RENT A CAR
SYSTEM LICENSE
AGREEMENT
REQUIRED BY THE STATE OF
MARYLAND**

This Rider is made and entered into this ___ day of _____, 20___, by and between **Budget Rent A Car System, Inc.**, a Delaware corporation ("**Budget**"), and _____ d/b/a Budget Rent A Car of _____ ("**Licensee**").

1. **Background.** Budget and Licensee are parties to that certain License Agreement dated _____, 20__ (the "**License Agreement**") that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the License Agreement. This Rider is being signed because (a) Licensee is a resident of the State of Maryland; and/or (b) the Budget Franchise that Licensee will operate under the License Agreement will be located in the State of Maryland. Each provision of this Rider shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law (Md. Code Bus. Reg. Sections 14-201 through 14-233) are met independently without reference to this Rider.

2. **Term.** The following language is added to the end of Paragraph 11.1 of the License Agreement:

However, any general release signed in connection with such offer shall not apply to the extent prohibited by the Maryland Franchise Registration and Disclosure Law.

3. **Termination By Budget Without Prior Notice.** The following language is added to the end of Paragraph 11.4(c) of the License Agreement:

This provision might not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.); however, Budget and Licensee will enforce the provision to the maximum extent the law allows.

4. **Waiver.** The following language is added to the end of Paragraph 14.6 of the License Agreement:

The representations in this paragraph are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

5. **New Jersey Law Governs.** Paragraph 14.7 of the License Agreement is deleted in its entirety and replaced with the following:

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. §§ 1051 *et seq.*), and except for claims arising under the Maryland Franchise Registration and Disclosure Law, 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 the New Jersey Franchise Practices Act or any successor statute and/or regulation will not apply unless its jurisdictional requirements are met independently without reference to this paragraph.

6. **Jurisdiction.** Paragraph 14.8 of the License Agreement is deleted in its entirety and replaced with the following:

Licensee agrees that, except for claims arising under the Maryland Franchise Registration and Disclosure Law, Budget 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. However, for certain claims arising out of the Maryland Franchise Registration and Disclosure Law, Maryland law provides that Licensee may bring an action in Maryland.

BUDGET RENT A CAR SYSTEM, INC.

By: _____
Print/Type Name: _____
Its: _____

ATTEST:

By: _____
Print/Type Name: _____
Its: _____

LICENSEE:

By: _____
Print/Type Name: _____
Its: _____

**RIDER
TO
BUDGET RENT A CAR
SYSTEM RENTAL SYSTEM
AGREEMENT
REQUIRED BY THE STATE OF
MARYLAND**

This Rider is made and entered into this ___ day of _____, 20___, by and between Avis Budget Car Rental, LLC (hereinafter referred to as “**Avis Budget Car Rental**”), and _____ d/b/a Budget Rent A Car of _____ (“**Licensee**”).

1. **Background.** Avis Budget Car Rental, LLC and Licensee are parties to that certain Rental System Agreement dated _____, 20__ (the “**Rental System Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Rental System Agreement. This Rider is being signed because (a) Licensee is a resident of the State of Maryland; and/or (b) the Budget Franchise that Licensee will operate under the License Agreement with Budget Rent A Car System, Inc. (pursuant to which the parties are signing the Rental System Agreement) will be located within the State of Maryland. Each provision of this Rider will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law, as amended, are met independently without reference to this Rider.

2. **Applicable Law.** Section XII, Paragraph 5(a) of the Rental System Agreement is deleted in its entirety and replaced with the following:

Except as otherwise required by Maryland Franchise Registration and Disclosure Law (as amended), this Agreement will be governed by and construed under and in accordance with the laws of the State of New Jersey without giving effect to its conflicts rules.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the date written below.

AVIS BUDGET CAR RENTAL, LLC.

By: _____
Its: _____

Print or Type Name of Signing Officer

Date: _____

d/b/a BUDGET RENT A CAR OF

By: _____
Its: _____

Print or Type Name of Signing Officer

Date: _____

ON BEHALF OF THE FOLLOWING RAC LOCATIONS:

(Street, Address, City, State)

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____

Mailing Address for Notice to Licensee.

Attention:

RETURN SIGNATURE COPY TO:

Avis Budget Car Rental, LLC.
6 Sylvan Way
Parsippany, NJ 07054
Attention: Office of General Counsel

**RIDER
TO
BUDGET RENT A CAR
SYSTEM CONFIDENTIALITY
AGREEMENT
REQUIRED BY THE STATE OF
MINNESOTA**

This Rider is made and entered into this ___ day of _____, 20___, by and between BUDGET RENT A CAR SYSTEM, INC., a Delaware corporation (“**BUDGET**”), and _____ an _____ (“**PROSPECTIVE LICENSEE**”).

1. **Background.** BUDGET and PROSPECTIVE LICENSEE are parties to that certain License Agreement dated _____, 20__ that has been executed concurrently with the execution of this Rider. This Rider is annexed to and forms part of the Confidentiality Agreement. This Rider is being executed because (a) the Budget Franchise that PROSPECTIVE LICENSEE will operate if it signs a License Agreement with BUDGET will be located in the State of Minnesota; and/or (b) the offering or sales activity with respect to the License Agreement occurred or will occur in the State of Minnesota. Each provision of this Rider will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act and its regulations are met independently without reference to this Rider.

2. **Injunctive Relief.** The second sentence of Paragraph 5 of the Confidentiality Agreement is deleted in its entirety and the following is substituted in its place:

BUDGET will be entitled to seek injunctive relief without bond to enjoin any actual or threatened conduct in violation of this Agreement.

3. **Law and Jurisdiction.** The following language is added to the end of Paragraph 7 of the Confidentiality Agreement:

Pursuant to Minn. Stat. ‘80C.21 and Minn. Rule Part 2860.4400J, this section shall not in any way abrogate or reduce PROSPECTIVE LICENSEE’s rights as provided in Minnesota Statutes, 1984, Chapter 80C, including any right to submit matters to the jurisdiction of the courts of Minnesota.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Rider on the day and year first above written.

PROSPECTIVE LICENSEE

By: _____
Its: _____

Accepted and Acknowledged:

BUDGET RENT A CAR SYSTEM, INC.

By: _____
Its: _____

**RIDER
TO
BUDGET RENT A CAR
SYSTEM LICENSE
AGREEMENT
REQUIRED BY THE STATE OF
MINNESOTA**

This Rider is made and entered into this _____ day of _____, 20____, by and between **Budget Rent A Car System, Inc.**, a Delaware corporation (“**Budget**”), and _____ d/b/a Budget Rent A Car of _____ (“**Licensee**”).

1. **Background.** Budget and Licensee are parties to that certain License Agreement dated _____, 20__ that has been executed concurrently with the execution of this Rider. This Rider is annexed to and forms part of the License Agreement. This Rider is being executed because (a) the Budget Franchise that Licensee will operate under the License Agreement is located in the State of Minnesota; and/or (b) any of the offering or sales activity with respect to the License Agreement occurred in the State of Minnesota. Each provision of this Rider will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act and its regulations are met independently without reference to this Rider.

2. **Initial License Purchase Fee.** Notwithstanding anything to the contrary in Section 7.1, the payment of all initial fees (i.e., Initial License Purchase Fee) is deferred until Budget has satisfied its pre-opening obligations to Franchisee under the License Agreement and Franchisee’s Licensed Business opens to the public.

3. **Notification of Infringement/Claim.** The third sentence of Paragraph 2.2 of the License Agreement is deleted in its entirety and replaced by the following:

Licensee agrees that Budget shall 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 Budget Trademark, in accordance with Minn. Stat. Sec. 80C.12, Subd. 1(g).

4. **Termination Fee.** The following language is added to the end of Paragraph 11.2 of the License Agreement:

Budget and Licensee acknowledge that the payment of the Termination Fee might not be enforceable under the Minnesota Franchises Law; however, Budget and Licensee agree to enforce the terms of this Paragraph 11.2 to the maximum extent that the law allows.

5. **Termination By Budget Without Prior Notice.** The following language is added to the end of Paragraph 11.4 of the Prime License Agreement:

Minnesota law provides a licensee with certain termination and non-renewal rights. With respect to franchises governed by Minnesota law, Budget will comply with Minn. Stat. Sec. 80C.14 Subds. 3, 4 and 5 which require, except in certain specified cases, that a licensee be given ninety (90) days' notice of termination (with sixty (60) days to cure) and one hundred eighty (180) days' notice for non-renewal of the License Agreement.

6. **Non-Competition**. The third and fourth sentences of Paragraph 11.9 of the License Agreement are deleted in their entirety and the following sentences are substituted in their place:

Licensee further acknowledges the impossibility of accurately determining the tangible and intangible damages which Budget will suffer if Licensee fails or refuses to adhere to this provision or the provisions of **Paragraph 1.6** or **2.4** hereof and accordingly agrees that Budget may seek 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 further agrees that Budget may seek an amount equal to the aggregate of Budget's 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.

7. **New Jersey Law Governs**. The following language is added to the end of Paragraph 14.7 of the License Agreement:

Pursuant to Minn. Stat. Section 80C.21 and Minn. Rule Part 2860.4400J, this section shall not in any way abrogate or reduce Licensee's rights as provided in Minnesota Statutes, 1984, Chapter 80C, including any right to submit matters to the jurisdiction of the courts of Minnesota.

8. **Consent to Jurisdiction**. The following language is added to the end of Paragraph 14.8 of the License Agreement:

Pursuant to Minn. Stat. Section 80C.21 and Minn. Rule Part 2860.4400J, this section shall not in any way abrogate or reduce Licensee's rights as provided in Minnesota Statutes, 1984, Chapter 80C, including any right to submit matters to the jurisdiction of the courts of Minnesota.

9. **Waiver of Punitive Damages and Jury Trial**. The following language is added to the beginning of Paragraph 14.10 of the License Agreement:

Except as otherwise required by the Minnesota Franchises Law and

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Rider on the day and year first above written.

BUDGET RENT A CAR SYSTEM, INC.

By: _____
Print/Type Name: _____
Its: _____

ATTEST:

By: _____
Print/Type Name: _____
Its: _____

LICENSEE

By: _____
Print/Type Name: _____
Its: _____

**RIDER
TO
BUDGET RENT A CAR
SYSTEM RENTAL SYSTEM
AGREEMENT
REQUIRED BY THE STATE OF
MINNESOTA**

This Rider is made and entered into this ___ day of _____, 20___, by and between Avis Budget Car Rental, LLC (hereinafter referred to as “**Avis Budget Car Rental**”), and _____ d/b/a Budget Rent A Car of _____ (“**Licensee**”).

1. **Background.** Avis Budget Car Rental and Licensee are parties to that certain Rental System Agreement dated _____, 20___ (the “**Rental System Agreement**”) that has been executed concurrently with the execution of this Rider. This Rider is annexed to and forms part of the Rental System Agreement. This Rider is being executed because (a) the Budget Franchise that Licensee will operate under the License Agreement with Budget Rent A Car System, Inc. (pursuant to which the parties are signing the Rental System Agreement) will be located within the State of Minnesota; and/or (b) the offering or sales activity with respect to that License Agreement occurred or will occur in the State of Minnesota. Each provision of this Rider will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act and its regulations are met independently without reference to this Rider.

2. **Applicable Law.** The following language is added to the end of Paragraph XII of the Rental System Agreement:

Pursuant to Minn. Stat. Section 80C.21 and Minn. Rule Part 2860.4400J, this section shall not in any way abrogate or reduce Licensee’s rights as provided in Minnesota Statutes, 1984, Chapter 80C, including any right to submit matters to the jurisdiction of the courts of Minnesota.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the date written below.

AVIS BUDGET CAR RENTAL, LLC.

By: _____ Its: _____

Date: _____

Print or Type Licensee's Corporate Name:

d/b/a BUDGET RENT A CAR OF

By: _____ Its: _____

Print or Type Name of Signing
Officer

Date: _____

ON BEHALF OF THE FOLLOWING RAC LOCATIONS:

(Street, Address, City, State)

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____

Mailing Address for Notice to Licensee.

Attention:

RETURN SIGNATURE COPY TO:

Avis Budget Car Rental, LLC
6 Sylvan Way
Parsippany, NJ 07054
Attention: Office of General Counsel

**RIDER
TO
BUDGET RENT A CAR
SYSTEM CONFIDENTIALITY
AGREEMENT
REQUIRED BY THE STATE OF NEW
YORK**

This Rider is made and entered into this ___ day of _____, 20___, by and between BUDGET RENT A CAR SYSTEM, INC., a Delaware corporation (“**BUDGET**”), and

_____ an _____ (“**PROSPECTIVE LICENSEE**”).

1. **Background.** BUDGET and PROSPECTIVE LICENSEE are parties to that certain “**Confidentiality Agreement**” dated _____, 20___, that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Confidentiality Agreement. This Rider is being signed because (a) the Budget Franchise that PROSPECTIVE LICENSEE will operate if it signs a License Agreement with BUDGET will be located in the State of New York and PROSPECTIVE LICENSEE is a resident of the State of New York; and/or (b) any of the offering or sales activity with respect to the License Agreement occurred or will occur in the State of New York. Each provision of this Rider will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York franchise disclosure law and its regulations are met independently without reference to this Rider.

2. **Law and Jurisdiction.** The following language is added to the end of Paragraph 7 of the Confidentiality Agreement:

To the extent required by applicable law, this paragraph shall not be considered a waiver of any right conferred upon PROSPECTIVE FRANCHISEE by Article 33 of the General Business Law of the State of New York.

PROSPECTIVE LICENSEE

By: _____
Its: _____

Accepted and Acknowledged:

BUDGET RENT A CAR SYSTEM, INC.

By: _____
Its: _____

**RIDER
TO
BUDGET RENT A CAR
SYSTEM LICENSE
AGREEMENT
REQUIRED BY THE STATE OF NEW
YORK**

This Rider is made and entered into this ___ day of _____, 20____, by and between **Budget Rent A Car System, Inc.**, a Delaware corporation (“**Budget**”), and _____ d/b/a Budget Rent A Car of _____ (“**Licensee**”).

1. **Background.** Budget and Licensee are parties to that certain “**License Agreement**” dated _____, 20____ that has been executed concurrently with the execution of this Rider. This Rider is annexed to and forms part of the License Agreement. This Rider is being signed (a) the Budget Franchise that Licensee will operate under the License Agreement will be located in the State of New York and Licensee is a resident of the State of New York; and/or (b) any of the offering or sales activity with respect to the License Agreement occurred in the State of New York. Each provision of this Rider will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York franchise disclosure law and its regulations are met independently without reference to this Rider.

2. **Term.** The following language is added to the end of Paragraph 11.1 of the License Agreement:

However, notwithstanding such release, to the extent required by applicable law, all rights Licensee enjoys and any causes of action arising in Licensee’s favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of the proviso that the non-waiver provisions of General Business Law 687 and 687.5 be satisfied.

3. **Sale, Assignment, and Transfer by Budget.** The following language is added at the end of Paragraph 12.1 of the License Agreement:

However, to the extent required by applicable law, no assignment will be made except to an assignee who, in Budget’s good faith judgment, is willing and able to assume Budget’s obligations under this Agreement.

4. **Indemnification of Budget by Licensee.** The following language is added to the end of Paragraph 13.1 of the License Agreement:

To the extent required by New York law, the foregoing indemnity shall not apply to liability caused by Licensee's proper reliance or use of procedures or materials provided by Budget.

5. **Governing Law and Jurisdiction.** The following language is added to Paragraphs 14.7 and 14.8, of the License Agreement:

This paragraph shall not be considered a waiver of any right conferred upon Licensee by Article 33 of the General Business Law of the State of New York.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Rider on the day and year first above written.

BUDGET RENT A CAR SYSTEM, INC.

By: _____
Print/Type Name: _____
Its: _____

ATTEST:

By: _____
Print/Type Name: _____
Its: _____

LICENSEE:

By: _____
Print/Type Name: _____
Its: _____

**RIDER
TO
BUDGET RENT A CAR
SYSTEM RENTAL SYSTEM
AGREEMENT
REQUIRED BY THE STATE OF NEW
YORK**

This Rider is made and entered into this ___ day of _____, 20___, by and between Avis Budget Car Rental, LLC (hereinafter referred to as “**Avis Budget Car Rental**”), and _____ d/b/a Budget Rent A Car of _____ (“**Licensee**”).

1. **Background.** Avis Budget Car Rental and Licensee are parties to that certain Rental System Agreement dated _____, 20___ (the “**Rental System Agreement**”) that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Rental System Agreement. This Rider is being signed because (a) the Budget Franchise that Licensee will operate under the License Agreement with Budget Rent A Car System, Inc. (pursuant to which the parties are signing the Rental System Agreement) will be located within the State of New York and Licensee is a resident of the State of New York; and/or (b) any of the offering or sales activity with respect to that License Agreement occurred in the State of New York. Each provision of this Rider will be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the New York franchise disclosure law and its regulations are met independently without reference to this Rider.

2. **Applicable Law.** The following language is added to Paragraph XII of the Rental System Agreement:

This paragraph shall not be considered a waiver of any right conferred upon Licensee by Article 33 of the General Business Law of the State of New York.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the date written below.

AVIS BUDGET CAR RENTAL, LLC.

By: _____
Its: _____

Print or Type Name of Signing Officer

Date: _____

Print or Type Licensee's Corporate Name

d/b/a BUDGET RENT A CAR OF

By: _____
Its: _____

Print or Type Name of Signing Officer

Date: _____

ON BEHALF OF THE FOLLOWING RAC LOCATIONS:

(Street, Address, City, State)

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____

Mailing Address for Notice to Licensee.

Attention:

RETURN SIGNATURE COPY TO:

Avis Budget Car Rental, LLC.
6 Sylvan Way
Parsippany, NJ 07054
Attention: Office of General Counsel

**AMENDMENT TO
BUDGET RENT A CAR SYSTEM, INC.
LICENSE AGREEMENT FOR THE
COMMONWEALTH OF VIRGINIA**

This Amendment is made and entered into this ___day of____ by and between **BUDGET RENT A CAR SYSTEM, INC.**, a Delaware corporation (“Budget”), and _____ (“Franchisee”)

The parties wish to modify the License Agreement as follow.

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.

LICENSEE

BUDGET RENT A CAR SYSTEM, INC.

By _____

By _____

Its _____

Its _____

**RIDER
TO
BUDGET RENT A CAR
SYSTEM CONFIDENTIALITY
AGREEMENT
REQUIRED BY THE STATE OF
WASHINGTON**

This Rider is made and entered into this ___ day of _____, 20___, by and between BUDGET RENT A CAR SYSTEM, INC., a Delaware corporation (“**BUDGET**”), and _____ an _____ (“**PROSPECTIVE LICENSEE**”).

1. **Background.** BUDGET and PROSPECTIVE LICENSEE are parties to that certain “**Confidentiality Agreement**” dated _____, 20___ that has been signed concurrently with the signing of this Rider. This Rider is annexed to and forms part of the Confidentiality Agreement. This Rider is being signed because (a) the Budget Franchise that PROSPECTIVE LICENSEE will operate if it signs a License Agreement with BUDGET will be located in the State of Washington; and/or (b) PROSPECTIVE LICENSEE is a resident of Washington; and/or (c) the offering or sales activity with respect to the License Agreement occurred or will occur in the State of Washington. Each provision of this Rider shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act and its regulations are met independently without reference to this Rider.

2. **Law and Jurisdiction.** Paragraph 7 of the Confidentiality Agreement is amended by adding the following language:

Notwithstanding the above, in the event of a conflict of laws, to the extent required by the Washington Franchise Investment Protection Act (the “Act”), the provisions of the Act shall prevail.

PROSPECTIVE LICENSEE

By: _____
Its: _____

Accepted and Acknowledged:

BUDGET RENT A CAR SYSTEM, INC.

By: _____
Its: _____

**RIDER
TO
BUDGET RENT A CAR
SYSTEM LICENSE
AGREEMENT
REQUIRED BY THE STATE OF
WASHINGTON**

This Rider is made and entered into this ___ day of _____, 20___, by and between **Budget Rent A Car System, Inc.**, a Delaware corporation (“**Budget**”), and _____ d/b/a Budget Rent A Car of _____ (“**Licensee**”).

1. **Background.** Budget and Licensee are parties to that certain “**License Agreement**” dated _____, 20___ that has been executed concurrently with the execution of this Rider. This Rider is annexed to and forms a part of the License Agreement. This Rider is being signed because (a) the Budget Franchise that Licensee will operate under the License Agreement will be located in the State of Washington; and/or (b) Licensee is a resident of Washington; and/or (c) the offering or sales activity with respect to the License Agreement occurred in the State of Washington. Each provision of this Rider shall be effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Washington Franchise Investment Protection Act and its regulations are met independently without reference to this Rider.

2. Notwithstanding anything to the contrary set forth in the License Agreement, and in particular Summary Pages (Section 10(b)) and Section 7.1 thereof, all initial fees shall be deferred until Franchisor has fulfilled its initial pre-opening obligations and until Franchisee’s Franchised Business is open to the public.

3. **Addition of Paragraphs.** The following paragraphs are hereby added to the end of the License Agreement as Paragraph 15:

In recognition of the requirements by the Washington Franchise Investment Protection Act, as amended (the “Act”) and the rules and regulations promulgated thereunder, the License Agreement shall be modified as follows:

The State of Washington has a statute, RCW 19.100.180, which might supersede this Agreement in Licensee’s relationship with Budget, including the areas of termination and renewal of the license. There also may be court decisions which might supersede this Agreement in Licensee’s relationship with Budget, including the areas of termination and renewal of the license.

In the event of a conflict of laws, to the extent required by the Act, the provisions of the Act, Chapter 19.100 RCW, shall prevail.

To the extent required by the Act, a release or waiver of rights executed by Licensee shall not include rights under the Act, except when executed pursuant

to a negotiated settlement after the License Agreement is in effect and where the parties are represented by independent counsel. Provisions such as those which unreasonably restrict or limit the statute of limitations period for claims under the Act, or rights or remedies under the Act, such as a right to a jury trial, might not be enforceable.

To the extent required by the Act, transfer fees are collectable to the extent that they reflect Budget's reasonable estimate or actual costs in effecting a transfer.

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 provisions contained in the franchise agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

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.

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.

The undersigned acknowledges receipt of this Rider.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Rider on the day and year first above written.

BUDGET RENT A CAR SYSTEM, INC.

By: _____
Print/Type Name: _____
Its: _____

ATTEST:

By: _____
Print/Type Name: _____
Its: _____

LICENSEE:

By: _____
Print/Type Name: _____
Its: _____

**THE FRANCHISOR REPRESENTS THAT THIS PROSPECTUS DOES NOT
KNOWINGLY OMIT ANY MATERIAL FACT OR CONTAIN ANY UNTRUE
STATEMENT OF MATERIAL FACT.**

Exhibit L
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RENT A CAR ADMINISTRATION MANUAL

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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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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	Pending
Indiana	Pending
Maryland	Pending
Michigan	January 15, 2023
Minnesota	Pending
New York	Pending
North Dakota	Pending
Rhode Island	Pending
South Dakota	Pending
Virginia	Pending
Washington	Pending
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.

**RECEIPT
(FOR FRANCHISOR)**

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 Budget offers you a franchise, Budget must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to the franchisor or an affiliate I connection with the proposed franchise sale.

Several states, including New York require 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 execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first.

If Budget 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 and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed on Exhibit A.

Budget 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:

I have received a disclosure document issued on April 27, 2023 and effective in the franchise registration states on the dates listed in Exhibit A. This disclosure document included the following Exhibits:

- A State Agencies/Agents for Service of Process/State Effective Dates
- B Laws and Regulations Concerning the Car Rental Industry
(Including Disclosures Regarding Americans with Disabilities Act)
- C FTC Consent Orders
- D Confidentiality Agreement
- E List of Franchisees
- F List of Former Franchisees and Franchisees Who Have Not Been in
Communication with Budget
- G Financial Statements of Avis Budget Group, Inc.
- H Budget Rent A Car System License Agreement, including Nondisclosure and
Noncompetition Agreement
- H-1 SBA Addendum
- I Rental System Agreement
- J Intercity Rules and Regulations
- K State-Specific Additional Disclosures and Riders
- L Table of Contents of Manual

Date of Receipt: _____

Prospective Franchisee
Budget Rent A Car of _____

Please sign this copy of the receipt, date your signature, and return it to Budget Rent A Car System, Inc., 6 Sylvan Way, Parsippany, NJ 07054

**RECEIPT
(FOR FRANCHISEE)**

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 Budget offers you a franchise, Budget must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to the franchisor or an affiliate I connection with the proposed franchise sale.

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Budget 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:

I have received a disclosure document issued on April 27, 2023 and effective in the franchise registration states on the dates listed in Exhibit A. This disclosure document included the following Exhibits:

- A State Agencies/Agents for Service of Process/State Effective Dates
- B Laws and Regulations Concerning the Car Rental Industry
(Including Disclosures Regarding Americans with Disabilities Act)
- C FTC Consent Orders
- D Confidentiality Agreement
- E List of Franchisees
- F List of Former Franchisees and Franchisees Who Have Not Been in
Communication with Budget
- G Financial Statements of Avis Budget Group, Inc.
- H Budget Rent A Car System License Agreement, including Nondisclosure and
Noncompetition Agreement
- H-1 SBA Addendum
- I Rental System Agreement
- J Intercity Rules and Regulations
- K State-Specific Additional Disclosures and Riders
- L Table of Contents of Manual

Date of Receipt: _____

Prospective Franchisee
Budget Rent A Car of _____

Please sign this copy of the receipt, date your signature, and return it to Budget Rent A Car System, Inc., 6 Sylvan Way, Parsippany, NJ 07054