

FRANCHISE DISCLOSURE DOCUMENT



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The franchised business will operate a business that offers motor vehicle rentals, leases, carsharing and other mobility services, rent-to-own, and used vehicle sales to the general public.

The total investment necessary to begin operation of a Rent-A-Wreck franchised business is \$189,550 to \$2,592,533. This includes \$26,500 - \$63,022.50 that must be paid to the franchisor or affiliate.

This disclosure document summarizes information certain provisions of the franchise agreement and other information in plain English. Read this disclosure document and all accompanying agreements carefully. You must receive the disclosure document at least 14 calendar-days before you sign a binding agreement with, or make any payment to, the franchisor or an affiliate in connection with the proposed franchise sale. **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 our Franchise Sales Department at 13900 Laurel Lakes Avenue, Suite 100, Laurel, MD 20707, or Franchise@rentawreck.com and (240) 581-1350.

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read all of your 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, N.W., Washington, DC 20580. You can also visit the FTC's home page at www.ftc.gov for additional information. Call your state agency or visit your public library for other sources of information on franchising.

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

Issuance Date: October 31, 2025

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 Exhibits H and I.
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 B 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 Rent-A-Wreck 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 Rent-A-Wreck franchisee?	Item 20 or Exhibits H and I list 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 D.

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

SPECIAL RISKS TO CONSIDER ABOUT *THIS* FRANCHISE

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

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by litigation only in Maryland. Out-of-state 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 Maryland than in your own state.
2. **Spousal Liability.** Your spouse must sign a document that makes your spouse liable for all financial obligations under the Franchise Agreement even though your spouse has no ownership interest in the franchise. This Guarantee will place both your and your spouse's marital and personal assets, perhaps including your house, at risk if your franchise fails.
3. **Mandatory Minimum Payments.** You must make minimum royalty payments or advertising contributions, regardless of your sales levels. Your inability to make the payments may result in termination of your franchise and loss of your investment.
4. **Minimum Performance Required.** You must maintain minimum fleet 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.

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.

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EXHIBITS

State Addenda to FDD

Exhibit A:	Franchise Agreement
	Exhibit A-1: State Addenda to Franchise Agreement
	Exhibit A-2: Rent-A-Wreck Brand Share Incentive Addendum
Exhibit B:	Financial Statements
Exhibit C:	General Release
Exhibit D:	List of State Agencies/Agents for Service of Process
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Exhibit F:	Operating Manual Table of Contents
Exhibit G:	Sample Master Lease Agreement
Exhibit H:	List of Current Franchisees
Exhibit I:	List of Former Franchisees
Exhibit J:	Reservation Services Participation Agreement
Exhibit K:	ASAP Rental Management System Order Form and Software as a Service Terms and Conditions

Receipts

ITEM 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND AFFILIATES

To simplify the language in this Disclosure Document, “We,” “Us,” “Our” and “NPR Auto Group” means NPR Auto Group, LLC, the franchisor. “You” or “Yours” means the individual who buys the franchise. We sell franchises only to individuals.

The Franchisor – NPR Auto Group, LLC (“NPR Auto Group”)

We are a Maryland limited liability company, originally organized as Priceless Rent-A-Car, LLC on March 29, 2004. In June 2018, Priceless Rent-A-Car, LLC was renamed, “NP Franchise Group, LLC” (“NP Franchise Group”). On July 15, 2025, our former parent, NP Auto Group, Inc., and our former affiliate, Bundy American, LLC, were merged into NP Franchise Group, LLC. NP Franchise Group was the surviving company, and we changed our name to NPR Auto Group LLC (“**2025 Corporate Reorganization**”). Our principal business address is 11411 Rockville Pike, Rockville, MD 20852. Our Franchise Service Center is located at 13900 Laurel Lakes Avenue, Suite 100, Laurel, MD 20707. Our agents for service of process are listed in Exhibit D.

We operate under our own name and under the marks, “RENT-A-WRECK” and “RENT-A-WRECK USED CAR RENTAL AND LEASING.” We offer franchises for the operation of vehicle rental businesses identified by our service marks, including “RENT-A-WRECK” and “RENT-A-WRECK USED CAR RENTAL AND LEASING” and other service marks we own (the “**Rent-A-Wreck Trademarks**”). We do not conduct a business of the type to be operated by our franchisees under the Rent-A-Wreck Trademarks, but we and our affiliates reserve the right to do so in the future. In addition, our affiliates operate vehicle rental businesses under the “Rent-A-Wreck” and “NextCar” names and marks.

Our predecessor, Bundy American, LLC, and its predecessors previously offered vehicle rental franchises under the “Rent-A-Wreck” name from 1978 to 2017. After the 2025 Corporate Reorganization, we assumed Bundy American’s rights and obligations under existing Rent-A-Wreck franchise agreements, and we began offering “Rent-A-Wreck” franchises in October 2025. In addition, we and our predecessors have offered vehicle rental businesses using the “**Priceless**” name and marks since 1996, and we also began offering franchises for vehicle rental businesses under the “**NextCar**” name and marks in January 2015.

As of January 31, 2025, there were a total of 106 vehicle rental business franchised or operated by us and our affiliates in the United States under the “Priceless,” “NextCar,” and “Rent-A-Wreck” names:

- 35 open and operating Priceless franchised business locations in the United States
- 12 open and operating NextCar franchised business locations in the United States
- 17 NextCar locations operated by our parent, All Car Leasing, Inc., in the States of Florida and Maryland
- 47 open and operating franchised Rent-A-Wreck locations in the United States and one corporate Rent-A Wreck location, which is operated by our affiliate, MBRC, LLC.

From December 2023 through June 2025, NP Auto Group offered a separate, non-franchised service that provides access to the Rent-A-Wreck Reservation System to independent car rental operators (“**Independent Operators**”) who wish to add multiple reservation channels to their existing operations while continuing to operate under their own name and marks. The Independent Operator program was assigned to us as part of the 2025 Corporate Reorganization. As of January 31, 2025, there were 14 Independent Operators in the United States and 17 in international locations.

Parents and Affiliates

Following the 2025 Corporate Reorganization, our direct parent is All Car Leasing, and our ultimate parent is JJF Management Services, Inc. (From April 2018 through June 2025, our direct parent was NP Auto Group, Inc., our indirect parent was All Car Leasing, Inc., and our ultimate parent was JJF Management Services, and from March 2004 through April 2018, our direct parent was Bundy American, LLC, and our indirect parent was Rent-A-Wreck of America, Inc.)

The following parents and affiliates provide goods or services to our franchisees:

- All Car Leasing may provide vehicle acquisition services to qualified Rent-A-Wreck franchisees.
- KFL, LLC, a Rockville, Maryland company, may lease vehicles to qualified Rent-A-Wreck franchisees.

The principal business address for All Car Leasing, KFL, LLC, and JJF Management Services is 11411 Rockville Pike, Rockville, Maryland 20852.

We have no affiliates that presently offer franchises in any line of business. Except as described above, we have no affiliates, parents, or predecessors that are required to be disclosed in this Item.

The Franchise

This franchise offering is for the operation of a vehicle rental business (“**Vehicle Rental Business**”) that offers vehicle rental, leasing, carsharing and other mobility services, rent-to-purchase, rent-to-own, lease to own, and used vehicle sales business (collectively “**Services**”) identified by the Rent-A-Wreck Trademarks. Our franchised businesses are characterized by our system (“**Rent-A-Wreck System**” or “**System**”), which we and our affiliates have developed for the overall success of NPR Auto Group and our independent franchisees. Some of the features of the Rent-A-Wreck System are (among other things): confidential and proprietary information and trade secrets; distinctive images and designs; business formats, training methods and assistance, and management procedures; advertising and marketing programs; equipment and office layouts, signage, operating procedures, customer service, and quality standards; rental software and other information technology; and specifications for the operation of Vehicle Rental Businesses under the “**Rent-A-Wreck Trademarks.**” We may periodically change and improve parts of the System. In this Disclosure Document, “**Franchised Business**” or “**Rent-A-Wreck Business**” means a Vehicle Rental Business that is operated under a Franchise Agreement with us and that uses the Rent-A-Wreck Trademarks and Rent-A-Wreck System. A copy of the current form of Franchise Agreement is attached as Exhibit A to this disclosure document.

The franchise generally is suitable for persons in auto-related businesses and other qualified persons who share our vision of pursuing a world-class reputation for quality, reliability and value to the end consumer and who wish to operate a Vehicle Rental Business. The Rent-A-Wreck brand is the

ultimate value brand and typically services the local market and the airport market from off-airport locations.

Your Franchised Business may be operated within a protected territory that we call a “Primary Service Area” or from a non-exclusive site, and you may select the territory option that best meets your needs. As of the date of this disclosure document, you may select one of the following three territorial options:

- (1) **Six Mile Primary Service Area** – you have the protected right to operate a Rent-A-Wreck Business within a circular area with a 6-mile diameter (3-mile radius) using an agreed-upon location as the center of that circle. By the third anniversary of the Franchise Agreement, our guidelines generally require that you have a minimum fleet of 1 car per every 1,000 inhabitants (as calculated by the U.S. Census Bureau) within your Six-Mile Primary Service Area. For example, a Primary Service Area with a population of 80,000 would require an average minimum fleet for the 12-month period of 80 cars (80,000/1,000). In certain high density population areas (density greater than 4,000 inhabitants per square mile), we may mutually agree on a reasonable minimum fleet requirement that may differ from the general guidelines by taking into consideration population, density, tourism figures, number of businesses, employee or passenger counts and/or other similar criteria.
- (2) **Single Point Location** – you have the right to operate at a single site only and receive no territorial protection. You must have a minimum fleet of 10 cars within one year after opening your Rent-A-Wreck Business.
- (3) **Airport Location** – your franchise will be operated at or may service an airport with regularly scheduled commercial flights (“**Airport Location**”), and you will be granted a protected right to operate within a territory specified in the Franchise Agreement (“**Airport Primary Service Area**”). Your minimum fleet will be mutually agreed upon by you and NPR Auto Group.

The Franchised Business rents all types of motorized or self-propelled vehicles. For example, the Franchised Business may rent automobiles, trucks, mini-vans, SUVs and full size vans. As of the issuance date of this disclosure document, Rent-A-Wreck franchisees offer for rent vehicles that are no older than 10 years, as defined by subtracting 10 from the current model year. You may not offer for rent vehicles with “salvage” titles. Your Rent-A-Wreck Business also may include lease-to-own/rent-to-own, carsharing and other mobility services, used vehicle sales, and similar services if appropriate for your market. You will have the flexibility to rent a wide variety of vehicle types, thereby enhancing your ability to compete. Your rental vehicles must be safe to operate, mechanically sound, clean and in good running condition. You also must ensure that your vehicles comply with applicable federal and state vehicle safety recall laws. We expect our franchisees to operate the Rent-A-Wreck Businesses with integrity, deal in good faith with us and the public, and strive to achieve high customer satisfaction scores, as prescribed in our operating manual (“**Operating Manual**”).

Referral Fee

We will pay a referral fee of \$1,000 to each existing Rent-A-Wreck franchisee who provides contact information (in writing to the address/email address that we designate) for any person who signs

a new franchise agreement and pays us the Initial Franchise Fee. (Note: the referral fee is not available for sales for locations in the State of Washington or to Washington residents.)

Conditions of Competition and General Market for Vehicle Rental Services

Although the vehicle rental market is well-developed, we believe it is still growing. Significant competition exists from numerous national and local rental operations, as well as from commercial and peer-to-peer car sharing platforms and other new mobility business models. You will compete with rental companies in the neighborhood motor vehicle rental market, and in the airport motor vehicle rental market, including with other brands owned by us or our affiliates. In the case of a Single Point Location, you may compete with other Rent-A-Wreck Businesses.

Your primary customers will depend on the nature of your location, whether it is based at a car dealership, a stand-alone neighborhood location, or an off-airport, in-terminal or airport-based consolidated rental facility. For example:

- For neighborhood and dealership-based Rent-A-Wreck locations (Single-Point and Six-Mile Primary Service Area Franchises), your customers generally should come from the local community, corporate travel, commercial and leisure travel markets, and may be sourced from reservation system channels such as our own rentawreck.com website and apps, Global Distribution System (“GDS”)-based travel websites and travel agents, and through other websites and aggregator services that are made available through our reservation system. Additional customers will come from automotive dealerships and repair shops located in or near your Franchised Business. Repair shop and insurance replacement customers generally rent vehicles at lower prices, but for longer periods of time than commercial or leisure customers.
- For those locations based in and/or serving airports and other travel and tourism markets, customers will primarily be sourced from reservation system channels such as our own rentawreck.com website and apps, GDS-based travel websites and travel agents, and through other websites and aggregator services that are made available through our reservation system. Additional customers can be generated at the airport with proper signage and the placement of promotional advertising in the terminal or at the consolidated facility, and by in-flight advertising and through other promotional means.

Regulations Specific to the Vehicle Rental Industry

The vehicle rental industry is regulated by federal and state governments. You should also inquire at municipal and local governments where you plan to operate the Franchised Business; some cities and counties have implemented taxes, vehicle registration fees, business licensing requirements, and disclosure and other requirements that could affect your business plan. In addition, the following apply specifically to the vehicle rental industry:

- Americans with Disabilities Act. This statute, and federal regulations issued under the statute, require car rental companies to make “reasonable” accommodations to permit persons with disabilities to drive rental vehicles. Reasonable accommodations include making adaptive driving devices available for disabled customers at no additional cost, permitting service animals to ride in a vehicle at no additional cost, and waiving additional driver’s fees for the driver

accompanying a disabled renter. The statute can be found at 42 USC, Sections 12111 and following.

- b. Damage waiver laws. Many states regulate the sale of damage waivers. The typical statute requires vehicle rental companies to disclose the optional nature of the waiver on the front of the rental agreement form. Some statutes also regulate the content of the waiver, its exclusions, and its maximum price. We distribute to our franchisees the required disclosure materials.
- c. Limitation on amounts recoverable from renters. A few states limit the amount and/or type of damages that you may recover from renters for damage to, or loss or theft of, a rental vehicle.
- d. State and local vehicle rental laws. In addition to damage waiver laws and limitations on amounts recoverable from renters, several states and municipalities regulate some or all of the following: permits to operate a vehicle rental business; fees that a vehicle rental company may charge; recordkeeping requirements; use of telematics; display of counter signs; and other aspects of vehicle rental operations and agreements.
- e. Sale of insurance. Nearly all states regulate the sale of optional insurance products sold by vehicle rental companies. Most of these laws require you to obtain an inexpensive limited insurance license that permits you to sell insurance products that are part of the rental transaction. A few states exempt you from licensing requirements.
- f. International Emergency Economic Powers Act. 50 U.S.C. 1701, et seq., and Executive Order No. 13224, effective September 24, 2001, prohibit U.S. businesses, including vehicle rental businesses, from transacting business with any individual or entity identified on list maintained by the Office of Foreign Assets Control of the Treasury Department.
- g. Jacqueline and Raechel Houck Safe Rental Car Act of 2015. This federal statute prohibits vehicle rental companies from selling, renting, or leasing certain vehicles that are subject to open safety recalls. Your state may have a similar law. The provisions of the Act can be found at 49 U.S.C. § 30102 (and following).

We recommend that you consult with your own counsel about the laws, regulations and licenses that may affect your operation of your Franchised Business before you purchase this franchise.

ITEM 2

BUSINESS EXPERIENCE

Director: David Jenkins

Mr. Jenkins has been a Director of NPR Auto Group in Rockville, Maryland since July 2025 and Chief Operating Officer of JJF Management Services, Inc. in Rockville, Maryland since January 2023. Previously, he served as Vice President of JJF Management Services in Rockville, Maryland from September 2000 through January 2023.

Director: Robert Smith

Mr. Smith has been a Director of NPR Auto Group in Rockville, Maryland since July 2025 and has also served as President of JJF Management Services in Rockville, Maryland since January 2023. Previously,

Mr. Smith was a Director of NP Franchise Group and Director and Vice President of NP Auto Group in Rockville, Maryland from May 2018 through July 2025 and Vice President of JJF Management Services, in Rockville, Maryland from November 2003 to January 2023.

Director: Gregg Steinbarth

Mr. Steinbarth has been a Director NPR Auto Group in Rockville, Maryland since July 2025 and has also served as General Counsel of JJF Management Services since February 1999.

President: Michael DeLorenzo

Mr. DeLorenzo has been our President in Laurel, Maryland since July 2025. He has also served as Director of KFL, LLC since May 2018. Mr. DeLorenzo previously served as President and Director of NP Franchise Group and NP Auto Group in Laurel, Maryland from May 2018 through July 2025; Vice President of Priceless Rent-A-Car, LLC from January 2006 through April 2018; President of All Car Leasing, Inc. in Laurel and Rockville, Maryland from September 2003 to April 2018; Vice President of DMF Leasing, Inc. in Laurel and Rockville, Maryland from September 1987 through September 2007; and Director and Vice President of Rent-A-Wreck of America, Inc. (“RAWA”) and Bundy American, LLC in Laurel and Rockville, Maryland from January 2006 through April 2018.

Vice-President: Jason Manelli

Mr. Manelli has been our Vice-President in Laurel, Maryland since July 2025. Previously, he served as President of Rent-A-Wreck of America in Laurel, Maryland from July 2018 through July 2025.

Treasurer: Ronald Jaffe

Mr. Jaffe has been Treasurer of NPR Auto Group in Rockville, Maryland since July 2025. Mr. Jaffe has also been the Chief Financial Officer of JJF Management Services, Inc. in Rockville, Maryland since June 1997. Previously, Mr. Jaffe served as Secretary and Director of NP Franchise Group and NP Auto Group in Rockville, Maryland from May 2018 through July 2025 and Treasurer and Assistant Secretary of RAWA in Rockville, Maryland from January 2006 through April 2018.

Secretary: Meredith Jackson

Ms. Jackson has served as Secretary of NPR Auto Group in Laurel, Maryland since July 2025 and as Director of Finance of JJF Management Services in Laurel, Maryland since August 2025. Previously, she served as KFI Manager for JJF Management Services in Laurel, Maryland from April 2017 through August 2025 and Office Manager for JJF Management in Laurel, Maryland from December 2011 through April 2017.

Franchise Sales Director: Andres Lezcano

Mr. Lezcano has served as Franchise Sales Director for NPR Auto Group in Laurel, Maryland since July 2025. Previously, he was Franchise Sales Director for NP Auto Group and NP Franchise Group in Laurel, Maryland from May 2024 to July 2025; Franchise Business Development Manager for NP Auto Group and NP Franchise Group in Laurel, Maryland from January 2021 through April 2024. From January 2020 through December 2020, he was an independent consultant in St. Petersburg, Florida.

Director of Franchise Operations: Jon Dill

Mr. Dill has served as the Director of Franchise Operations for NPR Auto Group in Laurel, Maryland since July 2025. Previously, he served as Director of Franchise Operations for NP Auto Group and NP Franchise Group in Laurel, Maryland from May 2024 to July 2025; Franchise Business Development Manager for NP Auto Group and NP Franchise Group in Laurel, Maryland from June 2019 to April 2024. He has also been Assistant Secretary and Treasurer for All Car Leasing in Laurel, Maryland since February 2018 and Contact Center Director for All Car Leasing in Laurel, Maryland since February 2008. Previously, he served as Director of Marketing and Revenue Management for All Car Leasing from February 2006 through June 2019.

Director of Franchise Operations, United States: Penny Sottile

Ms. Sottile has been Director of Operations, United States for NPR Auto Group in Laurel, Maryland since July 2025. Previously, she was Director of Operations, United States for NP Auto Group and NP Franchise Group in Laurel, Maryland from September 2023 to July 2025 and the Rent-A-Wreck Manager for MBRC, LLC in Baltimore City, Maryland from January 2009 through August 2023.

Director of Training and Development: Genevieve (Pat) Bowie (“Pat the Trainer”)

Ms. Bowie has been Director of Training and Development for NPR Auto Group in Laurel, Maryland since July 2025. Previously, she served as Director of Training and Development for NP Franchise Group and NP Auto Group from May 2018 to July 2025 and as Director of Training and Development for RAWA in Rockville, Maryland from March 2006 through April 2018 and held the same position with All Car Leasing Inc. in Laurel, Maryland from January 2004 through April 2018.

ITEM 3

LITIGATION

Pending Actions

There are no pending actions that are required to be disclosed in this Item.

Litigation Against Franchisees Commenced in the Past Fiscal Year

There was no litigation against franchisees commenced in the past fiscal year that is required to be disclosed in this Item.

Concluded Matters

David Schwartz (“Schwartz”) v. JJF Management Services, Inc. (“JJF”), Rent-A-Wreck of America, Inc. (“RAWA”) and Bundy American, LLC (“Bundy”). U. S. District Court for the District of Maryland, Southern Division (“District Court”), case number 07E1679-TJM. On June 25, 2007, Schwartz filed a claim against JJF, RAWA, and Bundy American, alleging wrongful termination of his franchise by Bundy American (which was merged into us as part of the 2025 Corporate Reorganization). JJF was dismissed from the action on March 25, 2009. Bundy and RAWA filed counterclaims alleging violation of trademark rights. In April 2010, the jury found in favor of Bundy and RAWA. On September 23, 2010, the District Court entered a final order of Declaratory Judgment revising the jury’s verdict and

finding that Schwartz had an exclusive, royalty-free franchise for his lifetime. Bundy and RAWA filed an appeal with the U.S. Court of Appeals for the Fourth Circuit (“Court of Appeals”) on September 28, 2010. The Court of Appeals issued its decision and Mandate on March 9, 2012 and ruled that Schwartz must adhere to most of the obligations of the franchise and also remanded the case to the District Court for trial on the issue of Schwartz’s exclusive territory. On August 23, 2013, the District Court entered a final judgment based on a jury’s finding that Bundy had a right to exercise control to protect its trade name, trademark, and good will, and that Schwartz’s exclusive territory under an implied contract did not foreclose competition in a substantial share of the market for rental cars. The Court of Appeals affirmed the District Court’s opinion on March 10, 2015. On June 29, 2017, the District Court found that Bundy and RAWA were in contempt of a March 2011 Order prohibiting the diversion of reservations from Schwartz’s exclusive territory to other franchisees. Bundy and RAWA disputed this finding instead maintaining that the diversion resulted from an unintentional computer programming error. The District Court ordered Bundy and RAWA to publish detailed information about the Schwartz franchise on the company website and in a pre-recorded dialogue for incoming calls to the call center. The court also awarded Schwartz \$83,440.80 in damages, attorneys’ fees, and costs. On September 24, 2018, the District Court denied JJF’s third-party claim to funds in certain deposit accounts that Schwartz sought to garnish, and the Court of Appeals affirmed that decision on April 29, 2019.

Other than this one action, no litigation is required to be disclosed in this Item.

ITEM 4

BANKRUPTCY.

On July 24, 2017, Bundy American, LLC (our former parent, which merged into us as part of the 2025 Corporate Reorganization) filed a petition to reorganize under Chapter 11 of the U.S. Bankruptcy Code in the District of Delaware, Case No. 17-11593. On July 24, 2017, Rent-A-Wreck of America, Inc. (Bundy American’s parent at the time) filed a petition to reorganize under Chapter 11 of the U.S. Bankruptcy Code in the District of Delaware, Case No. 17-11592. Priceless Rent-A-Car, LLC was not a debtor in these cases. On February 13, 2018, the Bankruptcy Court dismissed these bankruptcy actions. Our President, Michael DeLorenzo, and our Treasurer, Ronald Jaffe, were officers and directors of Bundy American and Rent-A-Wreck of America when the two companies filed these petitions.

ITEM 5

INITIAL FEES.

Initial Franchise Fee

The Initial Franchise Fee (the “**Initial Franchise Fee**”) for new franchisees is payable in a lump sum when you sign the Franchise Agreement and varies, depending upon the type of territory you select:

- Six-Mile Primary Service Area -- \$30,000
- Single Point Location -- \$25,000
- Airport Location -- The Initial Franchise Fees for Airport Locations vary depending upon airport enplanement/deplanement figures and car rental revenue statistics, and as of the date of this disclosure document are as follows:

\$125,000: Los Angeles, CA; Orlando, FL

\$75,000: Atlanta, GA; Denver, CO; Miami, FL; Phoenix, AZ; San Francisco, CA; Tampa, FL

\$55,000: Dallas/Ft. Worth, TX; Ft. Lauderdale, FL; Las Vegas, NV; Newark, NJ; Seattle, WA

\$45,000: Baltimore, MD; Boston, MA; Chicago O'Hare, IL; Detroit, MI; Ft. Myers, FL; Houston IAH, TX; Minneapolis, MN; Philadelphia, PA; San Diego, CA; San Jose, CA; Washington Dulles, VA

\$40,000: Albuquerque, NM; Honolulu, HI; Nashville, TN; Oakland, CA; Orange County, CA; Portland, OR; Raleigh-Durham, NC; Reno, NV; Salt Lake City, UT; San Juan, PR; St. Louis, MO; Washington Ronald Reagan National, VA; West Palm Beach, FL

\$35,000: Chicago - Midway, IL; Columbus, OH; Jacksonville, FL; Kansas City, MO; LaGuardia, NY; New Orleans, LA; New York - JFK, NY; Ontario, CA; Pittsburg, PA; Sacramento, CA

\$30,000: Albany, NY; Anchorage, AK; Austin, TX; Birmingham, AL; Boise, ID; Buffalo, NY; Burbank, CA; Charleston, SC; Charlotte, NC; Chattanooga, TN; Cincinnati, OH; Cleveland, OH; Colorado Springs, CO; Columbia, SC; Corpus Christi, TX; Dallas Love Field, TX; Dayton, OH; Daytona, FL; Des Moines, IA; El Paso, TX; Evansville, IN; Fresno, CA; Ft. Wayne, IN; Grand Canyon, AZ; Grand Rapids, MI; Greensboro, NC; Greenville, SC; Guam; Harrisburg, PA; Hartford, CT; Hilo, HI; Houston Hobby, TX; Indianapolis, IN; Kahului, HI; Knoxville, TN; Kona, HI; Lihue, HI; Lincoln, NE; Little Rock, AR; Long Beach, CA; Louisville, KY; Madison, WI; Manchester, NH; Maui, HI; Melbourne, FL; Memphis, TN; Milwaukee, WI; Monterey, CA; Norfolk, VA; Oklahoma City, OK; Omaha, NE; Palm Springs, CA; Pensacola, FL; Providence, RI; Richmond, VA; Roanoke, VA; Rochester, NY; San Antonio, TX; Sanford, FL; Sarasota, FL; Savannah, GA; Shreveport, LA; Spokane, WA; St. Pete/Clearwater, FL; Tucson, AZ; Tulsa, OK; Wichita, KS; Windsor Locks, CT.

All other secondary airport locations: \$30,000

During the fiscal year ended January 31, 2025, we did not sell any Rent-A-Wreck franchises.

Rent-A-Wreck Brand Share Program for Independent Vehicle Rental Businesses

We are currently offering a “**Rent-A-Wreck Brand Share Program**” to encourage independent vehicle rental operators to convert to the Rent-A-Wreck brand. If you are an independent vehicle rental operator, you may elect to sign the Rent-A-Wreck Brand Share Incentive Addendum attached to this disclosure document as Exhibit A-2. Under the Rent-A-Wreck Brand Share Program, we will permit you to operate under both your existing name and marks and the Rent-A-Wreck name and marks for a period of up to 3 years (“**Dual Branding Period**”). Each year during the Dual Branding Period, we will reimburse you for a specified percentage of approved “brand building” expenditures to develop awareness of the Rent-A-Wreck name in your local market. In addition, we will reduce your Post-Termination Business Continuance Buyout Fee if the Franchise Agreement is terminated at any time during the Dual Branding Period. Item 6 of this disclosure document provides additional details on the monthly fee and Post-Termination Business Continuance Buyout Fee reductions. Your Initial Franchise Fee will be the same as those described above.

Initial ASAP Computer System Fee and Ongoing Fees

Your Initial Franchise Fee includes an initial ASAP Computer System fee of \$3,750 to cover the set-up costs to participate in the proprietary ASAP Computer System (“ASAP”), which includes both the “ASAP – Rent” rental management system and the “ASAP- Rates” reservation and rate management system. If you begin using ASAP-Rent and ASAP-Rates before opening your Franchised Business, you will incur the following ongoing monthly costs: (1) ASAP – Rates - \$89 per month; and (2) ASAP – Rent - \$5.50 - \$8.00 per vehicle/per month depending upon your fleet size. (Item 6 provides additional detail on the ASAP-Rent monthly fees.) We estimate that pre-opening ASAP-Rent and ASAP-Rates fees could range from \$0 (if you do not use the ASAP Computer System before opening) to \$6,772.50 for 3 months of ASAP-Rent monthly fees based on a fleet size of 301 vehicles (\$7.50 per vehicle per month) and 3 months of ASAP-Rates monthly fees.

Initial Training

Initial Operations Training, including training on ASAP, for you, your General Manager, and other employees is included in your Initial Franchise Fee.

At your request, we will provide additional initial training on ASAP either virtually or onsite at the Franchised Business (if circumstances permit). Additional virtual ASAP initial training is provided at no additional cost, while additional onsite ASAP training will be provided for an additional fee of \$750 per day (for 1-2 days of training) plus travel and living expenses for the trainer based on the federal government’s rate of compensation of its employees when traveling on government business. The rate will vary depending upon your location. See <http://www.gsa.gov/portal/content/104877> for current per diem rates for your location. We estimate that your fees payable to us for additional onsite ASAP training and travel and living expenses would be \$3,500.

Reservation Deposit

As of the issuance date of this disclosure document, you must participate in the Rent-A-Wreck Reservation System. In addition to the per-reservation fees and commissions described in Item 6 of this Disclosure Document, you must also maintain a deposit (“**Reservation Deposit**”) with us that may be used to cover amounts owing to us under the Reservation Services Participation Agreement. The Reservation Deposit will be an amount of at least: \$750 if the population in the 5-mile radius surrounding your location is 80,000 or fewer inhabitants; \$2,750 if the population in the 5-mile radius surrounding your location is over 80,000 inhabitants; and 20 percent of your Initial Franchise Fee if your location serves customers at an Airport market (regardless of the population of the surrounding area). The initial Reservation Deposit is due when you sign the Reservation Services Participation Agreement. You may be required to replenish and/or increase your Reservation Deposit as further described in Item 6. A copy of the current form of Reservation Services Participation Agreement is attached to this disclosure document as Exhibit J.

Customer Service Deposit

You must maintain a customer service deposit (“**Customer Service Deposit**”) with us, which will be used to cover costs that we incur in resolving complaints from your customers. The Customer Service Deposit is \$750 for a Six-Mile Primary Service Area or Single Point Location and \$2,750 for an Airport Location. The initial Customer Service Deposit is due before the opening of your Franchised Business. You may be required to replenish the Customer Service Deposit from time to time.

Refundability of Initial Fees

The Initial Franchise Fee is non-refundable and fully earned by us when we sign the Franchise Agreement. The initial fees generally apply uniformly and vary only to the extent described in this Item 5; however, we may negotiate initial fees on a case-by-case basis.

* * * * *

There are no other initial fees payable to us or our affiliates.

ITEM 6

OTHER FEES

Type of Fee (Note 1)	Amount	Due Date (Note 2)	Remarks
Royalty Fee	The greater of: (a) 4% of Gross Revenues received during the preceding month (See Note 3); and (b) the monthly minimum royalty	Payable on or before the 10th day of each month for the prior month	The minimum monthly Royalty Fee varies from \$800 to \$2,400 depending upon the length of time that your Franchised Business has been operating (See Note 4)
Marketing and Advertising Fee	The greater of: (a) 1% of Gross Revenues received during the preceding month (See Note 3); and (b) \$500	Payable on or before the 10th day of each month for the prior month	
Rent-A-Wreck Reservation Fee (See Note 5)	Currently, \$5 per reservation plus 5% commission on time and mileage revenue for all reservations received through rentawreck.com.	Payable by ACH or credit card on or before the 10th day of each month for the previous month.	Cancellations will be credited. "No shows" will not be credited. Fees are subject to change, but any increase will not exceed 30% annually.
Global Distribution System ("GDS") Fees (See Note 5)	Currently: \$9.00 - \$12 per reservation for reservations received from GDS sources.	Payable by ACH or credit card on or before the 10 th day of each month for the previous month.	The GDS Fee is a delivery fee associated with the reservation, which is paid on your behalf to the GDS providers. The GDS Fee is subject to change. Cancellations may be credited for a portion of the GDS Fee if they are canceled through a GDS channel. "No shows" will not be credited.

Type of Fee (Note 1)	Amount	Due Date (Note 2)	Remarks
XML Online Travel Agent (“OTA”) Channel Fee (See Note 5)	Currently: \$5 per reservation for reservations received from XML OTA channels	Payable by ACH or credit card on or before the 10 th day of each month for the previous month.	<p>The XML OTA Fee is a delivery fee associated with the reservation, which is paid on your behalf to the XML OTA providers. The XML OTA Fee is subject to change.</p> <p>Cancellations will be credited. “No shows” will not be credited.</p>
Travel Agency Commissions (including traditional and GDS and XML OTAs) (See Note 5)	10%-35% of time and mileage revenue.	Payable by ACH or credit card on or before the 10 th day of each month for the previous month.	<p>The Travel Agency Commission varies depending upon the source of the reservation. Sources, such as OTAs, charge a varying percentage. A Travel Agency Commission is a delivery fee associated with the reservation, which is paid on your behalf to certain GDS and OTAs in addition to their per-reservation fees. The Travel Agency Commission is subject to change.</p> <p>Cancellations will be credited. “No shows” will not be credited.</p>
Reservation Deposit	Varies	As incurred	<p>In addition to the per-reservation and commission fees noted, you must maintain a Reservation Deposit with us that we may use to cover any past-due amounts owing to us. The Reservation Deposit will be in an amount of: \$750 if the population in the 5-mile radius surrounding your location is 80,000 or fewer inhabitants; \$2,750 if the population in the 5-mile radius surrounding your location is over 80,000 inhabitants; and 20% of your Initial Franchise Fee if you purchase an Airport Location (regardless of the population of the surrounding area). We may periodically increase your Reservation Deposit amount, depending upon your volume of reservations to an amount. (See Note 6)</p>

Type of Fee (Note 1)	Amount	Due Date (Note 2)	Remarks
Customer Service Deposit	Varies	As incurred	You must maintain a Customer Service Deposit with us, which we may use to cover costs that we incur in resolving customer complaints about your Franchised Business, including any payments that we make to your customers plus an administrative fee. As of the date of this disclosure document, the Customer Service Deposit is \$750 for Six-Mile Primary Service Area and Single Point Locations and \$2,750 for Airport Locations. We may require you to replenish or increase your Customer Service Deposit from time to time. Any increases will be capped at 10 percent of your then-current Reservation Deposit.
Prepaid Reservations Withholding	10% of prepaid reservation proceeds generated by the Rent-A-Wreck Reservation System and processed through its central merchant account 2% of prepaid reservation proceeds processed through certain OTA channels that process prepaid reservations as merchant of record	As incurred	Customers who use the Rent-A-Wreck Reservation System have an option to prepay their reservation. The prepayments are deposited with us (not with you) and remain in our possession until they have been applied as a credit to your monthly Rent-A-Wreck Reservation System invoice after the vehicle rental has taken place. (See Note 7).
Reservations Reconnection Fee	\$300	As incurred	If your Reservation Fee payment is rejected for any reason, or you default under the Franchise Agreement for any reason, we have the right to disconnect your reservations services and use your Reservation Deposit to cover the outstanding balance. The Reconnection Fee and a Reservation Deposit replenishment will be due before we reestablish your service.

Type of Fee (Note 1)	Amount	Due Date (Note 2)	Remarks
Vehicle Acquisition Fee	\$350 per transaction	As incurred	At your request, we or our affiliates will assist you with the acquisition of vehicles for use in your Franchised Business through our fleet management services. In addition to the Vehicle Acquisition Fee, You also will be responsible for paying the cost of the vehicle and any auction and transportation fees.
Damage Waiver Fee	Up to \$28 for each damage waiver sold. Currently, the fee is \$19.60	Payable on or before the 10 th day of each month	If you participate in the Damage Waiver program administered by us, you will remit up to \$28 for each damage waiver sold during the previous month and retain the balance. This fee is subject to change.
Insurance Program Fee	Varies	On or before the 10 th day of each month	If you participate in the liability insurance program administered by us, you will pay a monthly fee. As of the date of this disclosure document, approximately 25 percent of your monthly fee will cover your insurance premium, and the remaining 75 percent will be placed into a reserve account that we will use to cover the deductible when a claim is made. This fee varies and is subject to change based, in part, on your insurance loss record.
Late Payment Fee	Late Payment Fee is 5% of amount owed - minimum late fee equal to \$15.	As incurred	Assessed the first business day after the monthly fees due date. The late fee is assessed each month on the due date of payments. The fee is applied to payments due, including late fees from prior months.
Credit Card Processing Fee (See Note 1)	Currently 4.5% of transaction amount	As incurred	Payable if you pay any amount due to us or our affiliates by credit card rather than ACH.
Transfer Fee	\$4,000 or 5% of the sale price, whichever is greater	Before transfer completed	Due when you sell any interest in the Franchised Business.

Type of Fee (Note 1)	Amount	Due Date (Note 2)	Remarks
Audits	No charge, unless we discover irregularities	As incurred	You may have to pay the cost of our audit of your books and records. (See Note 8)
Guidance	Will vary under circumstances	As incurred	If you request guidance beyond what we customarily give, we may charge you for any out-of-pocket costs associated with travel or service necessary for the guidance.
Rental Car Online University Fee	\$27 per month for you and 3 employees (\$9 per month for each additional employee)	On or before the 10 th day of each month	This fee covers access to our Rental Car Online University training program featuring online, live training, and combination courses on a wide range of topics affecting the Franchised Business.
Annual Meeting and Training Pre-Payment Program	\$50 per month	Payable on or before the 10 th day of each month	Your Annual Meeting and Training Pre-Payment Program fees will be used to reimburse you for your travel and hotel expenses incurred when attending any of our Annual Meetings or other training programs. We will reimburse you for up to \$800 in training-related travel and hotel expenses each year.
ASAP - Rent	Greater of: (a) the applicable Cost per Vehicle per Month; and (b) the Minimum Monthly Fee (See Note 9)	Payable on or before the tenth day of each month	Participation in ASAP-Rent is mandatory. If you elect to use credit card scanners, driver's license scanners, phone-as-key systems, or other additional devices, you may incur additional ongoing charges payable to third parties.
ASAP Rates Platform Fee	\$89 per month	Payable on or before the tenth day of each month	The ASAP Rates Platform Fee covers your use, and a portion of our continued development, of the ASAP Rates system. ASAP Rates is a secure platform providing rate management tools, access to reservations, reports, and customer service surveys.

Type of Fee (Note 1)	Amount	Due Date (Note 2)	Remarks
Additional ASAP Training and Technical Support Fee	\$120 per hour during regular support business hours Monday through Friday (8 AM ET to 7 PM ET) and Saturday (9 AM ET to 3 PM ET) \$180 per hour after hours upon request and 24-hours' advance notice	As incurred	Your ASAP Rental Management System subscription includes – at no additional cost - initial training and regularly scheduled online training classes, as well as a specified amount of additional training and technical support, which varies based on your Subscription Plan. (See Note 9)
Post-Termination Business Continuance Buyout	\$800 multiplied by the greater of: (a) the minimum number of Rental Vehicles described in Exhibit 1 of your Franchise Agreement; and (b) the most recent 12-month average of the actual number of Rental Vehicles in the Franchised Business (See Note 10)	With notice of termination or upon demand	You do not pay the Post-Termination Business Continuance Buyout if you leave the Rent-A-Wreck System for any reason and you do not operate a competitive vehicle rental business within 20 miles of the Franchised Business. The Post-Termination Business Continuance Buyout is payable only if you operate a competitive vehicle rental business within 20 miles of the Franchised Business after your Franchise Agreement is terminated.
Indemnification	Will vary under circumstances	As incurred	You must defend us, reimburse us and pay our losses and expenses that we incur as a result of claims arising from your operation of the Franchised Business.
Insufficient Funds Administrative Fee	\$45	As incurred	You will be charged a \$45 administrative fee (or the maximum amount permitted by law) each time there are insufficient funds when an attempt is made to electronically transfer funds to us.

(1) Except for existing franchisees who may have signed a previous form of agreement or as otherwise noted in this Item 6, the payments described on this chart are non-refundable, imposed uniformly on all franchisees receiving this offering, and are not collected in whole or in part on behalf of any party other than NPR Auto Group or our affiliates. In some instances in which it is appropriate to do so, we may in the future waive or defer some or all of these fees for a particular franchisee. All flat fees that we impose and collect may be increased annually; percentage-based fees (*i.e.*, “___% of gross revenues”) are not subject to the annual increases. Fee increases will apply to all Franchised Businesses

that have been open and operating for at least one year as of the date of the increase, and the annual increase will not exceed 30 percent of the then-current fee.

(2) On or about the fifth day of each month (or another date specified by us), you must send us a monthly business Report, which we will use to calculate your fees due under this Agreement (or other agreements between you and us or our affiliates) for that month. We will send you an invoice for fees payable to us or our affiliates during the previous month and will also show all credits and debits resulting from the day-to-day operation of the Franchised Business (for example, credits for prepaid rentals and debits for any goods or services purchased through us or our affiliates). The invoice is due and payable within five days. If you have a net credit for the prior month, we will send a check payable to you in that amount following the issuance of the invoice (usually within one week).

We and our affiliates may collect all fees payable to us via electronic funds transfer or by any other means that we designate. We reserve the right to require you to designate an account at a commercial bank of your choice (“**Account**”) for the payment of amounts due to us and/or our affiliates, and in that case, you must furnish us and the bank with authorizations as necessary to permit us and our affiliates to make withdrawals from the Account by electronic funds transfer. In addition, we may If we permit you to pay fees due to us or our affiliates by credit card, we will charge you a credit card processing fee, which as of the date of this disclosure document is 4.5% of the total transaction amount. If you become indebted to NPR Auto Group or its affiliates, we have the right to obtain a report of your credit and to report the amounts due to credit reporting agencies.

(3) “**Gross Revenues**” means all monies received or receivable under closed Rental Agreements, including time, mileage, damage waiver and any other charges for ancillary services or products provided in the conduct of the Franchised Business, excluding only refueling fees, taxes and government-imposed surcharges, airport fees, toll and other traffic violation fines, and vehicle damage recovery proceeds.

If you operate an independent vehicle rental business and sign the Rent-A-Wreck Brand Share Incentive Addendum, during the Dual Branding Period, we will reimburse you for a portion of your expenditures on approved brand building activities, including store level signs and branding, local market advertising and promotions, Internet advertising through approved vendors, and other preapproved advertising and brand building efforts (“**Brand Building Activities**”) as follows:

- Year 1: Up to 66 percent of the total Royalty Fees and Marketing Advertising Fees that you paid to us during Year 1.
- Year 2: Up to 50 percent of the total Royalty Fees and Marketing Advertising Fees that you paid to us during Year 2.
- Year 3: Up to 33 percent of the total Royalty Fees and Marketing Advertising Fees that you paid to us during Year 3.

Reservation Fees that you have paid to us or our affiliate for reservations received from any source, including the Rent-A-Wreck website or call center, online or traditional travel agencies, or the global distribution system, are approved Brand Building Activities and eligible for reimbursement. Other fees payable under the Franchise Agreement or other agreements between you and NPR Auto Group or one of our affiliates will **not** be eligible for reimbursement.

(4) The minimum monthly Royalty Fee varies depending upon the length of time that your Franchised Business has been operating as follows:

<u>Year of Operation*</u>	<u>Minimum Monthly Royalty Fee</u>
1	\$800
2	\$1,600
3+	\$2,400

(*A “Year of Operation” is a 12 calendar-month period beginning on the first day of the first full calendar month after the opening of the Franchised Business to the public (or an annual anniversary of the Franchised Business’s opening.)

(5) As of the date of this Disclosure Document, you must participate in the Rent-A-Wreck Reservation System, including the third-party distribution channels and pay the fees and maintain a Reservation Deposit. The third parties may increase their fees periodically, and typically increases range from an additional \$0.50 to \$1.50 on delivery fees and an additional 1 to 1.5 percent on commissions. The current version of the Reservation Services Participation Agreement that you will sign is attached as Exhibit J to this disclosure document.

(6) Although any increases to your Reservation Deposit will vary, as of the date of this disclosure document, we estimate that after your first 12 months of operation, we will require you to maintain a Reservation Deposit that is equal to approximately 17 percent of the annual gross receipts generated by customer bookings through the Rent-A-Wreck Reservation System for rentals originating at your location. In addition, we may increase the Reservation Deposit amounts for all participants if we deem necessary. Any unused amounts of the Reservation Deposit will be returned to you upon termination of the Franchise Agreement. You must report reservation status, including time and mileage amounts, using the reservation system management system before the close of each billing cycle, or else you will be charged the full commission for the estimated charges at the time of reservations without adjustment for actual fees received for that month. All pricing and other terms related to reservations delivered through GDS, GDS OTAs, and XML OTAs are subordinate to our agreements with the various providers.

(7) In addition to the Reservation Deposit, we will maintain an ongoing withholding of the “Prepaid Reservation Proceeds” (defined below) generated by the Rent-A-Wreck Reservation System. As of the date of this disclosure document, the withholding is 2 percent for reservations that are processed through the merchant account of certain OTAs and 10 percent for reservations processed through our merchant account. “Prepaid Reservation Proceeds” means the net amount of the funds from prepaid reservations that are disbursed to you, which is the total amount of prepaid reservation funds less the commissions due on the total reservation invoice. We will withhold the applicable percentage from your monthly Prepaid Reservation Proceeds, and this amount will be added to your Reservation Deposit account and tracked as a credit memo on your monthly Rent-A-Wreck Reservation System invoice.

(8) If the audit finds that you failed to pay us more than 5% of the amount that was actually due, or if you failed to comply with any provision of the Franchise Agreement that would allow us to terminate the Franchise Agreement, then you will pay us the cost of conducting the audit, including travel expenses, hotel accommodations and salaries of those conducting the audit.

(9) Your monthly ASAP-Rent fee and maximum number of authorized users will vary based on the number of vehicles in your fleet as follows:

Subscription Plan Name*	Number of Reported Subscription Vehicles	Cost per Vehicle per Month	Minimum Monthly Fee	Maximum Monthly Fee	Number of Named Authorized Users
Basic	1 to 49	\$6.50	\$189.00	\$318.50	6
Professional	50 to 99	\$7.00	\$289.00	\$693.00	8
Complete	100 to 149	\$8.00	\$389.00	\$1,192.00	20
Complete	150 to 399	\$7.50	\$1,012.50	\$2,992.50	30
Complete	400 to 599	\$7.00	\$2,520.00	\$4,193.00	40
Complete	600 to 799	\$6.75	\$3,645.00	\$5,393.25	50
Complete	800 to 999	\$6.50	\$4,680.00	\$6,593.50	60
Complete	1000 to 1499	\$6.25	\$5,625.00	\$9,368.75	85
Complete	1500 to 1999	\$6.00	\$8,100.00	\$11,994.00	110
Complete	2000 & up	\$5.50	\$9,900.00	TBD	TBD

(*Your ASAP Rental Management System subscription includes – at no additional cost - initial training and regularly scheduled online training classes, as well as a designated amount of additional training and technical support, which varies based on your Subscription Plan: (a) Basic Plan – up to 2 hours of additional training and technical support per **[calendar]** quarter; (b) Professional Plan – up to 1.5 hours of additional training and technical support per month; and (c) Complete Plan – up to 2 hours of additional training and technical support time per month. The Professional and Complete Plans also provide you with access to additional modules for use in connection with the ASAP Rental Management System.)

(10) If you sign a Rent-A-Wreck Brand Share Incentive Addendum, your Post Termination Business Continuance Buyout will be calculated by multiplying \$100 by the greater of: (a) the minimum number of Rental Vehicles described in Exhibit 1 of your Franchise Agreement; and (b) the most recent 12-month average of the actual number of Rental Vehicles in the Franchised Business.

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ITEM 7

ESTIMATED INITIAL INVESTMENT
YOUR ESTIMATED INITIAL INVESTMENT

Type of Expenditure	Low Amount	High Amount	Method of Payment	When Due	To Whom Payment is to be Made
Initial franchise fee (1) (14)	\$25,000	\$125,000	Cash	When Franchise Agreement Signed.	Us
Initial Reservations Deposit(2)	\$750	\$25,000	Cash	When Reservation Services Enrollment Signed	Us
Initial Customer Service Deposit	\$750	\$2,750	Cash	Before the Franchised Business opens	Us
Real Estate (3)	\$6,000	\$24,000	As Agreed	As Agreed	Suppliers
Leasehold Improvements (4)	\$2,000	\$12,000	As agreed	As ordered	Suppliers
Equipment, Fixtures, Furniture and Signs (5)	\$2,000	\$20,000	As agreed	As ordered	Suppliers
Rental vehicles(6)	\$125,000	\$2,250,000	As agreed	As ordered	Auctions, Dealers, Wholesalers, Fleet Lessor,
Training and Travel Expenses (7)	\$1,500	\$5,000	Cash	As incurred	Suppliers
Computer Hardware (8)	\$3,900	\$15,800	Cash	As incurred	Suppliers
Computer Software (9)	\$0	\$7,983	Cash	As incurred	Us, Suppliers
Additional Onsite Computer Software Training(10)	\$0	\$3,500	Cash	As incurred	NPR Auto Group
Opening Advertising, Deposits, and Miscellaneous Costs (11)	\$2,500	\$5,000	As agreed	As incurred	Suppliers
Vehicle Insurance (12)	\$5,000	\$50,000	As agreed	As ordered	Broker
Additional Funds - 3 months (13)	\$15,150	\$46,500	As agreed	As incurred	Suppliers and Employees
TOTAL ESTIMATED INITIAL INVESTMENT (14)	\$189,550	\$2,592,533			

Notes to Chart:

*The preceding table presents an estimate of the initial investment required to establish and operate a Franchised Business.

(1) Your Initial Franchise Fee includes Initial Training. The Initial Franchise Fee, which varies depending upon the type of franchise that you select, is: \$25,000 for a Single Point Location; \$30,000 for a Six-Mile Primary Service Area; and \$30,000 to \$125,000 for an Airport Location (depending upon the airport's enplanement/deplanement and car rental revenue statistics).

(2) You must establish a Reservation Deposit with us in connection with your participation in the Rent-A-Wreck Reservation System. The Reservation Deposit may be used to cover any past-due amounts owing to us. The Reservation Deposit will be: \$750 if the population in the 5-mile radius surrounding your location is 80,000 or fewer inhabitants; \$2,750 if the population in the 5-mile radius surrounding your location is over 80,000 inhabitants; and 20 percent of your Initial Franchise Fee if your location serves customers at an Airport market (regardless of the population of the surrounding area).

(3) You may locate the Franchised Business in a free-standing location, a hotel facility, a garage facility, an existing vehicle sales or repair facility, or any other location conducive to a vehicle rental business, as long as the location meets any applicable zoning restrictions. You may lease or already own the premises. The rent or mortgage payments, if any, will vary depending on the size of your fleet, the type of site used for the Franchised Business and the availability of financing. If you lease your location, we estimate that the size of the location will be between 400 and 2,000 square feet, and that the monthly rent generally will range from \$2,000 to \$8,000 per month, including any deposits. The estimate is based on three months of rent payments.

(4) These costs are primarily affected by the type of location, and whether you are converting an existing vehicle rental business to a Franchised Business. In particular, the higher amounts apply to stand-alone sites or new businesses that do not already have furniture, fixtures and equipment, such as desks, chairs and rental counters that meet our standards. The lower range covers Franchised Businesses operated within another existing business, such as a new or used car dealership, auto repair shop or gas station.

(5) We provide an interior sign that is suitable for hanging behind or adjacent to the rental counter. We do not currently require illuminated outdoor signage but highly recommend it. Outdoor signage size requirements are determined following a site survey and vary from site to site, depending upon location, zoning requirements and other similar factors.

(6) The costs and the number of rental vehicles will vary significantly depending on the location of the Franchised Business, availability of vehicles, the cost of purchasing and reconditioning vehicles, and the availability of fleet financing. The estimate includes vehicle acquisition fees, auction fees, broker fees and transportation fees. The low end of the estimate is based on a price of \$12,500 per vehicle for 10 vehicles, and the high end is based on a price of \$45,000 per vehicle for 50 vehicles. Your initial out-of-pocket costs may be lower if you choose to lease or finance the purchase of your initial fleet of rental vehicles. As described in Item 10, our affiliate, KFL, LLC, may lease vehicles to qualified Rent-A-Wreck franchisees.

(7) You and/or your general manager must attend the initial training program at our offices in Laurel, Maryland, or you may request that we send a trainer to your location. If you attend the training

at our offices, you are responsible for your own travel and living expenses while training. If you choose to have us send a trainer to your location, you must pay the trainer’s airfare and per diem living expenses. The per diem living expenses are based on the federal government’s rate of compensation of its employees when traveling on government business. The rate will vary depending upon your location. See <http://www.gsa.gov/portal/content/104877> for current per diem rates for your location.

(8) To access ASAP, you will need the following computer hardware: a minimum of one computer, a current operating system, Android or iOS phone and tablet, a printer that is compatible with ASAP, and a chip and pin payment card reader from our approved supplier (total of \$1,550-\$3,950), along with high-speed Internet access. High-speed Internet access could cost in excess of \$100 per month. You also may wish to obtain the following hardware from your suppliers for each ASAP point-of-sale user: tablet and card reader counter mount (market price, currently approximately \$750-\$1,500 per reader). The low end of the estimate is based on the purchase and use of one computer with ASAP access, and the high end of the estimate is based on the purchase and use of 3 computers with ASAP access plus chip and pin payment card readers, tablets, and phones for simultaneous use of ASAP by 3 users.

(9) Your Initial Franchise Fee includes set-up of ASAP. In addition, you must pay a monthly ASAP – Rent license fee for access to and use of the ASAP – Rent system. The monthly ASAP - Rent license fees vary by the number of vehicles in your fleet as follows:

Subscription Plan Name*	Number of Reported Subscription Vehicles	Cost per Vehicle per Month	Minimum Monthly Fee	Maximum Monthly Fee	Number of Named Authorized Users
Basic	1 to 49	\$6.50	\$189.00	\$318.50	6
Professional	50 to 99	\$7.00	\$289.00	\$693.00	8
Complete	100 to 149	\$8.00	\$389.00	\$1,192.00	20
Complete	150 to 399	\$7.50	\$1,012.50	\$2,992.50	30
Complete	400 to 599	\$7.00	\$2,520.00	\$4,193.00	40
Complete	600 to 799	\$6.75	\$3,645.00	\$5,393.25	50
Complete	800 to 999	\$6.50	\$4,680.00	\$6,593.50	60
Complete	1000 to 1499	\$6.25	\$5,625.00	\$9,368.75	85
Complete	1500 to 1999	\$6.00	\$8,100.00	\$11,994.00	110
Complete	2000 & up	\$5.50	\$9,900.00	TBD	TBD

In addition, you must pay a monthly fee of \$89 for access to the ASAP – Rates reservation and rate management platform. The low end of the estimate assumes that you will not incur ASAP-Rent or ASAP-Rates fees, or other software fees before opening, and the high end is based on the monthly ASAP - Rent license fee for 301 vehicles for 3 months, the ASAP – Rates fee for 3 months, and for other services, such as phone-as-a-key applications, that you elect to purchase from third parties for use with ASAP - Rent.

(10) Initial training on ASAP is included in the Initial Operations Training Program that we provide. At your request, we will provide additional initial training either virtually or onsite at the Franchised Business (if circumstances permit). Additional virtual ASAP initial training is provided at no additional cost, while additional onsite ASAP training will be provided for an additional fee of \$750 per day (for 1-2 days of training) plus travel and living expenses for the trainer (based on the same per diem rates described in Note 7 above). The additional training is not mandatory. The high end of the

estimate is based on 2 days of onsite training at the Franchised Business plus travel and living expenses for one trainer.

(11) This item includes grand opening advertising and promotions, legal and accounting fees, one set of vehicle hand controls, security deposits, rental agreement forms, telephone installation, road service set-up costs, and credit card processing arrangements.

(12) Insurance costs will vary depending on the size and age of your fleet and the location of the Franchised Business. Insurance carriers may require you to pay a premium deposit in advance. The deposit usually varies from 2-12 months' premium. The estimated cost assumes that you will start with at least 10 vehicles. The low end of the estimated insurance cost assumes that you will start with at least 10 vehicles at a rate of \$100 per vehicle per month for the premium (or \$3,000 for 3 months) and a premium deposit of two months (\$2,000). The high end of the estimate assumes that the premium will be an average of \$200 per vehicle per month for 50 vehicles (or \$30,000 for 3 months) with a premium deposit of two months (\$20,000).

(13) Additional funds include salaries and benefits for employees (other than any draw or salary for the owner/manager), business insurance costs and miscellaneous ongoing expenses for the first 3 months of operation (other than the items identified separately in the table). However, this is only an estimate, and it is possible you will need additional funds during the first 3 months you operate your Franchised Business. This range of expenses is our estimate based on our own experience in the vehicle rental business, the experience of our management team, the experience of our affiliates, and the anecdotal evidence given to us by our current franchisees.

(14) Unless otherwise noted above, payments that you make to us are not refundable. All payments to third parties are non-refundable unless you arrange otherwise with your suppliers. These estimates do not include any amount for potential increases or changes (beyond what was in effect as of the date of this disclosure document) in inflation, tariffs, environmental considerations (including closures and expenses associated with storms), limits on immigration and worker availability, and adoption of new regulatory requirements.

Except for the fleet leasing program described above and in Item 10, neither we nor any affiliate will finance any part of the franchisee's initial investment.

ITEM 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Purchases Based on Standards and Specifications

To protect our reputation and goodwill and to maintain high standards of operation under the System, you must operate the Franchised Business in strict conformance with our System standards, including the methods, standards, and specifications we prescribe from time to time in the Manual or otherwise in writing. The System standards may relate to any aspect of the appearance, function, cleanliness, and operation of the Franchised Business. We modify the Operating Manual from time to time through amendments, addenda, written directives, memoranda, materials, and other confidential communications. The Manual and all changes, modifications, additions, and amendments to the Manual may be transmitted to you digitally.

Suppliers

We have the right to designate approved suppliers (which we refer to as “**Preferred Providers**”), including us or our affiliates, for goods or services that you purchase and use in establishing and operating your Franchised Business. We and our affiliates may earn a profit on products and services sold to you and other franchisees and may receive rebates or other consideration from unaffiliated suppliers with respect to their sales of products or services to you or other franchisees, whether or not the product or service is presently mentioned in this Item. Currently, there are no items for which we or any of our affiliates are the only Preferred Provider, except for the Reservation System and the ASAP computer system (both of which are described below). In addition, we are a Preferred Provider for printed materials, insurance, optional insurance and counter products, and our affiliates are Preferred Providers for vehicle acquisition services and vehicle leases. We reserve the right to designate ourselves (or an affiliate) as a Preferred Provider, or as the only Preferred Provider, for other products and services in the future.

We may negotiate purchase arrangements with suppliers for your benefit, but you may purchase from any suppliers that meet our standards and have our advance approval. To obtain our approval for suppliers of goods and services (other than operating system software or vehicles) you must submit to our President the name, address, phone number and name of contact person of the supplier, along with a sample or description of the product or service you wish to purchase. We will have at least 45 days to test the product or service or make other inquiries about its efficacy. If you do not receive a response from us within 45 days from the date we receive the above information, you may assume that the product does not have our approval. However, you may send an additional request for approval to us via certified mail or overnight delivery (with tracking service), and we will respond with our approval or disapproval within 10 days from the date that we receive the second request.

We will provide written notice of any revocation of supplier approval. You may have access to written criteria, if any, that we develop for approving or disapproving products or suppliers. As of the date of this disclosure document, there is no fee payable in connection with our review of proposed suppliers.

Except as disclosed in this Item, neither NPR Auto Group nor our affiliates will derive revenue or other material consideration based on required purchases or leases made by franchisees. There are no Preferred Providers in which any of our officers owns an interest. No purchasing or distribution cooperatives currently exist for our franchise system. NPR Auto Group does not provide material benefits to you based on your use of designated or approved sources or purchases of approved or designated products or services.

ASAP Computer System (“ASAP”)

You must use ASAP, a proprietary software program and operating system developed by us and our affiliates (and through a third-party supplier). The two components of ASAP, “ASAP-Rent” and “ASAP – Rates” will enable you to process credit card transactions, print vehicle rental agreements, allow the renting public to contact you over the Internet, disclose information about your fleet availability and rental rates to the public, accept reservations for rental vehicles, set your rates, and prepare internal reports. It will also enable NPR Auto Group to access the rental records of the Franchised Business. We reserve the right to subcontract ASAP development and maintenance to a third party provider. A sample of the ASAP Rental Management System Order Form and Software as a Service Terms and Conditions that you will sign to access ASAP is attached as Exhibit K to this disclosure document.

You also must purchase the computer hardware that we specify that is capable of running ASAP. In addition, we require that you purchase other equipment and systems that you use in the operation of the Franchised Business, such as chip and pin readers and phone-as-a-key services, from Preferred Providers to ensure compatibility with ASAP and the integrity of the system. As of the date of this disclosure document, you must purchase the chip and pin reader from a sole Preferred Provider.

Reservations.

The Rent-A-Wreck Reservation System includes reservations delivered through the Rent-A-Wreck.com website and call center, reservations delivered through ASAP and third-party providers, and other methods of securing pre-reserved business for our franchisees. As of the issuance date of this disclosure document, you must use the full Rent-A-Wreck Reservation System (including reservations delivered through third-party providers). You must pay us a reservation charge or other fee for each reservation generated through our website and third-party providers (if applicable), as well as a reconnection fee if we are required to reestablish your reservations service following a suspension due to your failure to pay or other default. In addition, you may be required to pay fees and commissions to third-party providers (which we may collect on their behalf).

Signs, Printed Materials and Rental Agreement Forms.

We will provide an interior sign suitable for hanging behind or adjacent to the rental desk. We will provide designs for outdoor signs, administrative and promotional materials, record and bookkeeping systems, as well as for advertising and sales materials. All signs and printed materials that you use in your Rent-A-Wreck Business must bear the Rent-A-Wreck Trademarks. You can purchase signs and printed materials from any supplier as long as the materials meet our specifications. If you wish to use a different type or brand of sign or printed materials, or use a new source for these items, you must notify us and submit photographs, specifications, samples and any other requested information. We will notify you in writing within a reasonable time (usually 30 days) if the proposed sign or printed material, or the proposed source meets our requirements for quality, cost, availability, design, appearance and other standards. As of the issuance date of this disclosure document, there is no fee payable in connection with our review of alternative signs or printed materials.

E-mail.

You must use Rent-A-Wreck e-mail addresses that we will assign to you in connection with the Franchised Business. You must use only the Rent-A-Wreck email address (that is, one that will contain a Top Level Domain Name that we designate) in the operation of your Franchised Business, including in your communications with customers and vendors.

Payment Cards.

We require that you use ASAP to accept a wide range of customer credit cards. You must honor all credit-card relationships with the credit- and debit-card issuers or sponsors, check or credit verification services, financial-center services, merchant service providers, and electronic-fund-transfer systems (together, "**Payment Card Vendors**") that we may periodically designate as mandatory. The term "Payment Card Vendors" includes, among other things, companies that provide services for electronic payment, such as near field communication vendors (for example, "Apple Pay" and "Google Wallet"). You also must pay applicable charges imposed by the Payment Card Vendors.

Insurance

You must comply with the insurance requirements set forth in the Operating Manual, as it may be amended. As of the date of this disclosure document, those requirements include:

Vehicle Liability Insurance. You must maintain liability insurance coverage for your rental vehicles. The insurance must provide coverage for renters against claims or losses involving injuries or death to third persons and their property arising from the use of rental vehicles. Liability insurance must be written on an occurrence form, and not a claims-made policy form. Currently, your minimum vehicle liability insurance requirements are: (a) covering the renter, at least the minimum limits stated in the financial responsibility laws of any State whose laws apply to the loss; and (b) for you and the titled owner of the vehicles, \$1,000,000 combined single limit per occurrence.

We or one of our affiliates may offer vehicle liability insurance, and we may require that you purchase this coverage from us. As of the issuance date of this disclosure document, you may (but are not required to) purchase the required auto liability insurance through us. We administer an insurance program (“**Insurance Program**”) with group underwriting for our franchisees and our affiliated vehicle rental businesses. If you participate in the Insurance Program, you will pay a monthly fee, a portion of which will be deposited into a permanent reserve account (“**Reserve**”) to cover deductibles for auto liability claims of participating franchisees.

General Liability Insurance. You must obtain general liability insurance coverage of at least \$500,000 per occurrence against claims or losses unrelated to vehicle injuries arising from the operation of the Franchised Business.

Workers Compensation. In addition to general liability and vehicle liability insurance, you must carry Workers’ Compensation Insurance. The Workers Compensation Insurance should provide for the statutory coverage with Employer’s Liability Insurance. You must also agree to waive any rights that you may have to subrogate against us under your workers compensation policy.

Other Insurance. We may modify the insurance requirements from time to time as we deem appropriate in our reasonable discretion to require you to obtain different or additional insurance policies, coverages, or endorsements or higher coverage limits.

Insurance Certificates. We (and any other persons or entities that we designate) must be named as additional insureds on all vehicle and general liability insurance policies. You or your insurer must notify us of any policy change or cancellation. All liability policies must permit us to retain outside counsel of their choosing, at your expense, to defend us from any claim arising directly or indirectly out of the operation of the Franchised Business, including any claim that we are vicariously liable for the actions or omissions of you, your employees, your customers or the Franchised Business.

Optional Products and Services.

Where permitted by law, you may choose to sell optional counter products, such as damage waivers (“**Damage Waiver**”), supplemental liability insurance, and other similar products, to your customers. We or our affiliates may be a Preferred Provider of those products and services. As of the date of this disclosure document, we are a Preferred Provider of Damage Waiver products (but not the only supplier). If you participate in the Rent-A-Wreck Damage Waiver program, you will pay up to \$28 for each damage waiver sold to customers and sign a “Collision Damage Waiver and Indemnification Agreement” in substantially the same form as Exhibit E to this disclosure document.

Rental Vehicles.

Your fleet may consist of new or used vehicles and must meet the standards that we specify in the Operating Manual. As of the date of this disclosure document: (1) your fleet may include all types of motorized or self-propelled vehicles, including cars, trucks, SUVs and passenger vans; (2) fleet vehicles must be no older than 10 model years, as defined by subtracting 10 from the current calendar year; (3) you may not use vehicles with “salvage” titles in your fleet; (4) all your rental vehicles must be clean, safe to operate, mechanically sound, and in good running condition;; and (5) you must comply with all applicable federal and state safety recall laws.

As of the issuance date of this disclosure document, there are no approved or designated suppliers of vehicles used in the Franchised Business; however, our affiliate, KFL Leasing, may lease vehicles to qualified Rent-A-Wreck franchisees. In addition, we or All Car Leasing may assist you in the purchase of vehicles by arranging the purchase of new or used vehicles through its fleet management service. If you request vehicle acquisition assistance from us or All Car Leasing, you will pay a \$350 vehicle acquisition fee, and you will be responsible for the purchase price of the vehicle and any auction and transportation fees.

* * * * *

We, our parent and affiliates derived the following revenues from sales of goods and services to Rent-A-Wreck franchisees during the fiscal year ended January 31, 2025:

- Reservation Services. During the fiscal year ended January 31, 2025, our former parent, NP Auto Group (“NPAG”) derived \$912,647 from reservation charges from Rent-A-Wreck franchisees, which represented approximately 8% of its total revenue of \$11,554,506 for that year, and Bundy American, LLC (our predecessor) derived \$55,763 from reservation charges from Rent-A-Wreck franchisees, which represented approximately 7.6% of its total revenue of \$732,052 for that year.
- ASAP Computer System. During the fiscal year ended January 31, 2025, NP Auto Group received \$24,825 in ASAP fees from Rent-A-Wreck franchisees, which represented approximately 3.4% of Bundy American’s total revenue of \$732,052 for that year.
- Damage Waiver Product Sales. Our former parent, NPAG, received \$5,684 in revenues from Rent-A-Wreck franchisees from sales of the optional CDW/LDW product during the fiscal year ended January 31, 2025, which represented less than 1% of NPAG’s total revenue of \$11,554,506 for that year.
- Vehicle Leases. Our affiliate, KFL, received \$259,463 in revenue from Rent-A-Wreck franchisees for fleet leasing during the fiscal year ended January 31, 2025, which represented 40% of KFL’s total revenue of \$640,514 during that year.
- Vehicle Acquisition Services. All Car Leasing received \$4,418 from Rent-A-Wreck franchisees during the fiscal year ended January 31, 2025 for vehicle acquisition services, which represented less than 1% of All Car Leasing’s total revenue of \$36,130,823 during that year.

The source of information for NP Auto Group, Bundy American, LLC, KFL, and All Car Leasing is their respective financial records. We estimate that required purchases (excluding vehicles) for the Franchised Business will equal approximately 5 percent to 30 percent of your costs in establishing the Franchised Business and 12 percent to 20 percent of your ongoing costs.

ITEM 9

FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise 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	Disclosure Document Item
(a) Site selection and acquisition/lease	FA: Sections 2.A, 3.B, and 4.A Master Lease: Not applicable	Items 7 and 11
(b) Pre-opening purchases/leases	FA: Sections 3.A, 3.C, 4.B, 5, and 8.E Master Lease: Not applicable	Items 7 and 8
(c) Site development and other pre-opening requirements	FA: Sections 3 and 4 Master Lease: Not applicable	Items 7, 8 and 11
(d) Initial and ongoing training	FA: Section 7 Master Lease: Not applicable	Item 11
(e) Opening	FA: Section 4.C Master Lease: Not applicable	Item 11
(f) Fees	FA: Section 6 Master Lease: Section 2	Items 5, 6, 7 and 10
(g) Compliance with standards and policies/operating manual	FA: Sections 8 Master Lease: Sections 3 & 4	Items 8, 11 and 16
(h) Trademarks and proprietary information	FA: Sections 10 and 11 Master Lease: Not applicable	Items 13 and 14
(i) Restrictions on products/services offered	FA: Section 8.B Master Lease: Section 4	Items 8, 11 and 16
(j) Warranty and customer service requirements	FA: Section 8.G Master Lease: Section 3	Not Applicable
(k) Territorial development and sales quotas	FA: Section 2.B Master Lease: Not applicable	Item 12
(l) On-going product/service purchases	FA: Sections 5 and 8 Master Lease: Not applicable	Item 8

Obligation	Section in agreement	Disclosure Document Item
(m) Maintenance, appearance and remodeling requirements	FA: Section 8.A. Master Lease: Section 3	Item 8
(n) Insurance	FA: Section 8.E Master Lease: Section 5	Items 7, 8 and 15
(o) Advertising	FA: Section 9 Master Lease: Section 4(e)	Items 6 and 11
(p) Indemnification	FA: Section 12 Master Lease: Section 5	Item 6
(q) Owner's participation/management/staffing	FA: Section 6.D Master Lease: Not applicable	Item 15
(r) Records and reports	FA: Section 11 Master Lease: Section 2	Items 8 and 15
(s) Inspections and audits	FA: Section 12 Master Lease: Not applicable	Item 6
(t) Transfer	FA: Section 15 Master Lease: Section 12(e)	Item 17
(u) Renewal	FA: Not applicable Master Lease: Section 12(e)	Item 17
(v) Post-termination obligations	FA: Section 17 Master Lease: Section 8	Item 17
(w) Non-competition covenants	FA: Section 11 Master Lease: Not applicable	Item 17
(x) Dispute resolution	FA: Section 18.D Master Lease: Section 11	Item 17
(y) Operating System Software	FA: Section 13 Master Lease: not applicable	Items 6, 7, 8 and 11
(z) Personal Guaranty	FA: Signature page Master Lease: Signature page	Item 15

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ITEM 10

FINANCING

Fleet Leasing Program

Our affiliate, KFL, LLC, may lease vehicles to Rent-A-Wreck franchisees who meet our minimum credit, geographic, and business management qualifications. If KFL agrees to lease vehicles to you, you and KFL will sign a Master Lease Agreement and a Vehicle Lease Order and Vehicle Delivery Receipt for the leased vehicles. A sample of the Master Lease Agreement, the Vehicle Lease Order, the Vehicle Delivery Receipt, and the monthly statement are attached as Exhibit G. All vehicles subject to the fleet leasing program will be titled and registered in the name of KFL, and you will be responsible for inspections, maintenance, license, registration and title fees, parking and traffic citations, and insurance costs. Leased vehicles may be used only in the day-to-day operation of your Rent-A-Wreck Business within the United States or Canada. KFL does not have an obligation to continue leasing vehicles to you after the vehicles identified in the first Vehicle Lease Order that you submit have been delivered to you.

The following table summarizes the fleet leasing program:

Source of Financing	KFL, LLC (our affiliate)
Amount Financed	Varies depending upon number of vehicles financed. Total amount financed per vehicle includes the costs of the vehicle block price plus auction fees plus \$350 acquisition fee (Note 1)
Down Payment	None
Term (number of months)	1 month – 30 months (initial maximum term of 12 months with up to three 6-month extensions, subject to our approval)
Monthly Depreciation Payment	1.8% to 2.25% of original amount financed (Note 2)
Rate of Interest	Varies – Prime +3% to 4% (calculated monthly) (Note 3)
Monthly Administrative Payment	\$18 per vehicle leased
Monthly Payment	Varies depending upon original amount financed and monthly interest rate
Prepayment Penalty	None
Purchase Requirement	At any time, you have an option to purchase each vehicle in an “as is” condition for a price equal to the Book Value for the month of settlement of the purchase. You must purchase each leased vehicle on or before the end of the lease term.
Security Required	KFL retains title to all leased vehicles; \$750 security deposit per leased vehicle (\$375 due with application and \$375 due upon delivery) (Note 4)
Guarantee	Personal guarantees from individual franchise owners

Liability Upon Default	Termination of agreement; payment of the difference between the book value of all vehicles subject to the Master Lease Agreement and the net liquidation value of those vehicles. The net liquidation value is equal to the actual sales price received for those vehicles less: (a) all amounts due under the Master Lease Agreement as of the termination date; (b) excess mileage fees; (c) all costs that we incur in repossession and disposal of the vehicles, such as investigation, towing, auction fees, transportation costs, management, management travel and per diem court costs and attorneys' fees; (d) all costs incurred as a result of your failure to comply with the Vehicle Return Condition Standards; and (e) an administrative fee of \$300 per vehicle. If the net liquidation value for the leased vehicles exceeds the total book values for those vehicles, we will pay the surplus amount to you.
Loss of Legal Rights Upon Default	We may terminate the Master Lease Agreement and repossess and dispose of all leased vehicles without notice to you. You waive any further interest in the vehicles and any right of action arising out of our entry and repossession of the vehicles.
Insurance	You must maintain required insurance and name KFL and any other party required by KFL as an additional insured

Note 1: In addition to the amount financed, you will be responsible for shipping and transportation costs; vehicle safety, inspection and other get-ready costs; and title, license plate, and taxes. Some of these costs may be payable to third parties.

Note 2: The book value of each vehicle will be reduced monthly by an amount equal to the monthly depreciation payment and will vary based on the purchase price of the vehicle.

Note 3: The interest rate will vary based on your creditworthiness and is calculated each month based on the then-current prime rate of interest as published by the *Wall Street Journal*. As of September 18, 2025, the *Wall Street Journal* prime rate was 7.25 percent, and the interest rate for the Master Lease Agreement was 10.25 percent to 11.25 percent.

Note 4: The amount of the security deposit will be deducted from the book value of each vehicle at the time you purchase the car.

Except as described above, neither we nor any of our affiliates offer direct or indirect financing. We do not guarantee your note, lease or obligation. We and our affiliates have no past practice or future intent of selling, assigning or discounting franchisees' financing arrangements to a third party. We and our affiliates do not receive any direct or indirect payments or other consideration from any person for the placement of financing with the lender.

ITEM 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as disclosed below, we are not required to provide you with any assistance.

PRE-OPENING OBLIGATIONS. Before you open the Franchised Business, we will provide certain assistance, including:

(1) Approve Your Site. (Franchise Agreement – Section 4.A.). We do not assist you with conforming the premises to local ordinances and building codes or obtaining any required permits. We do not typically own and lease the premises to you, and you will purchase or lease the premises from third parties.

(2) Provide an Initial Operations Training program that you must schedule and attend. (Franchise Agreement - Section 7.A.)

(3) Make available our standard layout, design and image specifications for a Rent-A-Wreck Vehicle Rental Business, including the exterior and interior design and layout, fixtures, furnishings, equipment, and signs. (Franchise Agreement – Section 3.C.)

(4) Provide online access to the Operating Manual that you will use throughout the Initial Operations Training program. When you attend Initial Operations Training, you must request a user name and password for access to the Operating Manual from us. (Franchise Agreement - Sections 3.E and 8.B.) Specifications, standards and operating procedures are contained in the Operating Manual and are incorporated by reference into the Franchise Agreement. The Table of Contents to the Operating Manual is Exhibit F to this Disclosure Document. As of the date of this disclosure document, the total number of pages of the Operating Manual is 212.

(5) Provide you with guidance for start-up operations. This may take the form of consulting regarding site selection, fleet planning and other matters related to the Franchised Business and Rent-A-Wreck standards. A member of our operations staff (led by the Director of Operations) will be available to you by phone or e-mail and, as necessary, by in-person consultations at the Franchised Business to assist you during the start-up phase. (Franchise Agreement -Section 3.D.)

(6) Negotiate purchase arrangements with and designate Preferred Providers (Franchise Agreement – Section 6.H.)

(7) Provide access to, at your expense, the ASAP Computer System operating system. (Franchise Agreement – Section 11)

POST-OPENING OBLIGATIONS. While not obligated to do so, during your operation of the Franchised Business, NPR Auto Group has the right to and may:

(1) Add to or modify the Operating Manual. (Franchise Agreement - Section 8.B.)

(2) Provide you with guidance for operating the Rent-A-Wreck Business. This guidance may include, at your reasonable request, assistance with establishing and using administrative, bookkeeping, accounting and inventory control processes. We do not establish minimum or maximum prices for our

franchisees, but we do provide training on pricing, including how to survey the competition in the market, how to implement a pricing strategy, seasonality and vehicle class yield formulas. We also have identified a Preferred Vendor for rate automation. (Franchise Agreement -Section 7.C.)

(3) Establish programs, promotions, campaigns or activities for the benefit of its franchisees (such as credit card programs, reservation service programs, special offers, loyalty programs, or marketing and advertising programs). (Franchise Agreement - Section 8.F.)

(4) Establish customer satisfaction and quality assurance programs (Franchise Agreement – Section 8.G.)

(5) Administer the Marketing and Advertising Fund. (Franchise Agreement - Section 9.A.).

Marketing Program

Marketing and Advertising Fund and Regional Funds. We maintain, collect fees for, and administer a Marketing and Advertising Fund (the “**Marketing and Advertising Fund**”) for marketing, advertising and promoting the Rent-A-Wreck Vehicle Rental Business and Trademarks on an international, national, regional, and local basis. You will pay us a monthly Marketing and Advertising Fee of one percent of Gross Revenues or \$500 (whichever is greater). Note that some franchisees may pay a Marketing and Advertising Fee based on a different percentage of Gross Revenues or pay a flat fee amount if they signed a previous form of franchise agreement, or in some instances, we may agree to a different rate or amount or to waive or defer Marketing and Advertising Fees to encourage system growth or if we otherwise believe it is appropriate to do so. As of the date of this disclosure document, there are no franchisor or affiliate-owned Rent-A-Wreck Vehicle Rental Businesses; if we or our affiliates establish a Rent-A-Wreck Vehicle Rental Business in the future, they will not be required to contribute to the Marketing and Advertising Fund on the same basis as our franchisees.

Franchisee contributions to the Marketing and Advertising Fund may be used by us to meet any and all costs of maintaining, administering, directing and preparing international, national, regional or local marketing, advertising, promotional and public relations activities and any other activities that we believe will enhance the image of the Rent-A-Wreck System. These activities may include: the costs of preparing and conducting television, radio, magazine, billboard, newspaper, online, and other media advertising and activities; marketing surveys and other public relations activities; employing in-house advertising and public relations personnel; retaining in-house and outside advertising agencies; developing and maintaining the Rent-A-Wreck Reservation System; social networking/media, search optimization, and other digital marketing strategies; conducting sponsorships, sweepstakes, and competitions; establishing and maintaining a website using the Rent-A-Wreck Trademarks; and similar activities at our sole discretion. We will not use Marketing and Advertising fees to defray any of our general operating expenses, except for such reasonable salaries, administrative costs and overhead as we may incur in activities reasonably related to the administration of the Marketing and Advertising Fund and the activities paid for by the fund (which may include, among other things: conducting market research, preparing and conducting internet, social media, television, radio, magazine, billboard, newspaper and other media programs and activities and employing advertising agencies, collecting and accounting for contributions to the Marketing and Advertising Fund, and paying for the preparation and distribution of financial accountings and marketing materials). We also may use Marketing and Advertising Fees in joint marketing efforts for the “NextCar” and “Priceless” brands if we determine that doing so would be appropriate and would benefit the Rent-A-Wreck System.

In addition to the Marketing and Advertising Fund, we have the right to maintain, collect fees for, and administer Regional Funds (the “**Regional Fund**” or “**Regional Funds**”) for marketing, advertising and promoting the Rent-A-Wreck Trademarks on a regional basis. We have the right to define each region and to determine the Regional Fund in which you must participate. If we establish a Regional Fund, You may participate in more than one Regional Fund. Once we notify you that you are a member of a Regional Fund, You must pay us the Regional Fund fee that we establish for that Regional Fund, provided that, your Regional Fund fee will not exceed the concurrent amount of your payment obligation to the Marketing and Advertising Fund without your agreement. We have the right to determine the frequency of payment of your contribution to a Regional Fund. As of the issuance date of this disclosure document, we have not yet established any Regional Funds.

The Marketing and Advertising Fund and Regional Funds (together, the “**Funds**”) are our sole property. The Funds will be part of the general funds of NPR Auto Group, but will be accounted for separately from other assets and funds of NPR Auto Group. The Funds will not be independently audited. However, we will prepare an annual report of the operations of the Funds, which will be available to you upon request. We have the sole right to determine how we spend these funds. We have no obligation to make expenditures for you that are proportional to your payments, or to ensure that your Franchised Business benefits directly or proportionately from such programs. However, contributions to a Regional Fund will not be spent for media placement substantially outside the region for which that Regional Fund was formed, unless agreed to by a majority of the Fund members—all as defined and determined by NPR Auto Group. The Funds are not a trust or escrow, and we have no fiduciary obligation to you or any franchisees with respect to the Funds. We are not required to spend all fees received in the year in which they accrue. If not all Marketing and Advertising Fees or Regional Fund contributions are spent in the fiscal year in which they accrue, the remaining amount will be carried forward to the following year.

In the fiscal year ended January 31, 2025, we allocated Rent-A-Wreck Marketing and Advertising Fund expenditures as follows: 25% for production, 35% for media placement, 25% for administration, and 15% for other costs, which included website server and hosting, and maintenance. In the fiscal year ended January 31, 2025, we did not use any Marketing and Advertising Fund monies for advertising principally directed to the solicitation of franchise sales, but we reserve the right to do so in the future.

Advertising Cooperatives. We do not have any regional advertising cooperatives at this time. We have administered regional advertising cooperatives in the past and have the right to form, change, dissolve or merge regional advertising cooperatives in the future. If we organize a cooperative in your region, your participation will be optional. The cooperatives will be governed by its members, which may include us. We may have a controlling interest in a cooperative. The cooperatives will be governed by written documents, which will be prepared when the cooperative is formed.

Local Marketing. You may use your own advertising material if it complies with marketing and advertising standards described in the Operating Manual, and we give you our prior written approval to do so.

Use of Digital Sites. Unless we have otherwise approved in writing, you may not establish or permit any other party to establish a “Digital Site” relating in any manner whatsoever to the Franchised Business or referring to the Rent-A-Wreck Trademarks. The term “Digital Site” means one or more related documents, designs, pages, or other communications that can be accessed through electronic means, including the Internet, World Wide Web, webpages, microsites, social media and networking

sites (including Facebook, Twitter/X, LinkedIn, You Tube, Snapchat, Pinterest, Instagram, etc.), blogs, vlogs, podcasts, applications to be used on mobile devices, the metaverse, and other applications, etc.

Computer System

You must obtain and use the brands, types, makes, and/or models of communications, computer systems, and hardware that we designate from time to time, including the required hardware, credit card transactions and merchant services, back-office and point-of-sale systems, printers and other peripheral devices, front-of-the-house Wi-Fi and other Internet service for customers, and other electronic information systems and all equipment components and software necessary for use in the operation of the Franchised Business (“**Computer Systems**”). As of the issuance date of this disclosure document, you are required to participate in the ASAP Computer System. ASAP is a Windows-based system that will enable you to process credit card transactions, print vehicle rental agreements, allow the renting public to contact you over the Internet, set your rates, disclose information about your fleet availability and rental rates to the public, accept reservations for rental vehicles, and prepare internal reports. ASAP will also enable us to access the rental records of the Franchised Business. We will have access to data that is electronically collected by you through ASAP and other components of the Computer System, including smartphone and other apps that we may develop in the future. There are no contractual limitations on our right to access information from ASAP or other components of the Computer System.

Almost any PC-type computer running a current operating system and at least 8GB RAM with a high-speed internet connection will allow you to participate in ASAP. Additionally, ASAP utilizes apps developed for Android and iOS devices. As of the date of this disclosure document, the costs and fees for participating in ASAP include:

- Computer equipment (PC-type computer, Android, or iOS phones and tablets, current operating system, chip and pin reader, and printer) -- \$1,550 - \$3,950 (payable to your suppliers)
- Fees for Optional Hardware (one-time fee payable to your supplier) -- tablet and card reader counter mount (\$750-\$1,500).
- High-speed Internet access connection cost -- approximately \$100 per month or more (payable to your supplier)
- ASAP - Rent Subscription Fee (includes maintenance, software updating, upgrades and support) (payable to us) –varies by number of vehicle in your fleet as follows:

Subscription Plan Name*	Number of Reported Subscription Vehicles	Cost per Vehicle per Month	Minimum Monthly Fee	Maximum Monthly Fee	Number of Named Authorized Users
Basic	1 to 49	\$6.50	\$189.00	\$318.50	6
Professional	50 to 99	\$7.00	\$289.00	\$693.00	8
Complete	100 to 149	\$8.00	\$389.00	\$1,192.00	20
Complete	150 to 399	\$7.50	\$1,012.50	\$2,992.50	30
Complete	400 to 599	\$7.00	\$2,520.00	\$4,193.00	40
Complete	600 to 799	\$6.75	\$3,645.00	\$5,393.25	50
Complete	800 to 999	\$6.50	\$4,680.00	\$6,593.50	60
Complete	1000 to 1499	\$6.25	\$5,625.00	\$9,368.75	85
Complete	1500 to 1999	\$6.00	\$8,100.00	\$11,994.00	110
Complete	2000 & up	\$5.50	\$9,900.00	TBD	TBD

- ASAP – Rates Platform Fee - \$89/month (payable to us)
- Optional onsite initial training -- \$750 per day plus expenses (payable to us)
- Additional ASAP training and technical support services -- \$120 per hour during regular support business hours (Monday through Friday 8 AM ET to 7 PM ET and Saturday 9 AM ET to 3 PM ET. This fee applies if you exceed the number of hours of additional training and technical support services included with your Subscription Plan: (a) Basic Plan – up to 2 hours of additional training and technical support per calendar quarter; (b) Professional Plan – up to 1.5 hours of additional training and technical support per month; and (c) Complete Plan – up to 2 hours of additional training and technical support time per month. (payable to us)
- After-hours training and technical support services -- \$180 per hour upon request and 24-hours’ advance notice; this fee applies if you request after-hours training or technical support services (even if you have not exceed the number of hours of additional training and technical support services included with your Subscription Plan). (payable to us)

Ongoing Maintenance, Repairs, Updates to ASAP. Your monthly ASAP – Rent and ASAP - Rates Fees include software updates. At your option, you can purchase ongoing maintenance and upgrading contracts for your computer hardware from your suppliers (generally at a cost of \$100 to \$300 per computer). We, in our discretion, may, but are not obligated to, replace, modify and upgrade ASAP from time to time and in consultation with third parties. Also, we may increase, via amendment to the Manual, the ASAP license fee that you must pay. We may require you to upgrade or update ASAP, and there are no contractual limitations on the frequency or cost of that obligation.

Although you agree to buy, license, use, and maintain ASAP and any other required Computer System according to our standards and specifications, you will have sole and complete responsibility for: (1) the acquisition, operation, maintenance, and upgrading of ASAP and any other Computer System; (2) the manner in which ASAP or any other required Computer System interfaces with our and any third party’s computer system; (3) backing up all necessary data; (4) maintaining and updating an anti-virus software program; (5) complying with data security laws and standards, including the Payment Card Industry Data Security Standards (“PCI-DSS”) and (6) any and all consequences if ASAP (or another required Computer System) is not properly operated, maintained, backed up, and upgraded. We

make no warranties, express or implied, concerning the information transmitted through ASAP or any other Computer System, cannot guarantee that you will have uninterrupted 24/7 service.

Site Selection

The Franchise Agreement requires us to take the actions necessary to approve or disapprove a site for the location of the Franchised Business. You may use a site for the Franchised Business only if we consent to it in advance. We will provide written approval or disapproval within 15 days after receiving your complete written site request. In making our decision, we will consider factors such as demographics, traffic count, visibility, parking availability, general image of the surrounding area, and suitability for use as a rental facility, including access to maintenance and wash bays. If NPR Auto Group and you cannot agree on a site, we have the right to terminate the franchise. The typical length of time from signing the Franchise Agreement to opening the Franchised Business ranges from 30 to 90 days, depending on factors such as site selection, attendance at the training program, acquisition of vehicles, and zoning and licensing requirements. If you fail to open the Franchised Business within 180 days after signing the Franchise Agreement, we have the right to terminate the Franchise Agreement.

Training

We conduct our Initial Operations Training program over a 4- or 5-day period, usually at our Franchisee Service Center in Laurel Maryland, or at your option at a regional site. Initial Operations Training is included with the Initial Franchise Fee. The instructional materials include our Operating Manual; sample retail rental agreements; reports relating to rental operations, such as daily business reports; and other forms used in the operation of a Rent-A-Wreck Business. The training program is designed for persons new to the vehicle rental business and for owners of independent rental businesses who are converting to our franchise system.

The Initial Operations Training program at our Franchisee Service Center in Laurel, Maryland is typically offered once every eight weeks. If a regional site is selected, training will be conducted in an office or hotel meeting room of your choice and expense.

Training Program

Subject	Hours of Classroom Training	Hours of On-The-Job Training	Location (1)
Introduction and Background	0.5	0	Laurel, MD or regional site
Logo Specifications, Signs and Brand Uniformity	0.5	0	Laurel, MD or regional site
Advertising and Public Relations	1.0	0	Laurel, MD or regional site
Reservation System	5.0	0	Laurel, MD or regional site
Local Marketing and Outside Sales	1.0	0	Laurel, MD or regional site
Rate Shop Your Competition	0.5	0	Laurel, MD or regional site
ASAP Source of Business Tracking	0.5	0	Laurel, MD or regional site
Planning and Purchasing your Fleet Understanding Fleet Depreciation	3.0	1.0	Laurel, MD or regional site
Pricing for Profit – Planning to achieve your profit objectives.	3.0	0	Laurel, MD or regional site
Planning to sell some of your fleet each year.	2.0	0	Laurel, MD or regional site
ASAP Computer System Training Create Reservations Open, Modify and Close Rental Agreements, Using Reports, Selling to the Customers' needs.	5	2.5	Laurel, MD or regional site
Telephone Sales Basic Training	3.0	1.5	Laurel, MD or regional site
Understanding Auto Insurance	1.0	0	Laurel, MD or regional site
Selling Optional Products to Customers	0.75	0.75	Laurel, MD or regional site
Customer Qualifications and Essentials	1.0	1.0	Laurel, MD or regional site
Customer Service Standards	3.5	1.0	Laurel, MD or regional site
Wrap-up Discussion	0.5	0	Laurel, MD or regional site
Closing Remarks	0.5	0	Laurel, MD or regional site
TOTALS	32.25	7.75	

(1) All training is conducted in both classroom setting and at rental operations centers.

You and/or your general manager must schedule, attend, and complete Initial Operations Training to our satisfaction at any time before the opening of the Franchised Business. You may invite other employees of the Franchised Business to attend Initial Operations Training. Although the Initial Operations Training is included in your Initial Franchise Fee (and there is no additional initial training fee payable to us), you must pay all travel and living expenses and any salary or benefits for your trainees. If you choose regional training, you also will pay for the airfare and per diem expenses of the trainer. Per diem expenses are calculated at the then-current federal government rate of compensation of its employees when traveling on government business.

After successfully completing the Initial Operations Training, you and/or your General Manager may receive additional on-the-job training by working in a company store for a period of time to be determined by you and us. If you choose to participate in this additional training, the topics covered will vary based on the issues that arise in the day-to-day operations of the store. You are not required to participate in this additional training opportunity, but we encourage you to do so. There is no training

fee for this additional on-the-job training, nor will you be paid by us or otherwise considered to be our employee during the training period. However, you must pay all travel and living expenses for you and/or your General Manager.

Additional training or refresher courses are held at our offices and at regional and national meetings of existing franchisees and through online training classes, webinars, and live training classes. This training is not mandatory, but we strongly urge every franchisee to attend the regional and national meetings. It is your responsibility to pay for transportation, hotel and meals.

In addition, you must pay a \$27 monthly online training fee, which will permit you and up to 3 of your employees to participate in our Rental Car Online University (“**RCOLU**”) training program. If more than 3 employees participate, you will pay an additional \$9 fee per month for each additional employee. RCOLU provides 100 to 300 online, live training, and combination courses on a wide range of topics affecting the Franchised Business, such as Rental Counter Practices, Business Management, Communications, Computer and Technical Skills, and general Employment Practices. You have sole discretion for determining whether and when to enroll in a course offered through RCOLU, as well as whether to offer an RCOLU course to your employees in connection with the training that you provide to your staff. There are no additional fees associated with enrollment in RCOLU or individual courses (other than the monthly fee); however, you must have the current version of ASAP to participate in RCOLU. For live training courses, you are responsible for your own travel and living expenses.

The training program is conducted under the supervision of Genevieve (Pat) Bowie (“**Pat the Trainer**”), our Director of Training and Development. Pat the Trainer has over 25 years’ experience in the subject matter taught and over 15 years’ experience with our operations. Previously, Pat the Trainer was a Training Manager for Budget Rent-A-Car Corporation for approximately 15 years.

Franchise Advisory Council

The NPR Auto Group Franchise Advisory Council advises us on advertising, marketing and operating policies and procedures. As of the issuance date of this disclosure document, we will appoint the Members of the Council, which will include Priceless, NextCar, and Rent-A-Wreck franchisees. The Council has advisory powers only. We have the right to change or dissolve the Council.

ITEM 12

TERRITORY

You will operate from a location that we will approve. 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.

Airport Location and Six-Mile Primary Service Area. If you purchase an Airport Location or a Six-Mile Primary Service Area franchise, you will have the right to establish a vehicle rental store or office using the Rent-A-Wreck Trademarks within a territory that we call a Primary Service Area. As long as you operate the Franchised Business in compliance with the Franchise Agreement, we will not establish or franchise others to establish a store or office using the Rent-A-Wreck Trademarks within your Primary Service Area. During the term of the Franchise Agreement, NPR Auto Group and our affiliates (and our respective successors and assigns by purchase, merger, consolidation or otherwise) reserve the following rights: (a) the right to establish and operate or franchise others to establish and

operate Vehicle Rental Businesses or other businesses using the Rent-A-Wreck Trademarks or other service marks or trade names outside your Primary Service Area, regardless of the proximity to your Primary Service Area; and **(b)** the right to own, establish, operate and franchise others to establish and operate Vehicle Rental Businesses or any other business under trade names, trademarks or service marks, other than the Rent-A-Wreck Trademarks, within the Primary Service Area and regardless of their proximity to the Franchised Business.

The size and location of your Primary Service Area will be defined in Exhibit 1 of your Franchise Agreement as follows:

- **Six-Mile Primary Service Area** – a circular area with a 6 mile diameter (3 mile radius) using an agreed-upon location as the center of that circle. By the third anniversary of the Franchise Agreement, our guidelines generally require that you have a minimum fleet of 1 car per every 1,000 inhabitants (as calculated by the U.S. Census Bureau) within your Six-Mile Primary Service Area. For example a Primary Service Area with a population of 80,000 would require an average minimum fleet of 80 cars (80,000/1,000) for the 12-month period. In certain high density population areas (density greater than 4000 inhabitants per square mile) we may mutually agree on a reasonable minimum fleet requirement that differs from the general guidelines by taking into consideration population, density, tourism figures, number of businesses, employee or passenger counts and/or other similar criteria.
- **Airport Primary Service Area** – The Airport Primary Service Area generally is not geographic, but rather a protected right to serve deplaning passengers. Your minimum fleet will be mutually agreed to by you and NPR Auto Group.

If you are not able to achieve the minimum fleet requirement described in Exhibit 1 of your Franchise Agreement within 36 months, we at our election, may: **(a)** agree to a lower minimum fleet requirement; **(b)** reduce the size of your Primary Service Area by 50%; **(c)** reduce your Primary Service Area to a Single-Point Franchise; or **(d)** terminate your franchise. Except as described above, there are no circumstances that will permit us to impose a modification of a Primary Service Area.

Single Point Location – If you purchase a Single-Point Franchise, you must have a minimum fleet of 10 cars within one year after opening your Single Point Franchise. If you purchase a Single-Point franchise, we and our affiliates (and our respective successors and assigns by purchase, merger, consolidation or otherwise) have the right to establish, own, operate, and franchise others to establish and operate Vehicle Rental Businesses using the Rent-A-Wreck Trademarks anywhere, regardless of proximity to the Franchised Business. In addition, we and our affiliates have the right to own, establish, operate, and franchise others to establish and operate vehicle rental businesses or any other business under the trade names, trademarks or service marks other than the Rent-A-Wreck Trademarks during the term of the Franchise Agreement, regardless of their proximity to the Franchised Business.

Solicitation or Acceptance of Orders and Alternative Distribution Channels – There are no restrictions on our right or the rights of our affiliates to solicit or accept orders inside your Primary Service Area or in the area served by your Single Point Location. We may sell vehicle rental services through such channels of distribution as the Internet, World Wide Web (including price comparison sites and online travel agencies), mobile web applications, smartphone applications, tour operator, wholesalers, telemarketing, or other direct marketing (“**Alternative Distribution Channels**”). You will receive no compensation for posting your rental rates and availability of inventory for sale through our

Alternative Distribution Channels. You may use the Alternative Distribution Channels to market sales both inside and outside your Primary Service Area as long as your marketing activities are conducted (and any reservations are made) using our Reservations System.

Corporate Accounts – Only we and our affiliates will have the right to enter into contracts with Corporate Accounts. A “**Corporate Account**” includes organizational and institutional customers whose presence is not confined to a specific area or territory, and includes the following: business entities, franchise systems, voluntary membership cooperative and organizations, non-governmental organizations engaged in not-for-profit activities, federal, state, and local governmental and quasi-governmental agencies, branches or facilities; and any other similar customer. Corporate Accounts may include tour operators, airlines, hospitality and lodging chains, travel agents, travel wholesalers, and other corporate customers. We will give you the opportunity to serve any of these Accounts. If you agree to serve a Corporate Account, you must comply with the price and contract terms we agree on with the Corporate Account, except as may otherwise be required by applicable law.

Intra-brand Issues – As described in Item 1, we also offer franchises under the “NextCar” name and marks, and following the 2025 Corporate Reorganization, we assumed the rights and obligations as the franchisor of the “Rent-A-Wreck” system. In addition, our parent, All Car Leasing, operates company-owned vehicle rental business under the “NextCar” name. We will resolve conflicts between us and our franchisees and franchisees of other brands franchised by us or our affiliates or company-operated businesses through an informal mediation process with company representatives and/or members of the Franchisee Advisory Council. We and our affiliates do not maintain physically separate office or training facilities for Rent-A-Wreck and any other brands.

Rights to Acquire Additional Franchises and Relocation of the Franchised Business - We generally do not offer rights of first refusal, options or similar rights to acquire additional franchises. You may not relocate your Franchised Business without our prior written approval. We will approve your request if you are in compliance with the Franchise Agreement, and the site meets our site selection criteria. In addition, if you operate within a Primary Service Area, moving the site may not change the circular area of the Primary Service Area.

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ITEM 13

TRADEMARKS

The Franchise Agreement grants you the non-exclusive right and license to use the Rent-A-Wreck Trademarks and any other proprietary marks that we designate and permit you to use during the term of the Franchise Agreement in operating the System. Your use of the Marks is limited solely to the operation of your Franchised Business within the Primary Service Area (if applicable) and at the Franchised Business, and only in accordance with System Standards.

We own the registrations for the following principal Rent-A-Wreck Trademarks, which were assigned to us as part of the 2025 Corporate Reorganization, and which have been registered on the principal register of the United States Patent & Trademark Office (the “PTO”):

Mark	Registration No.	Registration Date
	3667599	August 11, 2009
	3686746	September 22, 2009
Rent-A-Wreck (Word Mark)	1439553	May 12, 1987
	1271100	March 20, 1984
The Smart Alternative	2509881	November 20, 2001

All required affidavits and renewals have been filed.

You must follow our standards and specifications when you use the Rent-A-Wreck Trademarks. Any goodwill created by your use of the Rent-A-Wreck Trademarks belongs exclusively to NPR Auto Group. You retain no right in the Rent-A-Wreck Trademarks on the termination of the Franchise Agreement. You may not use any Mark or any corporate or business name of NPR Auto Group, (a) as part of any corporate or trade name, (b) with any prefix, suffix or other modifying words, terms, designs or symbols, (c) in any modified form, (d) as part of any domain name, website, home page, electronic address, or other interactive site maintained on the internet, the world wide web, or any other similar proprietary or common carrier electronic delivery system, or (e) in any manner that NPR Auto Group has not expressly authorized in writing. You must prominently display the Rent-A-Wreck Trademarks on prescribed items and in the manner NPR Auto Group designates. You must obtain the required fictitious or assumed name registrations. A domain name, website, homepage, electronic address, or other interactive site may not be owned or maintained by you on the Internet or World Wide Web and advertised with the Rent-A-Wreck Trademarks without our prior written consent. All intellectual property, URL names, domain names and website pages become our property upon the expiration or termination of the Franchise Agreement.

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, nor are there any pending infringement, opposition or cancellation proceedings or any pending material litigation involving the Rent-A-Wreck Trademarks. NPR Auto Group is not aware of any infringing uses that could materially affect your use of the Rent-A-Wreck Trademarks. No agreements are currently in effect which significantly limit the rights of NPR Auto Group to use or franchise the use of the Rent-A-Wreck Trademarks in any manner material to you. NPR Auto Group does not know of either superior rights or infringing uses that could materially affect your use of the principal Rent-A-Wreck Trademarks in any state. We have the right to control any administrative proceedings or litigation involving a trademark licensed by NPR Auto Group to you.

You must immediately notify NPR Auto Group of any apparent infringement of or challenge to your use of the Rent-A-Wreck Trademarks, or claim by any person of any rights in the Rent-A-Wreck Trademarks. NPR Auto Group is not obligated to take action to protect or defend the Rent-A-Wreck Trademarks but we must indemnify you against any damages or costs in any proceeding arising from your authorized use of the Rent-A-Wreck Trademarks. Reimbursement is available only if you timely notified NPR Auto Group of the claim or proceeding and you have otherwise complied with the Franchise Agreement. You must assist NPR Auto Group with any action it may take in connection with an infringement or challenge to the Rent-A-Wreck Trademarks. NPR Auto Group will control any litigation or proceeding regarding your use of the Rent-A-Wreck Trademarks.

If NPR Auto Group decides to modify or discontinue any of the Rent-A-Wreck Trademarks or use additional or substitute trade or service marks (“**New Trademarks**”), you must comply with our decisions. NPR Auto Group will not reimburse you for your reasonable direct expenses in modifying or discontinuing the use of the Marks and substituting a new mark. NPR Auto Group is not obligated to reimburse you for any loss of goodwill associated with any modified or discontinued marks or for your expenditures to promote a New Trademark.

ITEM 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

Patents

We do not own rights in, or licenses to, any patents and does not have any pending patent applications that are material to the franchise.

Copyrights

We claim copyright protection for the Operating Manual, business processes for use with ASAP and related materials, and our promotional and advertising materials. We have not registered these materials with the U.S. Copyright Office but considers them proprietary and confidential. You may use these materials only as provided in the Franchise Agreement and Operating Manual.

There are no presently effective determinations of the United States Copyright Office or any court regarding any of the copyrighted materials. No agreements currently in effect significantly limit our rights to use or franchise the copyrighted materials. We do not know of any infringing uses that could materially affect your use of the copyrighted materials in any state. No agreement requires us to protect or defend copyrights.

Confidential Operating Manual

In order to protect our reputation and goodwill and to maintain high standards of operation under the Rent-A-Wreck Trademarks, you must conduct your business in accordance with the Operating Manual. As of the date of this disclosure document, we provide the Operating Manual in a digital format and will provide you with one or more user names and passwords to access the Operating Manual, for the term of the Franchise Agreement. We have the right to provide updates to the Operating Manual in any format we choose (including paper, online access or other digital format).

You must at all times accord confidential treatment to the Operating Manual, any other manuals we create (or approve) for use with the Franchised Business, and the information contained in the Operating Manual. You must use all reasonable efforts to maintain this information as secret and confidential. You may never copy, duplicate, record, or otherwise reproduce the Manual and the related materials, in whole or in part (except for the parts of the Operating Manual that are meant for you to copy, which we will clearly mark as such), nor may you otherwise let any unauthorized person have access to these materials. You must restrict access to the Operating Manual (in paper and electronic form) to those of your employees who must have access to it to perform their duties in the Franchised Business, and under pass codes and with passwords that can be changed or deleted, as necessary, to properly safeguard and secure the Operating Manual. The Operating Manual will always be our sole property.

We may periodically revise the contents of the Operating Manual, and it is your responsibility to comply with each new or changed standard. If there is ever a dispute as to the contents of the Operating Manual, our master copy of the Operating Manual (maintained at our home office) will be controlling.

ITEM 15

**OBLIGATION TO PARTICIPATE IN THE
ACTUAL OPERATION OF THE FRANCHISED BUSINESS**

We do not require you to participate personally in the direct operation of the Franchised Business, although we recommend that you do so. You are responsible for the successful operation of the Franchised Business and are directly responsible to NPR Auto Group under the Franchise Agreement whether or not you participate in the day-to-day operations. The Franchised Business must be under your direct, on-premises supervision, or under the direct, on-premises supervision of a trained and competent general manager who has completed our Initial Operations Training program or equivalent to our satisfaction. Either you or your general manager must be employed on a full-time basis and devote your, his or her entire time during normal business hours to the management, operation, and development of the Franchised Business. You must disclose the identity of the general manager to us, if applicable. We do not require that the general manager have an equity interest in the Franchised Business. However, the general manager must comply with the confidentiality and non-competition provisions of the Franchise Agreement.

At our discretion, you, your spouse, and your business partners (if any) may be required to sign the Guaranty in the Franchise Agreement. In the Guaranty, each guarantor unconditionally guarantees the full and faithful performance of the obligations under the Franchise Agreement, and agrees to be personally liable for every breach by you of the Franchise Agreement.

ITEM 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL.

You must use the authorized business premises solely for the operation of the Franchised Business, unless you obtain our prior written consent to operate another business at or from the premises. You may offer only the Services that we authorize. You must meet the minimum fleet requirements and keep your Franchised Business open for the minimum number of days and hours that we specify in the Operating Manual or otherwise in writing. You may sell only those services approved by NPR Auto Group.

Generally, you are free to set prices for the services that you sell with the following limited exceptions:

- If you agree to serve a Corporate Account or participate in a promotional program, you must comply with the price and contract terms we agree on with the Corporate Account or the terms of the promotional program, except as may otherwise be required by applicable law.
- If you participate in the Company Damage Waiver Program, we may set a minimum daily price for the Damage Waiver if permitted by applicable law.
- All fees and prices must comply with vehicle rental and other consumer protection laws regulating rate quotes and advertisements and permissible mandatory charges (including “junk fee” laws).

You must meet our business quality and operation standards for the class and age of vehicles and the use and display of the Rent-A-Wreck Trademarks. Our loss prevention criteria or insurance

requirements may limit the customers to whom you rent vehicles. We may change the specifications regarding the class and age of the vehicles. There are no limits on our rights to make these changes. Except as otherwise limited in the Franchise Agreement or the Operating Manual, you may offer for rent any make or model of vehicle.

You may not sell products or services, other than motor vehicles, to other Rent-A-Wreck franchisees without our prior written approval.

Liability Insurance. Your prices for rental vehicles must include vehicle liability insurance that provides coverage for renters and authorized drivers to the extent required by law and the Franchise Agreement. You may not charge your customer a separate fee for vehicle liability insurance that is required by the law of your state.

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ITEM 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

THE FRANCHISE RELATIONSHIP

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this Disclosure Document.

1. The Franchise Agreement

Provision	Section in Franchise Agreement	Summary
(a) Length of the franchise term	Section 2.C	The Franchise Agreement does not have a fixed term or expiration date.
(b) Renewal or extension of the term	None	Not applicable
(c) Requirements for franchisee to renew or extend	None	Not Applicable
(d) Termination by franchisee	Section 16.C	Subject to state law: (1) you may terminate if we default under the terms of the Franchise Agreement and fail to cure such default within 90 days after receipt of written notice from you; and (2) you may terminate at any time with or without cause upon 90 days' written notice to us if you either (a) cease the direct or indirect ownership or operation of any Vehicle Rental Business within 20 miles of the site of the Franchised Business for a period of 2 years after the effective date of termination; or (b) you pay the Post-Termination Business Continuance Buyout.
(e) Termination by franchisor without cause	None	No specific provision.
(f) Termination by franchisor with cause	Section 16	We have the right to terminate if you commit any of several violations (see (g) and (h) below).
(g) "Cause" defined. curable defaults	Section 16.B	You have 30 days after receiving written notice to cure a non-monetary matter and 15 days after receiving written notice to cure a monetary matter.

Provision	Section in Franchise Agreement	Summary
(h) “Cause” defined – non-curable defaults	Section 16.A.	Failure to begin operating within 180 days; Abandonment of the franchised business; Submission of reports which understate or overstate the number of vehicles or gross revenue by more than 5%; Failure to maintain insurance coverage; Failure on three or more occasions to submit reports; Failure to pay NPR Auto Group or approved vendor fees when due; Conviction of or guilty or nolo-contendre plea in felony or criminal cases; material misrepresentations; repeated defaults; relocation of your Franchised Business without our approval; default in another agreement with us; failure to maintain minimum fleet requirements; failure to accept or implement material changes to the System that apply uniformly to all similarly-situated franchisees; failure to meet minimum Customer Satisfaction Program or quality assurance program scores; and removal from one or more third-party reservation platforms due to noncompliance with the platform’s standards.
(i) Franchisee’s obligations on termination/ non- renewal	Section 17	Obligations include payment of amounts due to NPR Auto Group, including Post-Termination Business Continuance Buyout (if applicable), within 15 days after termination, cessation of the use of the Rent-A-Wreck Trademarks, notification of the telephone company and listing agencies to authorize the transfer of the telephone number and directory listings to NPR Auto Group, compliance with the covenant not to compete, return of the Operating Manual and any other proprietary materials, and other obligations listed in Section 15 of the Franchise Agreement.
(j) Assignment of contract by franchisor	Section 15.A	Fully transferable by NPR Auto Group.
(k) “Transfer” by franchisee-defined	Section 15.B, 15.C and 15.D	Includes voluntary or involuntary, direct or indirect assignment, sale, gift, or other disposition of any interest in the franchise, the Franchised Business or a controlling interest (51% or more) of the ownership or management control of the Operating Company.
(l) Franchisor’s approval of transfer by franchisee	Section 15.B, 15.C and 15.D	NPR Auto Group has the right to approve all transfers in advance.

Provision	Section in Franchise Agreement	Summary
(m) Conditions for franchisor approval of transfer by you	Section 15.C and 15.D	You are in full compliance with the Franchise Agreement, you pay all amounts owed to us, transferee completes training, transferee signs our then-current form of Franchise Agreement, a transfer fee is paid to us, and you sign a general release of any claims against NPR Auto Group (attached as Exhibit C to this Disclosure Document).
(n) Franchisor's right of first refusal to acquire franchisee's business	Section 15.F.	We can match any offer for your Rent-A-Wreck Business.
(o) Franchisor's option to purchase the franchised business	Section 17.D	We have the right to assume the lease (or sublease) of the Premises and to purchase assets of the Franchised Business (including Rental Vehicles) upon termination of the Franchise Agreement.
(p) Death or disability of franchisee	Section 15.E	The Franchised Business must be transferred to an approved party within 6 months from the date of death or permanent disability, subject to the conditions in "m" above.
(q) Non-competition covenants during the term of the franchise	Section 11.B	You cannot directly or indirectly perform services for, nor have an ownership interest in, any competing motor vehicle rental business.
(r) Non-competition covenants after the franchise is terminated or expires	Section 11.C	For 2 years you cannot have any direct or indirect interest in any business involving rental of motor vehicles located within a twenty (20) mile radius of the premises of the Franchised Business. If you wish to operate a competing business before the end of the 2-year period, you may do so if you pay us a Post-Termination Business Continuance Buyout.
(s) Modification of the agreement	Sections 8.B and 18.A and 18.G	No modification generally, unless by mutual written agreement, but the Operating Manual, specifications and procedures can be changed unilaterally by us.
(t) Integration/merger clause	Section 18.G	Only the terms of the Franchise Agreement, and other related written agreements are binding (subject to state law). Any representations or promises made outside the disclosure document and Franchise Agreement may not be enforceable. Notwithstanding the foregoing, nothing in the franchise agreement or any related agreement is intended to disclaim the representations made in the disclosure document.

Provision	Section in Franchise Agreement	Summary
(u) Dispute resolution by arbitration or mediation	None	Not applicable.
(v) Choice of forum	Section 18.D	Subject to state law, litigation must be held in Frederick County, Maryland.
(w) Choice of law	Section 18.E	Subject to state law, Maryland law applies.

2. The Master Lease Agreement

Provision	Section in master lease agreement	Summary
(a) Length of the franchise term	Section 1	The term for each vehicle leased ranges from 1 month to 12 months.
(b) Renewal or extension of the term	Section 1	The term may be extended for up to 3 additional 6-month terms by mutual written agreement.
(c) Requirements for franchisee to renew or extend	None	No specific provision
(d) Termination by franchisee	None	No specific provision; however, you may terminate under any grounds permitted by state law.
(e) Termination by franchisor without cause	None	No specific provision.
(f) Termination by franchisor with cause	Section 8	We have the right to terminate if you commit any of several violations (see (h) below).
(g) "Cause" defined – curable defaults	None	No specific provision
(h) "Cause" defined – non-curable defaults	Section 8	Failure to perform any term, condition or obligation of the Agreement; failure to cure a default in your Franchise Agreement; and insolvency, assignment for benefit of creditors or appointment of receiver or permitting attachment, garnishment, levy or execution on a leased vehicle.

Provision	Section in master lease agreement	Summary
(i) Franchisee's obligations on termination/ non-renewal	Section 15	Obligations include payment of amounts due under the Lease Agreement, including the difference between the total book values of all vehicles leased and the net value of liquidation of the leased vehicles plus fees and costs incurred in repossessing the leased vehicles plus all fees and costs incurred as a result of the default plus a \$100 administrative fee.
(j) Assignment of contract by franchisor	None	No specific provision
(k) "Transfer" by franchisee -defined	None	No specific provision
(l) Franchisor approval of transfer by franchisee	None	No specific provision
(m) Conditions for franchisor approval of transfer	None	No specific provision
(n) Franchisor's right of first refusal to acquire franchisee's business	None	No specific provision
(o) Franchisor's option to purchase franchisee's business	None	Not Applicable
(p) Death or disability of franchisee	None	No specific provision
(q) Non-competition covenants during the term of the franchise	None	No specific provision
(r) Non-competition covenants after the franchise is terminated or expires	None	No specific provision
(s) Modification of the agreement	Section 12.b.	No modification generally, unless by mutual written agreement.

Provision	Section in master lease agreement	Summary
(t) Integration/ merger clause	Section 12.b.	Only the terms of the Lease Agreement, and other related written agreements are binding (subject to state law). Any representations or promises made outside the disclosure document and Master Lease may not be enforceable. Notwithstanding the foregoing, nothing in the franchise agreement or any related agreement is intended to disclaim the representations made in the disclosure document.
(u) Dispute resolution by arbitration or mediation	None	Not applicable
(v) Choice of forum	Section 11.	Subject to state law, litigation must be held in Frederick County, Maryland.
(w) Choice of law	Section 12.f.	Subject to state law, laws of Maryland

ITEM 18

PUBLIC FIGURES.

NPR Auto Group does not use public figures to promote the Rent-A-Wreck Trademarks or Franchised Businesses. You may not use a public figure to promote the Franchised Business without our prior written approval.

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

Historical Financial Performance Representations

The following pages contain a historical financial performance representation. Table 1 is a historical financial performance representation about the Rent-A-Wreck System's existing franchised businesses. The franchise data in this Item 19 were reported voluntarily to us.

Table 1

**Financial Performance Representation for Corporate Store
February 1, 2024 through January 31, 2025 (“Sample Period”)
Data sorted by Average Monthly Revenue per Vehicle**

	Average Revenue per Day	Average Revenue per Closed Agreement	Average Monthly Revenue per Vehicle	Average Utilization	Average Length of Rental
“Average” for One Rent-A-Wreck Corporate Location	\$67.05	\$727.26	\$1,479	73%	10.85
Number and percentage of Corporate Locations in this sub-group with results greater than the average	N/A (1 location)	N/A (1 location)	N/A (1 location)	N/A (1 location)	N/A (1 location)
Low – High range	\$67.05- \$67.05	\$727.26 – \$727.26	\$1,479 – \$1,479	73% - 73%	10.85 - 10.85
Mean Median	\$67.05 - \$67.05	\$727.26- \$727.26	\$1,479- \$1,479	73% - 73%	10.85 - 10.85

Table 2
FINANCIAL PERFORMANCE SUMMARY FOR FRANCHISED LOCATIONS
February 1, 2024 through January 31, 2025 (“Sample Period”)
Data sorted by Average Monthly Revenue per Vehicle

	Average Revenue per Day	Average Revenue per Closed Agreement	Average Monthly Revenue per Vehicle	Average Utilization	Average Length of Rental
21 Franchise Locations Submitting 12 months of Performance Data	\$59.10	\$507.01	\$951.32	58%	9.83
Number and percentage of Franchise Locations in this sub-group with results greater than the average	11 58%	6 32%	9 47%	10 53%	6 32%
Low – high range	\$34.50- \$87.59	\$239- \$1305	\$337- \$1557	23%- 91%	4.78- 17.31
Mean	\$59.10	\$507.01-	\$951.32-	58%-	9.83-
Median	\$63.84	\$423.35	\$897.70	54%	7.54

Definitions

The following are the definitions that we used for the information presented in Table 1:

“**Closed Rental Agreements**” is a rental agreement for which the customer used and returned a car and for which the charges were collected.

“**Number of Rental Days**” is the total number of days that vehicles were rented under closed rental agreements during the relevant sample period.

“**Number of Vehicle Months in Fleet**” is the total number of vehicles in the fleet during each month of the Sample Period.

“**Average Revenue Per Rental Day**” is derived by dividing total revenue received by “Number of Rental Days.” The following items are included in “revenue”: time and mileage charges received from customers, revenues from sales of damage waivers and optional insurance products, such as Personal Accident Coverage (“PAC”), Personal Effects Coverage (“PEC”), and Supplemental Liability Insurance (“SLI”); special charges such as Underage Driver’s Fees and Additional Driver’s Fees; fees received from rentals of GPS devices; discounts and refunds; and other miscellaneous rental revenue.

“**Average Revenue Per Closed Rental Agreement**” is derived by dividing “Total Revenue” by “Number of Closed Rental Agreements”

“**Average Utilization**” measures the average utilization of the fleet during the Sample Period and is derived by dividing the “Number of Rental Days” by the product of “Number of Vehicle Months in Fleet” and 30.41 (average number of days per calendar month or 365 divided by 12).

“**Average Monthly Revenue per Vehicle**” is derived by dividing total monthly revenue by the Number of Vehicle Months in Fleet.

“**Average Length of Rental**” is the average number of days that fleet vehicles were rented under closed rental agreements during the Sample Period and is calculated by dividing the Number of Rental Days by the Number of Closed Rental Agreements.

Bases

The information in Table 1 reflects the actual historical operating performance during the Sample Period of the one Corporate Store that is operated by our affiliate, MBRC, LLC.

The information in Table 2 relates to the historic performance of Rent-A-Wreck franchisees that had been open and operating for all 12 months from February 1, 2024 through January 31, 2025 (the “**2025 Sample Period**”). As of January 31, 2025, there were 47 open and operating Rent-A-Wreck Franchised Businesses, 45 of which had been open and operating during the entire 2025 Sample Period. We requested information for each of the categories presented in Table 1 from all 45 Rent-A-Wreck Franchised Businesses that had been open during the entire 2025 Sample Period.

Of the 45 Rent-A-Wreck Franchised Businesses that had been open and operating during the entire 2025 Sample Period, 19 (approximately 42%) provided us complete reporting for each month of the 2025 Sample Period (the “**2025 Sample Franchised Businesses**” or “**2025 Sample**”). Of the 45 Rent-A-Wreck Franchised Businesses that had been open and operating during the entire Sample Period, 26 (approximately 58% did not provide complete reporting for each month of the 2025 Sample Period and therefore were not included in the 2025 Sample. During the 2025 Sample Period, there no Rent-A-Wreck Franchised Businesses that closed, and there were therefore not any outlets excluded from the 2025 Sample Period that closed after being open less than 12 months.

We studied the data received from the Corporate Store and the Sample Franchised Businesses. Table 1 summarizes our study of the Corporate Store during the 2025 Sample Period, and Table 2 summarizes our study of the Sample Franchised Businesses.

Assumptions

The Corporate Store and Franchised Businesses included in Table 1 and Table 2 are substantially similar to the type of Rent-A-Wreck Franchised Business that we expect you to operate under your Franchise Agreement with us.

- The Corporate Store operates at a location that is similar to the type of location that we recommend for franchisees to operate their Rent-A-Wreck Franchised Business, and it offers the same types of services and optional products. The Corporate Store has been open for over 15 years and is located within the State of Maryland. Although it does not have a defined territory, its operations are most similar to a 6-Mile Primary Service Area.
- The Sample Franchised Businesses are operated from a variety of geographic locations and sites (e.g., airport, free-standing or connected to an existing business, such as an

automotive repair shop or car dealership) with a range of fleet sizes and length of operations.

We suggest that you speak with franchisees with geographic locations, sites, fleet sizes, and market types that are similar to the Franchised Business that you intend to operate to better understand factors that may affect your potential revenue. Your revenue also may vary depending upon the number of vehicle rental businesses that you operate.

Some outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.

The financial performance figures in Table 1 and Table 2 do not reflect the costs of sales, operating expenses or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your Franchised Business. Franchisees or former franchisees listed in this disclosure document, may be one source of this information.

* * * * *

Written substantiation for the financial performance representations presented in Table 1 and Table 2 will be made available to you upon reasonable request.

Other than the preceding financial performance representations, we do not make any representations about a franchisee's future financial performance or the past financial performance of company-owned or franchised outlets. We also do not authorize our employees or representatives to make any such representations either orally or in writing. If you are purchasing an existing outlet, however, we 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 Michael DeLorenzo, NPR Auto Group, 11411 Rockville Pike, Rockville, Maryland 20852, (240) 581-1300, the Federal Trade Commission, and the appropriate state regulatory agencies.

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

**Table 1
SYSTEMWIDE OUTLET SUMMARY*
For Fiscal Years Ended January 31, 2025 and January 31, 2024, and the Six-Month Period
ended January 31, 2023**

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2023	51	51	0
	2024	51	45	-6
	2025	45	47	+2
Corporate**	2023	1	1	0
	2024	1	1	0
	2025	1	1	0
Totals	2023	52	52	0
	2024	52	46	-6
	2025	46	48	+2

*We changed our fiscal year end from July 31st to January 31st as of January 31, 2023. As a result, we are providing information for Tables 1-4 for the fiscal years ended January 31, 2025, January 2024, and for the six months ended January 31, 2023.

**The Corporate Store is operated by our affiliate, MBRC, LLC.

**Table 2
TRANSFERS OF OUTLETS FROM FRANCHISEES
TO NEW OWNERS (OTHER THAN THE FRANCHISOR)
For Fiscal Years Ended January 31, 2025 and January 31, 2024, and the Six-Month Period
ended January 31, 2023**

State*	Year	Number of Transfers
North Carolina	2023	0
	2024	0
	2025	1
Total	2023	0
	2024	0
	2025	1

*States that are not listed had no activity to report.

Table 3
STATUS OF FRANCHISED OUTLETS
For Fiscal Years Ended January 31, 2025 and January 31, 2024, and the Six-Month Period
ended January 31, 2023

State*	Year	Franchised Outlets at Start of Year	Franchised Outlets Opened	Franchise Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Franchised Outlets at End of the Year
California	8/1/22-1/31/23	6	0	0	0	0	0	6
	2/1/23-1/31/24	6	0	0	0	0	2	4
	2/1/24 – 1/31/25	4	0	0	0	0	0	4
Connecticut	8/1/22-1/31/23	3	0	0	0	0	0	3
	2/1/23-1/31/24	3	0	0	0	0	0	3
	2/1/24 – 1/31/25	3	0	0	0	0	0	3
Illinois	8/1/22-1/31/23	1	0	0	0	0	0	1
	2/1/23-1/31/24	1	0	0	0	0	0	1
	2/1/24 – 1/31/25	1	0	0	0	0	0	1
Indiana	8/1/22-1/31/23	1	0	0	0	0	0	1
	2/1/23-1/31/24	1	0	0	0	0	0	1
	2/1/24 – 1/31/25	1	0	0	0	0	0	1
Maine	8/1/22-1/31/23	2	0	0	0	0	0	2
	2/1/23-1/31/24	2	0	0	0	0	0	2
	2/1/24 – 1/31/25	2	0	0	0	0	0	2
Maryland	8/1/22-1/31/23	2	0	0	0	0	0	2
	2/1/23-1/31/24	2	0	0	0	0	0	2

State*	Year	Franchised Outlets at Start of Year	Franchised Outlets Opened	Franchise Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Franchised Outlets at End of the Year
	2/1/24 – 1/31/25	2	0	0	0	0	0	2
Michigan	8/1/22-1/31/23	2	0	0	0	0	0	2
	2/1/23-1/31/24	2	0	0	0	0	0	2
	2/1/24 – 1/31/25	2	0	0	0	0	0	2
Montana	8/1/22-1/31/23	1	0	0	0	0	0	1
	2/1/23-1/31/24	1	0	0	0	0	0	1
	2/1/24 – 1/31/25	1	0	0	0	0	0	1
Nevada	8/1/22-1/31/23	2	0	0	0	0	0	2
	2/1/23-1/31/24	2	0	0	0	0	0	2
	2/1/24 – 1/31/25	2	0	0	0	0	0	2
New Jersey	8/1/22-1/31/23	14	0	0	0	0	0	14
	2/1/23-1/31/24	14	4	0	0	0	6	12
	2/1/24 – 1/31/25	12	2	0	0	0	0	14
New York	8/1/22-1/31/23	2	0	0	0	0	0	2
	2/1/23-1/31/24	2	0	0	0	0	0	2
	2/1/24 – 1/31/25	2	0	0	0	0	0	2
North Carolina	8/1/22-1/31/23	3	0	0	0	0	0	3
	2/1/23-1/31/24	3	0	1	0	0	0	2
	2/1/24 – 1/31/25	2	0	0	0	0	0	2
North Dakota	8/1/22-1/31/23	1	0	0	0	0	0	1

State*	Year	Franchised Outlets at Start of Year	Franchised Outlets Opened	Franchise Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Franchised Outlets at End of the Year
	2/1/23-1/31/24	1	0	0	0	0	0	1
	2/1/24 – 1/31/25	1	0	0	0	0	0	1
Ohio	8/1/22-1/31/23	2	0	0	0	0	0	2
	2/1/23-1/31/24	2	0	0	0	0	0	2
	2/1/24 – 1/31/25	2	0	0	0	0	0	2
Pennsylvania	8/1/22-1/31/23	3	0	1	0	0	0	2
	2/1/23-1/31/24	2	1	0	0	0	0	3
	2/1/24 – 1/31/25	3	0	0	0	0	0	3
Puerto Rico	8/1/22-1/31/23	1	1	0	0	0	0	2
	2/1/23-1/31/24	2	0	0	0	0	0	2
	2/1/24 – 1/31/25	2	0	0	0	0	0	2
South Dakota	8/1/22-1/31/23	1	0	0	0	0	0	1
	2/1/23-1/31/24	1	0	0	0	0	0	1
	2/1/24 – 1/31/25	1	0	0	0	0	0	1
Vermont	8/1/22-1/31/23	1	0	0	0	0	0	1
	2/1/23-1/31/24	1	0	1	0	0	0	0
	2/1/24 – 1/31/25	0	0	0	0	0	0	0
Virginia	8/1/22-1/31/23	1	0	0	0	0	0	1
	2/1/23-1/31/24	1	0	1	0	0	0	0
	2/1/24 – 1/31/25	0	0	0	0	0	0	0

State*	Year	Franchised Outlets at Start of Year	Franchised Outlets Opened	Franchise Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Franchised Outlets at End of the Year
Washington	8/1/22-1/31/23	2	0	0	0	0	0	2
	2/1/23-1/31/24	2	0	0	0	0	0	2
	2/1/24 – 1/31/25	2	0	0	0	0	0	2
Totals	8/1/22-1/31/23	51	1	1	0	0	0	51
	2/1/23-1/31/24	51	5	0	0	0	11	45
	2/1/24 – 1/31/25	45	2	0	0	0	0	47

*States that are not listed had no activity to report.

**Table 3-A
Status of International Franchised Outlets
for Six-Month Period Ended January 31, 2023, Fiscal Year Ended January 31, 2024,
and January 31, 2025**

Country	Year	Franchised Outlets at Start of Year	Franchised Outlets Opened	Franchise Terminations	Non-Renewals	Reacquired by Franchisor	Ceased Operations Other Reasons	Franchised Outlets at End of the Year
Norway*	8/1/22-1/31/23	30	4	6	0	0	0	28
	2/1/23-1/31/24	28	3	1	0	0	0	30
	2/1/24 – 1/31/25	30	2	4	0	0	0	28
St. Maarten	8/1/22-1/31/23	1	0	0	0	0	0	1
	2/1/23-1/31/24	1	0	0	0	0	0	1
	2/1/24 – 1/31/25	1	0	0	0	0	0	1
Sweden*	8/1/22-1/31/23	25	2	5	0	0	0	23
	2/1/23-1/31/24	23	1	2	0	0	0	22

	2/1/24 – 1/31/25	22	0	1	0	0	0	21
Total	8/1/22- 1/31/23	56	6	11	0	0	0	51
	2/1/23- 1/31/24	51	4	3	0	0	0	52
	2/1/24 – 1/31/25	53	2	5	0	0	0	50

Table 4
Status of Company-Owned Outlets
For Fiscal Years Ended January 31, 2025 and January 31, 2024, and the Six-Month Period
ended January 31, 2023

State*	Year	Outlets at Start of Year	Outlets Opened	Outlets Reacquired From Franchisees	Outlets Closed	Outlets Sold to Franchisee	Outlets at End of the Year
Maryland**	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1
Total	2023	1	0	0	0	0	1
	2024	1	0	0	0	0	1
	2025	1	0	0	0	0	1

*States that are not listed had no activity to report.

**The Company-Owned Outlet is operated by our affiliate, MBRC, LLC.

Table 5
PROJECTED OPENINGS
As Of January 31, 2025

State	Franchise Agreements Signed But Franchised Businesses Not Opened	Projected Franchised New Businesses in the Next Fiscal Year	Projected Company Owned Business Openings In the Next Fiscal Year
California	0	1	0
Colorado	0	1	0
Florida	0	4	0
Totals	0	6	0

Attached as Exhibit H to this Disclosure Document is a list of all Rent-A-Wreck franchised businesses as of January 31, 2025. Attached as Exhibit I to this Disclosure Document is a list of the

names, addresses and telephone numbers of all former franchisees who were terminated, not renewed or ceased operating for other reasons or who transferred their franchises during the fiscal year ended January 31, 2025. No franchisees failed to communicate with NPR Auto Group within 10 weeks of the disclosure document issuance date.

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

There are no trademark-specific franchisee organizations associated with the franchise system being offered which we have created, sponsored or endorsed.

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

ITEM 21

FINANCIAL STATEMENT

Exhibit B to this Disclosure Document contains the audited financial statements of NPR Auto Group, LLC for the fiscal years ended January 31, 2025 and January 31, 2024, and the six-month period ended January 31, 2023, as well as our unaudited financial statements dated as of July 31, 2025 (following the 2025 Corporate Reorganization). Our fiscal year previously ended on July 31st of each year. On January 31, 2023, we changed our fiscal year end to January 31st of each year.

ITEM 22

CONTRACTS

The following agreements are Exhibits to this Disclosure Document:

- Exhibit A: Franchise Agreement and Exhibits
- Exhibit A1: State Addenda to Franchise Agreement
- Exhibit A2: Rent-A-Wreck Brand Share Incentive Addendum
- Exhibit C: General Release
- Exhibit E: Collision Damage Waiver Fee and Indemnification Agreement
- Exhibit G: Sample Master Lease and Exhibits
- Exhibit J: Reservation Services Participation Agreement
- Exhibit K: ASAP Rental Management System Software as a Service Terms and Conditions

ITEM 23

RECEIPTS

The last pages of the Disclosure Document are detachable receipts acknowledging receipt of this Disclosure Document by you.

STATE ADDENDA TO THE RENT-A-WRECK CAR AND TRUCK RENTAL FRANCHISE DISCLOSURE DOCUMENT

State-Specific Requirements

CALIFORNIA:

The registration of this franchise offering by the California Department of Financial Protection and Innovation does not constitute approval, recommendation, or endorsement by the Commissioner.

Section 31125 of the Franchise Investment Law requires us to give you a disclosure document approved by the Commissioner of Financial Protection and Innovation before we ask you to consider a material modification of your franchise agreement.

THE CALIFORNIA FRANCHISE INVESTMENT LAW REQUIRES A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE BE DELIVERED TOGETHER WITH THE FRANCHISE DISCLOSURE DOCUMENT.

You must sign a general release of claims if you transfer your franchise, which is attached as Exhibit C to this Disclosure Document. California Corporations Code Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Sections 31000 through 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 through 20043).

The following language is added to the end of Item 3 of the Disclosure Document:

With regard to us, our predecessor, the persons identified in Item 2, or an affiliate or franchise broker offering franchises under our principal trademark:

No such party is subject to any current 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. 78a et seq., suspending or expelling such person from membership in such association or exchange.

The following language is added to the end of Item 17:

California Law Regarding Termination and Non-renewal. California Business and Professions Code Sections 20000 through 20043 provide rights to Franchisees concerning termination, transfer or non-renewal of the franchise. If the Franchise Agreement contains any provision that is inconsistent with the law, the law will control.

Termination Upon Bankruptcy. The Franchise Agreement provides for termination upon bankruptcy. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. § 101, *et seq.*).

Post-Termination Non-competition Covenants. The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business may, to that extent, be void under California Business and Professions Code Section 16600.

Litigation of Disputes. The Franchise Agreement requires all litigation to be brought in Maryland. Prospective Franchisees are encouraged to consult private legal counsel to determine the applicability of California and federal laws (such as Business and Professions Code Section 20040.5, Code of Civil Procedure Section 1281) to any provisions of a franchise agreement restricting venue to a forum outside California.

Applicable Law. For franchisees operating outlets located in California, the California Franchise Investment Law and the California Franchise Relations Act will apply regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the Franchise Agreement or any amendment thereto or any agreement to the contrary is superseded by this condition.

Statute of Limitations and Waiver of Damages. The franchise agreement contains provisions shortening the statute of limitations to bring claims and requiring you to waive your right to punitive or exemplary damages against the franchisor, limiting your recovery to actual damages for any claims related to your franchise. Under California Corporations Code section 31512, these provisions are not enforceable in California for any claims you may have under the California Franchise Investment Law.

OUR WEBSITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEBSITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION at www.dfpi.ca.gov.

California's Franchise Investment Law (Corporations Code section 31512 and 31512.1) states that any provision of a franchise agreement or related document requiring the franchisee to waive specific provisions of the law is contrary to public policy and is void and unenforceable. The law also prohibits a franchisor from disclaiming or denying (i) representations it, its employees, or its agents make to you, (ii) your ability to rely on any representations it makes to you, or (iii) any violations of the law.

HAWAII:

Each provision of the following "Additional Disclosures" is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Hawaii Franchise Investment Law are met independently without reference to these Additional Disclosures.

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR OF

COMMERCE AND CONSUMER AFFAIRS THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE FRANCHISE INVESTMENT LAW MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, OR SUBFRANCHISOR, AT LEAST SEVEN DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR A STATEMENT OF ALL RIGHTS, CONDITIONS, RESTRICTIONS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

ILLINOIS:

Each provision of the following “Additional Disclosures” is 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 these Additional Disclosures.

Illinois law governs the Agreements.

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.

Section 19 of the Illinois Franchise Disclosure Act sets forth the conditions and notice requirements for termination of a franchise agreement.

Section 20 of the Illinois Franchise Disclosure Act sets forth the conditions of non-renewal of a franchise agreement, along with the compensation requirements.

In conformance with section 41 of the Illinois Franchise Disclosure Act, any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with the Illinois Franchise Disclosure Act **or any other law** of Illinois is void.

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, franchise seller or other person acting on behalf of a Franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

In the Franchisor's fiscal year ended January 2024, NP Auto Group (the Franchisor's direct parent company) derived more than \$2.8M from reservation fees required to be paid by the Franchisor's franchisees.

MARYLAND:

Each provision of the following "Additional Disclosures" is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Maryland Franchise Registration and Disclosure Law are met independently without reference to these Additional Disclosures.

1. The following language is added to the Summary section of Item 17(h) entitled **"Cause" defined - defaults which cannot be cured:**

The Franchise Agreement provides for termination upon bankruptcy of the Franchisee. This provision may not be enforceable under federal bankruptcy law (11 U.S.C.A. Section 101 *et seq.*).

2. The Summary section of Item 17(m) entitled **Conditions for Franchisor's approval of transfer by you** is amended to read as follows:

You are in full compliance with the Agreement, new Franchisee qualifies, transferee assumes all your obligations, you pay all amounts owed to NPR Auto Group and others, transferee completes training, transferee signs the then-current form of the Rent-A-Wreck franchise agreement and related documents, a transfer fee is paid to NPR Auto Group, NPR Auto Group approves the terms of the transfer, you sign a general release of any claims against NPR Auto Group; however, Maryland law requires that this general release will not apply to any liability NPR Auto Group may have under the Maryland Franchise Registration and Disclosure Law, and you sign a non-competition covenant.

3. Any claims arising under the Maryland Franchise Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

4. Pursuant to the Interpretive Opinion "Adopting NASAA Statement of Policy Regarding the Use of Franchise Questionnaires and Acknowledgments" dated January 23, 2023, issued by the State of Maryland Office of the Attorney General Securities Division (the "Division"), the Division requires franchisors selling franchises that are subject to the Maryland Franchise Registration and Disclosure Law to provide the following legend: "No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise."

MICHIGAN:

1. The following language is additional cover page disclosures which is required by the State of Michigan:

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

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

- a. A prohibition on the right of a Franchisee to join an association of Franchisees.
- b. A requirement that a Franchisee assent to a release, assignment, novation, waiver, or estoppel which deprives a Franchisee of rights and protection provided in this act. This shall not preclude a Franchisee, after entering into a franchise agreement, from settling any and all claims.
- c. A provision that permits a franchisor to terminate a franchise prior to the expiration of its term except for good cause. Good cause shall include the failure of the Franchisee to comply with any lawful provision of the franchise agreement and to cure such failure after being given written notice thereof and a reasonable opportunity, which in no event need be more than 30 days, to cure such failure.
- d. A provision that permits a franchisor to refuse to renew a franchise without fairly compensating the Franchisee by repurchase or other means for the fair market value at the time of expiration of the Franchisee's inventory, supplies, equipment, fixtures, and furnishings. Personalized materials which have no value to the franchisor and inventory, supplies, equipment, fixtures, and furnishings not reasonably required in the conduct of the franchise business are not subject to compensation. This subsection applies only if: (i) The term of the franchise is less than 5 years and (ii) the Franchisee is prohibited by the franchise or other agreement from continuing to conduct substantially the same business under another trademark, service mark, trade name, logotype, advertising, or other commercial symbol in the same area subsequent to the expiration of the franchise or the Franchisee does not receive at least 6 months advance notice of franchisor's intent not to renew the franchise.
- e. A provision that permits the franchisor to refuse to renew a franchise on terms generally available to other Franchisees of the same class or type under similar circumstances. This section does not require a renewal provision.
- f. A provision requiring that arbitration or litigation be conducted outside this state. This shall not preclude the Franchisee from entering into an agreement, at the time of arbitration, to conduct arbitration at a location outside this state.
- g. A provision which permits a franchisor to refuse to permit a transfer of ownership of a franchise, except for good cause. This subdivision does not prevent a franchisor from

exercising a right of first refusal to purchase the franchise. Good cause shall include, but is not limited to:

- (1) The failure of the proposed transferee to meet the franchisor's then-current reasonable qualifications or standards.
- (2) The fact that the proposed transferee is competitor of the franchisor or sub-franchisor.
- (3) The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.
- (4) The failure of the Franchisee or proposed transferee to pay any sums owing to the franchisor or to cure any default in the franchise agreement existing at the time of the proposed transfer.

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

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

If the franchisor's most recent financial statements are unaudited and show a net worth of less than \$100,000.00, the Franchisee may request the franchisor to arrange for the escrow of initial investment and other funds paid by the Franchisee until the obligations, if any, of the franchisor to provide real estate, improvements, equipment, inventory, training or other items included in the franchise offering are fulfilled. At the option of the franchisor, a surety bond may be provided in place of escrow.

THE FACT THAT THERE IS A NOTICE OF THIS OFFERING ON FILE WITH THE ATTORNEY GENERAL DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION, OR ENFORCEMENT BY THE ATTORNEY GENERAL.

Any questions regarding this notice should be directed to:

State of Michigan
Department of Attorney General
670 G. Mennen Williams Building
525 West Ottawa
Lansing, Michigan 48913
Telephone Number: (517) 373-3800

MINNESOTA:

Each provision of the following “Additional Disclosures” is effective only to the extent, with respect to such provision, that the jurisdictional requirements of the Minnesota Franchise Act are met independently without reference to these Additional Disclosures.

1. Item 17 “Renewal, Termination, Transfer and Dispute Resolution,” is amended by the addition of the following paragraphs:

With respect to franchises governed by Minnesota law, NPR Auto Group will comply with Minn. Stat. §80C.14, Subds. 3, 4 and 5 which require, except in certain specified cases, that you be given 90 days’ notice of termination (with 60 days to cure) and 180 days’ notice for non-renewal of the Franchise Agreement and that consent of the transfer of the franchise not be unreasonably withheld.

Minn. Stat. 80C.21 and Minn. Rule Part 2860.4400J, prohibit NPR Auto Group from requiring litigation to be conducted outside Minnesota. In addition, nothing in the Disclosure Document or Franchise Agreement can abrogate or reduce any of your rights as provided for in Minnesota Statutes, Chapter 80C, or your rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

Any release required as a condition of renewal and/or assignment/transfer will not apply to any claims that may arise under the Minnesota Statutes 1973 Supplement, sections 80C.01 to 80C.22.

NEW YORK:

1. The following additional risk factors are added to the cover of the Franchise Disclosure Document:

INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A OR YOUR PUBLIC LIBRARY FOR RESOURCES OR 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 FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN ANYTHING IN THIS FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND THE APPROPRIATE STATE OR PROVINCIAL AUTHORITY. THE FRANCHISOR MAY, IF IT CHOOSES, NEGOTIATE WITH YOU ABOUT ITEMS COVERED IN THE FRANCHISE DISCLOSURE DOCUMENT. HOWEVER, THE FRANCHISOR CANNOT USE THE NEGOTIATING PROCESS TO PREVAIL UPON A PROSPECTIVE FRANCHISEE TO ACCEPT TERMS THAT ARE LESS FAVORABLE THAN THOSE SET FORTH IN THIS FRANCHISE DISCLOSURE DOCUMENT.

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

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal, or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions other than routine litigation incidental to the business that is significant in the context of the number of franchisees and the size, nature, or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the ten years immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation, or trade practice law resulting from 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 the "Summary" sections of Item 17(c), titled "Requirements for franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer":

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; this proviso intends that the non-waiver provisions of General Business Law Sections 687(4) and 687(5) be satisfied.

4. The following language replaces the "Summary" section of Item 17(d), titled "Termination by franchisee":

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

5. The following is added to the end of the "Summary" sections of Item 17(v), titled "Choice of forum", and Item 17(w), titled "Choice of law":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

6. Franchise Questionnaires and Acknowledgements--No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

7. Receipts--Any sale made must be in compliance with § 683(8) of the Franchise Sale Act (N.Y. Gen. Bus. L. § 680 et seq.), which describes the Rev. April 2, 2024 time period a Franchise Disclosure Document (offering prospectus) must be provided to a prospective franchisee before a sale may be made. New York law requires a franchisor to provide the Franchise Disclosure Document at the earliest of the first personal meeting, ten (10) business days before the execution of the franchise or other agreement, or the payment of any consideration that relates to the franchise relationship.

NORTH DAKOTA:

Each provision of the following “Additional Disclosures” is effective only to the extent that the jurisdictional requirements of the North Dakota Franchise Investment Law, with respect to each such provision, are met independent of the Additional Disclosures.

1. The following language is added to the table in Item 17:

The North Dakota 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 arbitrate 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 any claims arising under the North Dakota franchise law will 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 and Punitive Damages: Requiring North Dakota franchisees to consent to a waiver of exemplary and punitive damages.

H. General Release: Requiring North Dakota franchisees to execute a general release of claims as a condition of renewal or transfer of a franchise.

I. Limitation of Claims: Requiring that North Dakota franchisees to consent to a limitation of claims. The statute of limitations under North Dakota law applies.

J. Enforcement of Agreement: Requiring that North Dakota franchisees to pay all costs and expenses incurred by the franchisor in enforcing the agreement. The prevailing party in any enforcement action is entitled to recover all costs and expenses including attorney's fees.

RHODE ISLAND:

The provision of the following Additional Disclosure is effective only to the extent that the jurisdictional requirements of the Rhode Island Franchise Investment Law are met independently without reference to this “Additional Disclosure.”

1. The following language is added to the Summary section of Item 17(v) entitled **Choice of forum** and to the Summary section of Item 17(w) entitled **Choice of law**:

§19-28.1-14 of the Rhode Island Franchise Investment Act provides that: “A provision in a franchise agreement restricting jurisdiction or venue to a forum outside this state or requiring the application of the laws of another state is void with respect to a claim otherwise enforceable under this Act.”

SOUTH DAKOTA:

The provision of the following Additional Disclosure is effective only to the extent that the jurisdictional requirements of the South Dakota Franchise Investment Law are met independently without reference to this “Additional Disclosure.”

1. The following language is added to the Summary section of Item 17(v) entitled Choice of forum:

(Except as required by South Dakota law for claims arising out of the South Dakota Franchise Act)

VIRGINIA:

The following “Additional Disclosures” are effective only to the extent that the jurisdictional requirements of the Virginia Retail Franchising Act are met independently, without reference to this Additional Disclosure.

1. Pursuant to Section 13.1-564 of the Virginia Retail Franchising Act, it is unlawful for a franchisor to cancel a franchise without reasonable cause. If any grounds for default or termination stated in the Franchise Agreement or Assignment Agreement does not constitute “reasonable cause” as that term may be defined in the Virginia Retail Franchising Act or the laws of Virginia, that provision may not be enforceable.

WASHINGTON ADDENDUM TO THE FRANCHISE DISCLOSURE DOCUMENT, THE FRANCHISE AGREEMENT, AND ALL RELATED AGREEMENTS

The provisions of this Addendum form an integral part of, are incorporated into, and modify the Franchise Disclosure Document, the franchise agreement, and all related agreements regardless of anything to the contrary contained therein. This Addendum applies if: (a) the offer to sell a franchise is accepted in Washington; (b) the purchaser of the franchise is a resident of Washington; and/or (c) the franchised business that is the subject of the sale is to be located or operated, wholly or partly, in Washington.

1. **Conflict of Laws.** In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, chapter 19.100 RCW will prevail.

2. **Franchisee Bill of Rights.** RCW 19.100.180 may supersede provisions in the franchise agreement or related agreements concerning your relationship with the franchisor, including in the areas of termination and renewal of your franchise. There may also be court decisions that supersede the franchise agreement or related agreements concerning your relationship with the franchisor. Franchise agreement provisions, including those summarized in Item 17 of the Franchise Disclosure Document, are subject to state law.

3. **Site of Arbitration, Mediation, and/or Litigation.** In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the state of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the franchise agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. **General Release.** A release or waiver of rights in the franchise agreement or related agreements purporting to bind the franchisee to waive compliance with any provision under the Washington Franchise Investment Protection Act or any rules or orders thereunder is void except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2). In addition, any such release or waiver executed in connection with a renewal or transfer of a franchise is likewise void except as provided for in RCW 19.100.220(2).

5. **Statute of Limitations and Waiver of Jury Trial.** Provisions contained in the franchise agreement or related agreements that unreasonably restrict or limit the statute of limitations period for claims under the Washington Franchise Investment Protection Act, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

6. **Transfer Fees.** Transfer fees are collectable only to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

7. **Termination by Franchisee.** The franchisee may terminate the franchise agreement under any grounds permitted under state law.

8. Certain Buy-Back Provisions. Provisions in franchise agreements or related agreements that permit the franchisor to repurchase the franchisee's business for any reason during the term of the franchise agreement without the franchisee's consent are unlawful pursuant to RCW 19.100.180(2)(j), unless the franchise is terminated for good cause.

9. Fair and Reasonable Pricing. Any provision in the franchise agreement or related agreements that requires the franchisee to purchase or rent any product or service for more than a fair and reasonable price is unlawful under RCW 19.100.180(2)(d).

10. Waiver of Exemplary & Punitive Damages. RCW 19.100.190 permits franchisees to seek treble damages under certain circumstances. Accordingly, provisions contained in the franchise agreement or elsewhere requiring franchisees to waive exemplary, punitive, or similar damages are void, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel, in accordance with RCW 19.100.220(2).

11. Franchisor's Business Judgement. Provisions in the franchise agreement or related agreements stating that the franchisor may exercise its discretion on the basis of its reasonable business judgment may be limited or superseded by RCW 19.100.180(1), which requires the parties to deal with each other in good faith.

12. Indemnification. Any provision in the franchise agreement or related agreements requiring the franchisee to indemnify, reimburse, defend, or hold harmless the franchisor or other parties is hereby modified such that the franchisee has no obligation to indemnify, reimburse, defend, or hold harmless the franchisor or any other indemnified party for losses or liabilities to the extent that they are caused by the indemnified party's negligence, willful misconduct, strict liability, or fraud.

13. Attorneys' Fees. If the franchise agreement or related agreements require a franchisee to reimburse the franchisor for court costs or expenses, including attorneys' fees, such provision applies only if the franchisor is the prevailing party in any judicial or arbitration proceeding.

14. Noncompetition Covenants. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed \$100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed \$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provision contained in the franchise agreement or elsewhere that conflicts with these limitations is void and unenforceable in Washington.

15. Nonsolicitation Agreements. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the franchise agreement or elsewhere are void and unenforceable in

Washington.

16. Questionnaires and Acknowledgments. No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.

17. Prohibitions on Communicating with Regulators. Any provision in the franchise agreement or related agreements that prohibits the franchisee from communicating with or complaining to regulators is inconsistent with the express instructions in the Franchise Disclosure Document and is unlawful under RCW 19.100.180(2)(h).

18. Advisory Regarding Franchise Brokers. Under the Washington Franchise Investment Protection Act, a “franchise broker” is defined as a person that engages in the business of the offer or sale of franchises. A franchise broker represents the franchisor and is paid a fee for referring prospects to the franchisor and/or selling the franchise. If a franchisee is working with a franchise broker, franchisees are advised to carefully evaluate any information provided by the franchise broker about a franchise.

[Signature Page Follows]

* * * * *

The undersigned does hereby acknowledge receipt of these State Addenda to the Rent-A-Wreck Franchise Disclosure Document Additional State Disclosures.

Dated this _____ day of _____ 20_____.

PROSPECTIVE FRANCHISEE

(Signature)

(Name)

(Signature)

(Name)

EXHIBIT A
FRANCHISE AGREEMENT, STATE RIDERS, AND BRAND SHARE
INCENTIVE ADDENDUM



**RENT-A-WRECK USED CAR RENTAL & LEASING
FRANCHISE AGREEMENT**

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EXHIBITS

Exhibit 1	Franchise Information Page
Exhibit 2	Assignment Agreement to Operating Company
Exhibit 3	ACH Authorization Form

Rent-A-Wreck Used Car Rental & Leasing Franchise Agreement

This Franchise Agreement (the “**Agreement**”) is made and entered into by and between NPR Auto Group, LLC, a Maryland limited liability company, with its principal office at 11411 Rockville Pike, Rockville, MD 20852 (“**NPR Auto Group**,” “**We**,” “**Our**,” or “**Us**”); and

a resident of the State of: _____ (“**You**” or “**Franchisee**”).

INTRODUCTION

NPR Auto Group and our affiliates have developed a format and system relating to the establishment and operation of Vehicle Rental Businesses (defined below) that operate under our proprietary marks (each such business is referred to as a “**Rent-A-Wreck Vehicle Rental Business**”). Among the distinguishing characteristics of a Rent-A-Wreck Vehicle Rental Business is that it operates under our “**Rent-A-Wreck System**” (or “**System**”). Our System includes (among other things): confidential and proprietary information and trade secrets; distinctive images, designs; business formats, training methods and assistance, management procedures, and advertising and marketing programs; equipment and office layouts, signage, operating procedures, customer service, quality standards; rental software and other information technology; and specifications for the operation of Vehicle Rental Businesses under the “**Rent-A-Wreck Trademarks**.” The “**Rent-A-Wreck Trademarks**” include the names and service marks, “**Rent-A-Wreck**”, “**Rent-A-Wreck Used Car Rental & Leasing**”, and related logos, and other marks that NPR Auto Group and our affiliates have developed and may develop in the future, and that are related to the operation of businesses using the “**Rent-A-Wreck**” name. The Rent-A-Wreck Trademarks do not include trade names, logos, trademarks or service marks used in businesses other than businesses using the “**Rent-A-Wreck**” name. You have applied for the right to own and operate a Franchised Business using the Rent-A-Wreck Trademarks at either an approved site (“**Single Point Franchise**”) identified on Exhibit 1 to this Agreement, or at an approved site within an approved primary service area (“**Primary Service Area Franchise**”) each as identified on Exhibit 1 to this Agreement.

1. DEFINITIONS

In this Agreement:

A. “**Computer System**” means the brands, types, makes, and/or models of communications, computer systems, and hardware, including the required hardware, credit card terminal and merchant services, back-office and rental management software systems, printers and other peripheral devices, front-of-the-house WiFi and other Internet service for customers, and other electronic information systems and all equipment components and software.

B. **“Franchised Business”** means the Vehicle Rental Business you operate under this Agreement using the Rent-A-Wreck Trademarks and System.

C. **“Gross Revenues”** means all monies received or receivable under closed Rental Agreements, including time, mileage, damage waiver and any other charges for ancillary services or products provided in the conduct of the Franchised Business, excluding only refueling fees, taxes and government-imposed fees and surcharges, airport concession fees, toll and other traffic violation expenses, and vehicle damage recovery proceeds.

D. **“Including”** or **“Includes”** means “including (or includes), but not limited to,” “including (or includes) without limitation,” and similar constructions.

E. **“Manual”** or **“Operating Manual”** means collectively, all manuals, policy statements, directives, books, pamphlets, bulletins, memoranda, letters, notices, computer media (e.g., computer software, DVD, USB “flash” drive) or other publications, documents or electronic media prepared by or on behalf of us for use by franchisees generally or for You in particular, and which: (1) contain required or recommended standards, procedures, policies and advice relating to the operation of the Franchised Business or to marketing the products and services offered; and (2) set forth information, advice, standards, requirements, operating procedures, instructions or policies relating to the operation of Rent-A-Wreck Vehicle Rental Businesses. The Manual may be amended by us from time to time.

F. **“Rental Agreement,”** means a sequentially-numbered retail contract form used for the renting of vehicles.

G. **“Rental,”** means an agreement that permits use of a vehicle for period of less than one year.

H. **“Rental Vehicle”** means a vehicle owned or used or kept for rent, bailment, “sharing,” sale or lease by You in the Franchised Business or in any other Vehicle Rental Business operated by You within a 20-mile radius of the Premises. Rental Vehicles are any motorized or self-propelled vehicles without a “salvage” title that are less than 26,000 pounds GVW and include private passenger vehicles (whether for on- or off-road use), passenger or cargo vans, sport utility vehicles, specialty vehicles (other than recreational vehicles, motorcycles, scooters, ATVs/UTVs or similar vehicles), and pick-up or light-duty trucks. Each Rental Vehicle must be clean, safe to operate, mechanically sound, and in good running condition. You also must comply with all vehicle safety recall notices under federal and state laws. A Rental Vehicle must meet the minimum standards set forth in the Operating Manual (as may be amended from time to time).

I. **“Vehicle Rental Business”** means a business offering all or some of the following services: car and truck rental, car and truck leasing, carsharing and other mobility services, and used vehicle sales.

2. THE FRANCHISE

A. Grant

NPR Auto Group grants you: (1) the non-exclusive right, and you undertake the obligation, on the terms and conditions set forth in this Agreement, to establish and operate a Franchised Business at the site (“**Premises**”) identified in Exhibit 1 of this Agreement; and (2) a non-exclusive license to use the Rent-A-Wreck Trademarks and System solely in connection with the Franchised Business and in compliance with this Agreement and the Manual (the “**Franchise**”). Your use of the Rent-A-Wreck Trademarks or any element of the System in the operation of a business at any other address or in any other channel of distribution without our express written authorization will constitute willful infringement of our rights in the Rent-A-Wreck Trademarks and System.

B. Territorial Protections and Reservation of Rights

1. Primary Service Area Franchises. The following paragraphs apply to Primary Service Area Franchises:

a. For as long as you operate the Franchised Business in compliance with this Agreement, We will not establish, or grant others the right to establish, a Vehicle Rental Business using the Rent-A-Wreck Trademarks within the Primary Service Area identified in Exhibit 1 to this Agreement.

b. NPR Auto Group and our affiliates (and our respective successors and assigns, by purchase, merger, consolidation, or otherwise) reserve all rights that this Agreement does not expressly grant, including: (i) the right to establish and operate or franchise others to establish and operate Vehicle Rental Businesses and other businesses using the Rent-A-Wreck Trademarks or other service marks or trade names outside your Primary Service Area, regardless of the proximity to your Primary Service Area; and (ii) the right to establish and operate Vehicle Rental Businesses and other businesses in the Primary Service Area that use names other than the Rent-A-Wreck Trademarks, regardless of the proximity to the Franchised Business.

2. Single Point Franchises. The following paragraphs apply to Single Point Franchises:

a. The rights granted to you are site-specific, for use only at the Premises, and provide no territorial protection.

b. NPR Auto Group and our affiliates (and our respective successors and assigns, by purchase, merger, consolidation, or otherwise) have the right to own, establish, operate or franchise others to establish and operate Vehicle Rental Businesses and other businesses using the Rent-A-Wreck Trademarks at any location, regardless of the proximity to the Premises. NPR Auto Group and our affiliates also have the right to own, establish, operate or franchise others to establish and operate Vehicle Rental Businesses or other businesses using trade names, trademarks or service marks other than the Rent-A-Wreck Trademarks at any location, regardless of the proximity to the Premises.

3. Alternative Distribution Channels. The following paragraphs apply to both Primary Service Area and Single Point Franchises:

a. We and our affiliates (and our respective successors and assigns, by purchase, merger, consolidation, or otherwise) may market vehicle rental services through distribution channels, such as the Internet, World Wide Web (including price comparison sites and online travel agencies), mobile web applications, smartphone applications, tour operators, wholesalers, telemarketing or other direct marketing channels (collectively, “**Alternative Distribution Channels**”). You will receive no compensation for posting your rental rates and availability for sale through Alternative Distribution Channels.

b. You may use Alternative Distribution Channels to market within or outside your Primary Service Area as long as your marketing activities are conducted (and any reservations are made) using our reservation system.

C. Term

This Agreement begins on the Effective Date and remains in effect until terminated by you or us according to its provisions.

3. OUR DUTIES

A. Training. We will provide you with the training specified in Section 7 below.

B. Site Selection. We will provide the site selection assistance that we think is needed, but you will retain the sole responsibility for choosing a viable site (even though we will have provided assistance and our opinions on the options), which will be subject to our final approval as provided in Section 4.A. below.

C. Standard Layout and Equipping of a Rent-A-Wreck Vehicle Rental Business. We will make available to, at no additional charge, our standard layout, design and image specifications for a Rent-A-Wreck Vehicle Rental Business, including the exterior and interior design and layout, fixtures, furnishings, equipment, and signs. We have the right to modify our standard layout plans and specifications as we deem appropriate periodically (however, once we have provided those plans and specifications to you, we will not further modify the layout plans and specifications for the initial construction of your Rent-A-Wreck Vehicle Rental Business).

D. Opening and Additional Assistance. We will provide such additional on-site pre-opening and opening supervision and assistance that we think is advisable, and as may be described in the Manual.

E. Operating Manual. We will lend to you one (1) copy of (or provide you with access to) our confidential Operating Manual, in the manner and as described in Section 8.B. below, for your use only in connection with your Franchised Business and only during the term of this Agreement.

F. Marketing and Advertising Funds. We will administer the Marketing and Advertising Fund (as defined in Section 9.A. below) in the manner set forth in Section 9.A. below

G. Inspection Before Opening. We will evaluate the Franchised Business before it first opens for business. You agree to not open the Franchised Business to customers or otherwise start operation until you have received our prior written approval to do so. You agree to provide us with written notice of the date that you intend to start operating at least forty-five (45) days in advance of the planned opening date.

H. Assistance. We will provide you with assistance and/or advice in the marketing, management, and operation of the Franchised Business at the times and in the manner that we determine. We will periodically offer you the services of certain of our representatives, such as a field consultant, and these representatives will periodically visit your Franchised Business and offer advice regarding your operations.

I. Services Performed. You agree that any of our designees, employees, agents, or independent contractors may perform any duty or obligation imposed on us by the Agreement, as we may direct (if so, we will, nonetheless, remain responsible to you for the performance of these obligations).

J. Our Decision-Making. In fulfilling our obligations under this Agreement, and in conducting any activities or exercising our rights pursuant to this Agreement, we (and our affiliates) will always have the right: (1) to take into account, as we see fit, the effect on, and the interests of, other franchised and Company-owned or affiliated businesses and systems; (2) to share market and product research, and other proprietary and non-proprietary business information, with other franchised businesses and systems in which we (or our affiliates) have an interest, and/or with our affiliates; (3) to test market various items in some or all parts of the System; and/or (4) to allocate resources and new developments between and among systems, and/or our affiliates, as we see fit. You understand and agree that all of our obligations under this Agreement are subject to this Section, and that nothing in this Section will in any way affect your obligations under this Agreement.

4. DEVELOPMENT AND OPENING OF THE FRANCHISED BUSINESS

A. Location and Consent to the Franchised Business Premises

You must operate the Franchised Business at and only at the Premises. Before opening the Franchised Business, You must provide to NPR Auto Group written evidence of your ownership of, or leasehold interest in, the Premises and will obtain our written consent to the Premises for the operation of the Franchised Business. We will provide written consent or disapproval within 15 days after receiving your complete written site request. Failure to secure a site consented to by NPR Auto Group is cause for termination of this Agreement. In making our decision, we will consider factors such as demographics, traffic count, visibility, parking availability, general image of the surrounding area, and availability for use as a rental facility, including access to maintenance and wash bays. You understand that Our consent will not be deemed to be a guaranty that the Premises: (1) will be successful; (2) comply with applicable federal, state and local laws, rules and

ordinances, including the Americans with Disabilities Act and similar state laws; or (3) are suitable for the Franchised Business or for any other purpose. Our consent to the Premises indicates only that we believe that the Premises fall within the acceptable criteria that we have established for Rent-A-Wreck Vehicle Rental Business locations at the time of our consent. Once the Premises are approved, the Franchised Business may not be moved without the prior written consent of NPR Auto Group. We are not required to approve a change of location. If you operate within a Primary Service Area, moving the site may not change the circular area of the Primary Service Area.

B. Development of the Franchised Business

You must construct and equip the Premises in conformity with the System standard layout plans, specifications, and drawings that we approve. Our review and approval is only with respect to System standards, and we will not review plans, specifications, or drawings for compliance with law. You are responsible for ensuring that your construction plans and specifications suit the shape and dimension of the Premises, and that they comply with applicable state, federal and local laws, codes, regulations, ordinances, building codes, permit requirements and applicable lease requirements and restrictions.

C. Opening of the Franchised Business

You must open and begin operating the Franchised Business at the Premises within 180 days after the Effective Date; however, we will not authorize the Franchised Business to open, unless all of the following conditions have been met:

1. We have determined that you have completed the “build out” of the Premises and leasehold improvements in accordance with Rent-A-Wreck standards;
2. You have purchased or leased and installed all specified fixtures, furnishings and signage;
3. You have obtained, provided copies to us, and maintain all required building, utility, sign, business and other permits and licenses applicable to the Franchised Business;
4. You have established a credit card merchant account;
5. You have purchased and set-up the required computer and rental management software systems, and your rental agreement has been approved;
6. You have obtained and provided to us copies of certificates for all insurance policies required by Section 8.E. of this Agreement or such other evidence of insurance coverage and payment of premiums as we reasonably may request;
7. You have completed the Initial Operations Training described in Section 7.A. of this Agreement to our satisfaction; and
8. You have purchased or leased an appropriate number of Rental Vehicles to launch the Franchised Business and enable you to meet your minimum Fleet requirements required under this Agreement.

The date on which you first open the Franchised Business to the public is the “**Opening Date.**”

5. **MINIMUM FLEET REQUIREMENTS**

Each Rental Vehicle must be clean, safe to operate, mechanically sound, and in good running condition, and you must comply with all vehicle safety recall notices under federal and state law. A Rental Vehicle must meet the minimum standards set forth in the Operating Manual (as may be amended from time to time).

The Franchised Business must operate a Fleet (defined below) with the minimum number of Rental Vehicles specified in Exhibit 1 to this Agreement (“**Minimum Fleet**”) within the time frame established in Exhibit 1 (“**Start-Up Period**”). For purposes of this Agreement, your “**Fleet**” is the collective group of Rental Vehicles associated with your Franchised Business. Failure to maintain the Minimum Fleet for 180 consecutive days at any time after the Start-Up Period will be a default under this Agreement. If uncured, the default will be grounds, at our discretion, for either (a) termination of this Agreement; or (b) reduction of your Primary Service Area by 50 percent; or (c) reduction of your Primary Service Area to a non-exclusive Single Point Franchise. The definition and method for counting Rental Vehicles and calculating your total Fleet will be described in the Operating Manual.

6. **FEES**

A. **Initial Franchise Fee**

You must pay in U.S. dollars to NPR Auto Group an initial, non-recurring, non-refundable initial franchise fee (the “**Initial Franchise Fee**”) in the amount specified in Exhibit 1 to this Agreement in consideration of the rights granted under this Agreement. The Initial Franchise Fee is non-refundable and is considered fully earned by us when we countersign this Agreement.

B. **Royalty Fee**

You must pay to NPR Auto Group, on or before the tenth of each month during the Term, a Royalty Fee (the “**Royalty Fee**”) in the amount equal to the greater of: (1) four percent (4%) of

Gross Revenues generated during the preceding month; and (2) the minimum monthly Royalty Fee described below:

Year of Operation*	Minimum Monthly Royalty Fee
1	\$800
2	\$1,600
3+	\$2,400

(*A “Year of Operation” is a 12 calendar-month period beginning on the first day of the first full calendar month after the opening of the Franchised Business to the public (or an annual anniversary of the Franchised Business’s opening.)

The first Royalty Fee payment is due on the tenth of the month following the Opening Date.

C. Marketing and Advertising Fees

You must pay to NPR Auto Group, on or before the tenth of each month, a Marketing and Advertising Fee (the “**Marketing and Advertising Fee**”) in an amount equal to the greater of: (1) one percent (1%) of Gross Revenue generated during the preceding month; and (2) \$500. The first Marketing and Advertising Fee is due on the tenth day of the month following the Opening Date.

D. Annual Meeting and Training Program Payment; Reimbursement Account

You must pay us, on or before the tenth day of each month, an Annual Meeting and Training Program Payment of \$50, to be held by us for the purpose of reimbursing up to \$800 of your travel expenses incurred when you attend any of our annual meetings or training programs. The first Annual Meeting and Training Program Payment is due on the tenth of the month following the Opening Date. Any payments collected but not reimbursed to you during a calendar year will not carry over for use in another calendar year.

E. Rental Car Online University Fee

You must pay us, on or before the tenth day of each month, a “Rental Car Online University Fee” of \$27, which will cover access to the Rental Car Online University training program described in Section 7.F. of this Agreement for you and 3 employees. You must pay an additional \$9 per month for each additional employee in excess of the first three who you wish to have access to the Rental Car Online University.

F. ASAP Rates Platform Fee

You must pay us or our affiliate, on or before the tenth day of each month, an “ASAP Rates Platform Fee” of \$89 for your use of, and a portion of our continued development of, the ASAP Rates platform, which is described in Section 13.A.2. of this Agreement.

G. Fee Increases

All flat fees that we impose and collect may be increased annually; percentage-based fees (*i.e.*, “___% of gross revenues”) are not subject to the annual increases. Fee increases will apply to all Franchised Businesses that have been open and operating for at least one year as of the date of the increase, and the annual increase will not exceed 30 percent of the then-current fee.

H. Method of Payment

1. On or about the fifth day of each month (or another date specified by us), you must send us a Monthly Business Report, which we will use to calculate your fees due under this Agreement (or other agreements between you and us or our affiliates) for that month. We will send you an invoice for reservation fees and other fees you must pay to us or our affiliates for the previous month and will also show all credits and debits resulting from the day-to-day operation of the Franchised Business (for example, credits for prepaid rentals and debits for any goods or services purchased through us or our affiliates). The invoice is due and payable within five days. If you have a net credit for the prior month, we will send a check payable to you in that amount following the issuance of the invoice (usually within one week).

2. At our option, we may require that you designate an account at a commercial bank of your choice (the “**Account**”) for the payment of amounts due to us and/or our parent or our affiliates, including Royalty Fees, Marketing and Advertising Fees, Annual Meeting and Training Program Payment, and reservation fees. If we require you to designate an Account for payment, you must furnish us and the bank with authorizations as necessary to permit us to make withdrawals from the Account by electronic funds transfer (including an ACH Authorization Form attached as Exhibit 3 to this Agreement). On the tenth of each month or at another date specified by us from time to time (“**Due Date**”) we will transfer from the Account an amount equal to your Royalty Fees, Marketing and Advertising Fees, and Annual Meeting and Training Program Payment (and other fees) due for that month. You agree to maintain sufficient funds in the Account at all times to cover all Royalty Fees, Marketing and Advertising Fees, and Annual Meeting and Training Program Payments and other fees payable to us or our parent or our affiliates. If funds in the Account are insufficient to cover the amounts payable at the time we make our monthly electronic funds transfer, the amount of the shortfall will be deemed overdue. You must notify us at least ninety (90) days before closing or changing the Account against which such debits are to be made. If such Account is closed or ceases to be used, you must immediately provide all documents and information necessary to permit us to debit the amounts due from an alternative account. We may require you to pay any amounts due under this Agreement or otherwise by means other than automatic, electronic debit (*e.g.*, by check or wire transfer) whenever we deem appropriate, and you must comply with our payment instructions. If we permit you to pay any amounts due to us or our affiliates by credit card, you will also incur a credit card processing fee (4.5% of the transaction amount as of the Effective Date). If we supply products to you, we may require pre-payment or COD depending on our then-current policies and your payment record with us.

3. Notwithstanding the provisions of this Section 6.H., we reserve the right to modify, at our option, the timing and method by which you pay the amounts due under this Agreement,

including Royalty Fees, Marketing and Advertising Fees, and Annual Meeting and Training Program Payments, which shall be effective upon receipt of written notice from us.

I. Application of Payments.

NPR Auto Group has the sole right to apply payments from you to any category of indebtedness owed by you to NPR Auto Group or any of our affiliates, whether current or past due, regardless of your characterization of a payment.

J. Late Payments; Credit Reports

You will be assessed a late payment fee on the first business day after the due date of any fees owed to NPR Auto Group under this Agreement. A late payment fee will be immediately due and payable and equal to 5% of the amount owed, with a minimum late fee of \$15. You must pay to NPR Auto Group a \$45 administrative fee or the maximum amount permitted by applicable law (whichever is less) when an electronic transfer is attempted and fails for any reason caused by you, such as insufficient funds. This provision will not constitute our agreement to accept such payments after same are due or a commitment by NPR Auto Group to extend credit to you. If you fail to pay any amounts when due, this Agreement may be terminated.

If You become indebted to NPR Auto Group, our affiliates, or a Preferred Provider (defined in Section 8.H. below) by virtue of Your failure to timely pay amounts due under this Agreement, or any other agreement between You and NPR Auto Group or an affiliate of NPR Auto Group, You hereby grant to NPR Auto Group and any of its affiliates or Preferred Providers the right to obtain a credit report(s) on You and the Franchised Business and to notify credit reporting companies, other affiliates, and other Preferred Providers that You and the Franchised Business are indebted to NPR Auto Group, our affiliates or Preferred Providers, and to report the amounts due.

7. TRAINING AND GUIDANCE

A. Initial Operations Training

We will train you (and, if applicable, your general manager (“**General Manager**”)) in the operation of the Franchised Business before its opening (“**Initial Operations Training**”). Initial Operations Training focuses on our philosophy, System standards, and other material aspects of operating a Rent-A-Wreck Vehicle Rental Business. We will conduct Initial Operations Training at Our principal office or another location that we designate, and it is your obligation to schedule and attend Initial Operations Training. All costs incurred by you to attend Initial Operations Training, including cost for travel and hotel accommodations and meals, will be your sole responsibility. If you prefer to train at another location nearer to the Franchised Business, we will conduct Your Initial Operations Training in an office or hotel meeting room of your choice and at your expense. You must also pay for the airfare and per diem expenses of the Rent-A-Wreck trainer. Per diem expenses are calculated at the then-current federal government rate of compensation of its employees when traveling on government business.

After successfully completing the Initial Operations Training, you and/or your General Manager may receive additional on-the-job training by working in a company store for a period of time to be determined by you and us. If you choose to participate in this additional training, the topics covered will vary based on the issues that arise in the day-to-day operations of the store. You are not required to participate in this additional training opportunity, but we encourage you to do so. There is no training fee for this additional on-the-job training, nor will you be paid by us or otherwise considered to be our employee during the training period. However, you must pay all travel and living expenses for you and/or your General Manager.

B. Hiring and Training of Employees by You

You must ensure that: (1) any new supervisory employee successfully completes Initial Operations Training according to the standards set forth in the Manual before he or she begins work in the Franchised Business (or within one month of employment if hired after the Opening Date); and (2) your General Manager and other employees participate in such additional training as We may require from time to time. We may waive this requirement based on the experience of the employee. You agree that the training we provide will cover basic concepts and compliance with System standards only, and that you are solely responsible for developing and implementing employee training in other areas. You also agree that you have sole responsibility and authority for employment-related matters concerning the Franchised Business, including with respect to employee selection, promotion, discipline and termination, hours worked, rates of pay and other benefits, work assignments, training, working conditions, personnel policies and compliance with applicable employment-related laws, regardless of whether We have provided guidance to you concerning any of those areas. Neither you nor your employees will be considered or deemed our employees or joint employees for any purpose.

C. Additional Training and Guidance

We will furnish to you on-going guidance in connection with the development and operation of the Franchised Business. Such guidance will consist of the Operating Manual, newsletters, other written materials, group meetings, online training classes and webinars, live training classes, periodic inspections, and consultations either in person, via email, or by telephone. We may charge a reasonable fee for the materials, meetings, webinars, classes, consultations, or other guidance. We will notify you in advance if there will be a fee charged for the materials, meetings, webinars, classes, consultations, or other guidance.

D. Annual Convention

We may hold an annual convention or meeting of franchisees (“**Annual Convention**”). In addition to being responsible for any travel, accommodations, wages, and other expenses for you and your representatives to attend the Annual Convention, we may require you to pay an Annual Convention fee. As of the Effective Date, we do not require you to attend an Annual Convention; however, we encourage you to do so and will reimburse up to \$800 of those expenses via the Annual Meeting and Training Fee described in Section 6.D. of this Agreement. We reserve the right to require attendance in the future.

E. Operations Analysis; Profit Group Program

We have the right to ask you to participate in a program that analyzes your operating results and, to the extent permitted by applicable law, to compare and share your results with other Rent-A-Wreck franchisees and franchisees of our affiliated brands (the “**Profit Group Program**”). To participate in the Profit Group Program, You agree to provide the data from your financial and operating systems that we require in the format that we specify. We will perform the analyses and distribute the results. The results will be anonymized if we deem it necessary or desirable to do so. The Profit Group Program is based on historical data only and used for training and informational purposes only. You agree that you are solely responsible for your operations and financial results, and that participation in the Profit Group Program does not affect that responsibility. We have the right to charge you a reasonable fee for participation in the program.

F. Rental Car Online University

We will make available a Rental Car Online University (“**RCOLU**”) training program, which provides 100 to 300 online, live training, and combination courses on a wide range of topics affecting the Franchised Business, such as Rental Counter Practices, Business Management, Communications, Computer and Technical Skills, and general Employment Practices. You have sole discretion for determining whether and when to enroll in an RCOLU course, as well as whether to offer an RCOLU course to your employees in connection with the training that you provide to your staff. There are no fees associated with enrollment in RCOLU or individual courses (other than the monthly fee described in Section 6.E. of this Agreement). For live training courses, you are responsible for your (and your employees’) travel and living expenses.

8. IMAGE AND OPERATING STANDARDS

You understand and agree that every detail of the Franchised Business is important to you, us and other franchisees in order to: (a) develop and maintain high operating standards; (b) increase the demand for the services and products offered by all franchisees; and (c) protect our reputation and goodwill. Therefore, you agree to operate the Franchised Business in accordance with the Rent-A-Wreck image and operating standards as further described in this Section 8.

A. Appearance and Use of Premises

You must maintain the appearance of the Premises and the Franchised Business consistent with the specifications in the Manual and with the image of a clean, attractive and efficiently operated Vehicle Rental Business. You must use the Premises for the operation of the Franchised Business and must not use, or permit the use of, the Premises for any other purpose or activity at any time without first obtaining our written consent. If we consent to another use of the Premises, that consent may be subject to certain conditions, including modifications to the Premises, to ensure that the Franchised Business conforms to Rent-A-Wreck image and operating standards.

B. Operation According to our Standards; Manual; Modifications to the System

1. To protect our reputation and goodwill and to maintain high standards of customer satisfaction under the Rent-A-Wreck Trademarks, you agree to operate the Franchised Business in accordance with the specifications, standards and procedures described in the Manual, as amended from time to time (or as established otherwise in writing). You retain the right to control, and are responsible for, the day-to-day management and operation of the Franchised Business and implementing and maintaining the Rent-A-Wreck specifications, standards and procedures at the Franchised Business.

2. We will provide online access to the Operating Manual that you will use throughout the Initial Operations Training program and for the term of this Agreement. When you attend Initial Operations Training, you must request a username and password for access to the Operating Manual from us. You must at all times: **(a)** accord confidential treatment to the Operating Manual, any other manuals We create (or approve) for use with the Franchised Business, and the information contained in the Operating Manual; and **(b)** use all reasonable efforts to maintain this information as secret and confidential. You must not copy, duplicate, record, or otherwise reproduce the Manual and the related materials, in whole or in part (except for the parts of the Operating Manual that are meant for you to copy, which We will clearly mark as such), nor may you otherwise permit any unauthorized person have access to these materials. You agree to restrict access to the Operating Manual (in paper and electronic form) to those of your employees who must have access to it to perform their duties in the Franchised Business, and under pass codes and with passwords that can be changed or deleted, as necessary, to properly safeguard and secure the Operating Manual. The Operating Manual will always be our sole property.

3. We have the right to change or modify the System, including by adding to, deleting from, or otherwise modifying the Manual from time to time to reflect changes in the specifications, standards or procedures for the Franchised Business, and you must make corresponding revisions to your copy of the Operating Manual and comply with each new or changed standard. The Manual and all changes, modifications, additions, and amendments to the Manual may be transmitted to you in any format that we choose (including paper, online or other digital format). We may make unilateral material changes to the Operating Manual as long as the changes apply uniformly to all similarly-situated Rent-A-Wreck franchised businesses. The master copy of the Manual will be maintained by us at our principal office and will be controlling in the event of a conflict between the terms of your copy and the master copy of the Manual.

4. We have the right to waive, defer, or permit variations from the System Standards or the applicable agreement to any franchisee or prospective franchisee based on the peculiarities of a particular site, density of population, business potential, trade area population, or any other condition or circumstance without providing the same or any variation to you. We have the right to deny any such request.

5. If you develop any new concepts, processes, or improvements relating to the System, whether or not pursuant to a test authorized by us, you must promptly notify us and provide us with all information regarding the new concept, process, or improvement, all of which will (at our option) automatically become the property of NPR Auto Group and our affiliates and which may (at our option) be incorporated into the System without payment to you.

C. Compliance with Laws and Good Business Practices

You agree to: (1) secure and maintain in force all required permits and certificates relating to the operation of the Franchised Business; (2) operate the Franchised Business in full compliance with all applicable federal, state and local laws, ordinances and regulations; (3) ensure that the Franchised Business operates in accordance with the highest standards of honesty, integrity, fair dealing and ethical conduct in all dealings with its customers, suppliers, NPR Auto Group and the public; (4) refrain from any business or advertising practice that injures NPR Auto Group, the Franchised Business or the goodwill associated with the Rent-A-Wreck Trademarks; and (5) notify us in writing within three days of service of a summons in any action, suit or proceeding which may adversely affect the Rent-A-Wreck Trademarks or the operation or financial condition of You or the Franchised Business.

D. Management of the Franchised Business

The Franchised Business must be under the direct, on-premises supervision of you or a trained and competent General Manager who has completed Initial Operations Training to Our satisfaction. Either you or the General Manager must be a full-time employee of the Franchised Business. You must immediately inform us of any proposed or actual change in the identity of the General Manager of the Franchised Business.

E. Insurance

You must comply with the insurance requirements set forth in the Operating Manual, as it may be amended. As of the Effective Date, those requirements include:

1. Auto Liability Insurance. You must maintain auto liability insurance coverage for Rental Vehicles in accordance with minimum financial responsibility requirements under applicable state law. The cost of this insurance may not be separately charged to renters but must be included in your daily rental rates for Rental Vehicles. The auto liability insurance must provide coverage for both the renter and you against personal injury, death and property damage arising from the use of Rental Vehicles. The auto liability insurance must be written on an occurrence policy form, and not a claims-made policy form. The auto liability insurance coverage for Rental Vehicles must also include a “Rent it here leave it there” endorsement. As of the Effective Date, the auto liability insurance requirements are: (a) for the renter, at least the limits stated in the financial responsibility laws of the state whose laws apply to any loss; and (b) for you or the titled owner of each Rental Vehicle, at least \$1,000,000 combined single limit per occurrence.

2. General Liability Insurance. You must also obtain general liability insurance coverage of at least \$500,000 per occurrence against claims arising from the operation of the Franchised Business.

3. Workers Compensation Insurance. You must have in force at all times during this Agreement a valid workers compensation policy. The Workers Compensation Insurance should provide for the statutory coverage with Employers Liability Insurance. You agree to waive any and all rights you may have to subrogate against us under your workers compensation policy.

4. Other Insurance. We also may require you to purchase and maintain employment practices liability coverage, cybersecurity insurance, key man life insurance policies on you, business interruption insurance and other insurance coverage that is specified in the Operating Manual. We may modify the insurance requirements from time to time as we deem appropriate in our reasonable discretion.

5. Additional Insureds; Insurance Certificates. All insurance policies required by this Agreement must: (a) be from a supplier approved by us; (b) name NPR Auto Group and All Car Leasing, Inc. (and our respective parents, affiliates, subsidiaries, members, shareholders, officers, directors, agents and employees), and any other entities requested by us as additional insureds; (c) contain a waiver by each insurance carrier of all subrogation rights against NPR Auto Group and All Car Leasing, Inc.; and (d) provide that NPR Auto Group and All Car Leasing, Inc. receive 30 days' prior written notice of termination, expiration, cancellation or modification of any such policy. All liability policies required by this Agreement must permit NPR Auto Group and All Car Leasing, Inc. to retain outside counsel of our choosing, at Your expense, to defend NPR Auto Group and All Car Leasing, Inc. from any claim arising directly or indirectly out of, related to, or made in connection with the operation of the Franchised Business, including any claim that NPR Auto Group or All Car Leasing, Inc. is vicariously liable for the actions of you, your employees, or your customers.

Within ten days after the Effective Date, You must provide us with certificates of insurance or other evidence of the existence of such insurance policies, in accordance with the provisions of this Agreement. Failure to furnish the certificates of insurance is grounds for immediate termination of this Agreement. We may reasonably increase the minimum protection requirement as of the renewal date of any policy, and require different or additional kinds of insurance at any time, including excess liability insurance, which We deem, in Our sole discretion, to be necessary or advantageous to You, to NPR Auto Group and All Car Leasing, Inc., or to the Rent-A-Wreck franchise system.

6. Preferred Provider. We may designate one or more Preferred Providers of liability insurance coverage required by this Agreement and direct you to purchase such insurance from Preferred Providers. We or one of our affiliates may be a Preferred Provider of insurance coverage required under this Agreement.

F. Rent-A-Wreck Programs

1. You agree to subscribe to, participate in, and comply with all of the programs, promotions, campaigns, and activities that we reasonably prescribe (e.g., credit card programs, reservation service programs, special offers, or marketing and advertising programs). You must supervise and service such programs, promotions, campaigns, and activities pursuant to the terms of this Agreement to the extent permitted under applicable law.

2. You agree to offer for sale, and to honor for purchase by customers, all incentive or convenience programs that We may periodically institute (including loyalty programs that we or a third-party vendor operate, and mobile payment applications); and you agree to do all of those things in compliance with our standards and procedures for such programs. To participate, you

agree that you will, among other things: purchase software, hardware, and other items needed to sell and process incentive and convenience programs; and pay the applicable charges for participation in, and transactions conducted through, these incentive or convenience programs.

G. Customer, Franchisee, and Preferred Provider Complaints; Customer Satisfaction Programs.

1. You agree to make every attempt to promptly resolve disputes with your customers in a fair, lawful, ethical and even-handed manner. We will refer to you for resolution all complaints from your customers, other Rent-A-Wreck franchisees, and Preferred Providers that are directed to us. We have the right to intervene in unresolved disputes and to resolve them on terms that we deem fair and reasonable in our sole discretion. Such resolutions may result in payments to one or more of the following for which you will be solely responsible: other franchisees, Preferred Providers, Us, and/or customers. We have the right to make such payments on your behalf, and you must maintain a “Customer Service Deposit” with us, which we may use to cover costs that we incur in resolving customer complaints about your Franchised Business. As of the Effective Date, the Customer Service Deposit is \$750 for Six-Mile Primary Service Area and Single Point franchises and \$2,750 for Airport Franchises. We may require you to replenish or increase the Customer Service Deposit from time to time.

2. To maintain and enhance the goodwill associated with the Rent-A-Wreck Trademarks, the overall Rent-A-Wreck system, and each Franchised Business, you must participate (and request that your customers participate at your expense) in programs that we initiate to verify customer satisfaction and/or your compliance with all operational and other aspects of the Rent-A-Wreck System, including customer feedback and satisfaction programs (collectively, “**Customer Satisfaction Programs**”), secret shoppers, or other quality assurance programs that we may require. If you fail to meet minimum Customer Satisfaction Program or other quality assurance program scores that we publish in the Manual (as it may be updated), we will have the right to terminate this Agreement as further provided in Section 16.A.(23) of this Agreement.

H. Preferred Providers

We may negotiate purchase arrangements with suppliers to benefit the entire Rent-A-Wreck system, and we have the right to require that you purchase all goods and services used in the operation of your Franchised Business from suppliers that we designate (“**Preferred Providers**”), including us or one of our affiliates. We also have the right to require that you purchase certain goods and services from a sole Preferred Provider, which may be us or one of our affiliates. If We require you to use a Preferred Provider for a particular item or service, but you wish to purchase the item or service from a supplier that We have not approved, you may submit a written request for approval of the supplier (unless it is an item for which We have designated an exclusive Preferred Provider). To obtain approval for suppliers of goods and services, you must submit to our President the name, address, phone number and name of contact person of the supplier, along with a sample or description of the product or service. We will have at least 45 days to test the product or service or make other inquiries about its efficacy. If you do not receive a response from us within 45 days from the date we receive your complete request for approval,

you may assume that the product or service does not have our approval. However, you may send an additional request for approval to us via certified mail or overnight delivery (with tracking service), and we will respond with our approval or disapproval within 10 days after the date that we receive the second request. We have the right to receive commissions, rebates or other consideration based on purchases from Preferred Providers made by you and other franchisees.

I. Payment Cards

You agree to maintain, at all times, credit-card relationships with the credit- and debit-card issuers or sponsors, check or credit verification services, financial-center services, merchant service providers, and electronic-fund-transfer systems (together, “**Payment Card Vendors**”) that We may periodically designate as mandatory. The term “Payment Card Vendors” includes, among other things, companies that provide services for electronic payment, such as near field communication vendors (for example, “Apple Pay” and “Google Wallet”). The obligations specified in this Section 8.I. include your agreement to pay the applicable charges imposed by the Payment Card Vendors for participation in, and transactions conducted through, those methods.

J. Corporate Accounts

We and our affiliates have the exclusive right to enter into contracts with Corporate Accounts. A “**Corporate Account**” includes organizational or institutional customers whose presence is not confined to a specific area or territory, such as the following: business entities, franchise systems, voluntary membership cooperatives and organizations, non-governmental organizations engaged in not-for-profit activities, federal, state, and local governmental and quasi-governmental agencies, branches or facilities; and any other similar customer. Corporate Accounts also may include tour operators, airlines, hospitality and lodging chains, travel agents, travel wholesalers, and other corporate customers. We will give you the opportunity to serve any of these Accounts. If you agree to serve a Corporate Account, you must comply with the price and contract terms we agree on with the Corporate Account, except as may otherwise be required by applicable law.

K. Prices

You have sole responsibility for determining the prices of products and services offered at the Franchised Business, except: (1) to the extent that you agree to serve a Corporate Account as described in Section 8.J. above; and (2) if we establish any maximum or minimum resale prices so long as such pricing does not violate applicable law. In addition, your fees and prices must comply with applicable vehicle rental and other laws regulating rate quotes and advertisements and permissible mandatory charges (including “junk fee” laws).

L. Airport Concession Bid (Airport Franchises Only)

1. You must take all appropriate measures necessary to obtain the right and authority to operate the Franchised Business pursuant to an in-terminal or consolidated facility (or other similar facility) concession agreement and any corresponding lease agreement (collectively referred to as the “**In-Terminal Concession**”). You agree to act diligently and use your best efforts

to obtain, secure, and maintain the concessions and, particularly, to submit a good faith application on commercially reasonable terms for In-Terminal Concession rights every time that an opportunity for such concession will arise. If your application is accepted, you must: (a) accept the grant of the In-Terminal Concession on the terms and conditions set forth in the bid process and as specified by the applicable airport authority; and (b) comply with the terms of any concession and related agreements and take all appropriate actions to maintain your rights under the In-Terminal Concession at all times throughout the term of the Franchise Agreement. You must provide us with proof of your compliance with this requirement and with copies of all notices, applications, and other communications relating to the In-Terminal Concession.

2. Your obligation to acquire and maintain the In-Terminal Concession is not only for purposes of operating the Franchised Business, but also to benefit NPR Auto Group and the System by distributing the Rent-A-Wreck Trademarks as widely as possible and keeping services using the Trademarks available to the public for as long as possible.

3. To comply with Section 8.L.1. above, upon termination or expiration of this Agreement for any reason, at our option, you agree to transfer and assign to NPR Auto Group or our designee, in accordance with the requirements of the applicable airport authority, any and all rights and interest it may have in the In-Terminal Concession including any ancillary or related agreements. Nothing contained herein will be construed as giving rise to a duty on the part of NPR Auto Group to accept an assignment of the In-Terminal Concession.

M. Signs and Computer System

You must prominently display on the Premises a sign approved in advance by NPR Auto Group bearing the Rent-A-Wreck Trademarks, as specified in the Manual. You also must acquire and use the Computer System specified by us for operating the Franchised Business.

N. Rental Agreements

All Rental Agreements used in the Franchised Business must be generated using the Computer System and contain the language and format that: (a) you have verified complies with your local and state law; and (b) NPR Auto Group has approved. If you are not using the Computer System to generate Rental Agreements for any reason, the Rental Agreements that you use in the Franchised Business still must meet the requirements in Subsections (a) and (b) of this Section 8.N.

O. Environmental Matters.

Both parties recognize and agree that there are changing standards in this area in terms of applicable law, competitors' actions, consumer expectations, obtaining a market advantage, available and affordable solutions, and other relevant considerations. In view of those and other considerations, as well as the long-term nature of this Agreement, you agree that we have the right to periodically set reasonable standards with respect to environmental, sustainability, and energy for the System through the Operating Manual, and you agree to abide by those standards.

9. **MARKETING, ADVERTISING AND PROMOTIONAL FUNDS**

A. By NPR Auto Group

1. Marketing and Advertising Funds. Recognizing the value of uniform advertising and promotion to the goodwill and public image of the System, you agree that Rent-A-Wreck has the right to maintain, collect Marketing and Advertising Fees for, and administer a Marketing and Advertising Fund (the “**Marketing and Advertising Fund**”) for marketing, advertising and promoting the Rent-A-Wreck Trademarks. We (or our designee) have the right to direct all marketing programs with sole discretion over the concepts, materials, and media used in such programs and the placement and allocation thereof.

We may use Marketing and Advertising Fees (described in Section 6.C. of this Agreement) to meet any and all costs of maintaining, administering, directing and preparing international, national, regional or local marketing, advertising, promotional and public relations activities and any other activities that We believe will enhance the image of the Rent-A-Wreck system. These activities may include the costs of preparing and conducting television, radio, magazine, billboard, newspaper, online, and other media advertising and activities; marketing surveys and other public relations activities; employing in-house advertising and public relations personnel; retaining in-house and outside advertising agencies; establishing and maintaining a website using the Rent-A-Wreck Trademarks; developing and maintaining the Rent-A-Wreck Reservation System; social networking/media, search optimization, and other digital marketing strategies; conducting sponsorships, sweepstakes, and competitions; and similar activities at our sole discretion. We may use a portion of the Marketing and Advertising Fees to conduct advertising and marketing of the availability of Rent-A-Wreck franchises. We also may use a portion of the Marketing and Advertising Fees in joint marketing efforts with other brands operated and/or franchised by us or our affiliates if We determine that doing so would be appropriate and would benefit the Rent-A-Wreck system.

In addition to the Marketing and Advertising Fund, We have the right to maintain, collect fees for, and administer Regional Funds (the “**Regional Fund**” or “**Regional Funds**”) for marketing, advertising and promoting the Rent-A-Wreck Trademarks on a regional basis. We have the right to define each region and to determine the Regional Fund in which you must participate. If we establish a Regional Fund, You may participate in more than one Regional Fund. Once we notify you that you are a member of a Regional Fund, You must pay us the Regional Fund fee that we establish for that Regional Fund, provided that, your Regional Fund fee will not exceed the concurrent amount of your payment obligation to the Marketing and Advertising Fund without your agreement. We have the right to determine the frequency of payment of your contribution to a Regional Fund.

The Marketing and Advertising Fund and Regional Funds (together the “**Funds**”) are the sole property of NPR Auto Group. The Funds are not a trust or escrow account, and we have no fiduciary obligation to you or any franchisees with respect to the Funds. We assume no direct or indirect obligation to you with respect to the maintenance, direction or administration of the Funds. The Funds will be part of the general funds of NPR Auto Group, but will be accounted for

separately from the other funds of NPR Auto Group. A report of the operations of the Funds will be prepared annually by NPR Auto Group and made available to you upon request.

You will have no right, claim or interest of any kind in or to any of the contributions paid by you to the Funds, or to any specific allocation of, or specific use of, the Funds. NPR Auto Group is not obligated to spend any of the Funds directly, or proportionately, in Your Primary Service Area (if applicable) or otherwise for your benefit. Contributions to a Regional Fund will not be spent for media placement substantially outside the region for which that Regional Fund was formed, unless agreed to by a majority of the Fund members—all as defined and determined by NPR Auto Group.

NPR Auto Group may spend in any fiscal year an amount greater or less than the aggregate contributions of Rent-A-Wreck franchisees to the Funds in the year received. Contributions not spent in the year received will remain in the Funds and may be spent in subsequent years. NPR Auto Group may, but is not obligated to, make loans to the Funds bearing reasonable interest to cover any deficits of the Funds, and NPR Auto Group may invest any surplus contributions for future use by the Funds.

We have the right (but no obligation) to form an advisory council composed of franchisees and NPR Auto Group representatives, and the right to determine how such a council, if formed, will be selected, funded and governed.

2. Advertising Cooperatives. We have the right to form, change, dissolve or merge regional advertising cooperatives in the future. If we organize a cooperative in your region, your participation will be optional. The cooperatives will be governed by its members, which may include us. We may have a controlling interest in a cooperative. The cooperatives will be governed by written documents, which will be prepared when the cooperative is formed.

B. Websites

We may establish and maintain one or more websites and/or mobile applications (collectively “**Rent-A-Wreck Websites**”) that provide information about the Rent-A-Wreck System and the vehicle rental services provided by Rent-A-Wreck franchisees. The Rent-A-Wreck Websites may also offer reservations, mobile payments, or similar services. We have absolute control over the Rent-A-Wreck Websites’ design and content. The Rent-A-Wreck Websites may include a series of interior pages developed by us (and at our discretion, using content provided by franchisees at our request) that identify participating Rent-A-Wreck Vehicle Rental Businesses by address, telephone number, and email address. At your request, we will attempt (technology permitting) to include on the Rent-A-Wreck Websites one or a series of interior pages devoted to information about the Franchised Business. You will not have the capability to modify the interior page(s) except in coordination with us and subject to our policies and procedures as those may change from time to time. We will attempt to configure the Rent-A-Wreck Websites to accommodate any individual interior web pages containing information about Rent-A-Wreck Vehicle Rental Businesses operated by our franchisees. You are responsible for ensuring the accuracy of any information about your Franchised Business on any interior page.

We have no obligation to maintain the Rent-A-Wreck Websites indefinitely, but may discontinue them at any time without liability to you. Further, as we have no control over the stability or maintenance of the Internet generally, we are not responsible for damage or loss caused by errors of the Internet. We are not liable for any direct, indirect, special, incidental, exemplary, or consequential damages arising out of the use of the Internet or the inability to use the Internet, including loss of profits, goodwill or savings, downtime, or damage to or replacement of programs and data, whether based in contract or tort, product liability, or otherwise.

C. By You

1. General. You may place local advertising in media selected by You; provided that your local marketing: (a) complies with all applicable federal and state laws and regulations; (b) is conducted in a dignified manner using media and content that we approve; and (c) complies fully with the marketing and advertising requirements described in the Operating Manual (including use of the Rent-A-Wreck Trademarks). You agree that any and all copyright in and to advertising, marketing materials, and promotional plans developed by or on behalf of you will be our sole property, and you agree to sign such documents (and, if necessary, require your employees and independent contractors to sign such documents) that we deem reasonably necessary to give effect to this provision. We have the right to approve prior to publication of any advertisements or other marketing materials using the Rent-A-Wreck Trademarks. If you have not received our written approval within 14 days after we (or our designated agency) have received the proposed samples, then we will be deemed to have disapproved them. Our review of any advertisements or marketing materials is for the limited purpose of ensuring compliance with the marketing and advertising requirements in the Manual and will not be deemed as an approval of the legality or permissibility of the advertising or marketing materials or any statements or claims made in those materials.

2. Electronic Marketing. You agree not to transmit or cause any other party to transmit advertisements or solicitations by e-mail, text message, and/or other electronic media without first obtaining our written consent as to: (a) the content of the proposed electronic advertisement or solicitation; and (b) your plan for transmitting the proposed advertisement or solicitation. In addition to any other provision of this Agreement, you will be solely responsible for compliance with laws pertaining to sending electronic communications, including the “Controlling the Assault of Non-Solicited Pornography and Marketing Act of 2003” (known as the “CAN-SPAM Act of 2003”) and the Federal Telephone Consumer Protection Act.

3. No Separate Digital Sites Unless we have otherwise approved in writing, you agree to neither establish nor permit any other party to establish a Digital Site relating in any manner whatsoever to the Franchised Business or referring to the Rent-A-Wreck Trademarks. We will have the right, but not the obligation, to provide one or more references or webpage(s), as we may periodically designate, within our Digital Site. The term “Digital Site” means one or more related documents, designs, pages, or other communications that can be accessed through electronic means, including the Internet, World Wide Web, webpages, microsites, social media and networking sites (including Facebook, Twitter/X, LinkedIn, You Tube, Snapchat, Pinterest, Instagram, etc.), blogs, vlogs, podcasts, applications to be used on mobile devices (e.g., iOS or Android apps), the metaverse, and other applications, etc. (whether they are now in existence or developed at some point in the future). However, if we give you our prior written consent to have

some form of separate Digital Site (which we are not obligated to approve), then each of the following provisions will apply:

- (a) You agree that you will not establish a Digital Site without our prior written approval.
 - (b) Any Digital Site that you own or that is maintained by or for your benefit will be deemed “marketing” under this Agreement, and will be subject to (among other things) our right of review and prior approval under Section 9.C.1. of this Agreement.
 - (c) We may require you to make us the sole administrator (or co-administrator) of any social networking pages that you maintain or that are maintained on your behalf, and we will have the right (but not the obligation) to exercise all of the rights and privileges that an administrator may exercise.
4. Public Figures. You may not use a public figure to promote the Franchised Business without Our prior written approval.

10. TRADEMARKS

A. Ownership of Trademarks and Goodwill

We are the owner of the Rent-A-Wreck Trademarks. Your right to use the Rent-A-Wreck Trademarks is limited to use in the operation of the Franchised Business according to the terms of this Agreement. Any unauthorized use of the Rent-A-Wreck Trademarks by You will constitute an infringement of our rights in and to the Rent-A-Wreck Trademarks. All usage of the Rent-A-Wreck Trademarks by You and any goodwill established by such use will inure to the exclusive benefit of NPR Auto Group. This Agreement does not confer any goodwill, ownership interests, or any other interest in the Rent-A-Wreck Trademarks upon You (other than that described in this Agreement).

If NPR Auto Group determines, in our sole discretion to modify, substitute another Mark for, or discontinue use of any of the Rent-A-Wreck Trademarks, You must comply with our direction (at your expense) within a reasonable time after notice thereof.

B. Your Use of Trademarks and Limitations of Use

1. You must use the Rent-A-Wreck Trademarks as the sole identification of the Franchised Business. You must prominently display the Rent-A-Wreck Trademarks on all advertising, rental agreements, stationery, forms and any other materials designated by NPR Auto Group, in the manner prescribed by NPR Auto Group. You must give such notices of trademark and service mark registrations and copyrights as NPR Auto Group specifies, and obtain such fictitious or assumed name registrations as may be required under applicable law and the Manual.

2. You may not use the Rent-A-Wreck Trademarks or any corporate or business name of NPR Auto Group: (a) as part of any corporate or trade name, including the name of the Operating Company (as defined in Section 15.C. below); (b) with any prefix, suffix or other

modifying words, terms, designs or symbols (other than logos which are part of the Rent-A-Wreck Trademarks); (c) in any modified form, except as expressly approved and authorized by NPR Auto Group; (d) as part of or in connection with telephone numbers, SMS numbers or addresses, MMS numbers or addresses, Instant Messenger Screen names, RSS or other syndicated service feeds, profiles and accounts on Twitter, Facebook, LinkedIn, You Tube, Google Plus, Pinterest, Instagram, SnapChat, or any other interactive or static site maintained on the Internet, the world wide web, or any other similar proprietary or common carrier electronic delivery system; or (e) in any manner not expressly authorized in writing by NPR Auto Group.

C. Notification of Infringements and Claims

You must immediately notify us of any apparent infringement of or challenge to your right to use of the Rent-A-Wreck Trademarks. We are not obligated to take action to protect or defend the Rent-A-Wreck Trademarks, but will indemnify you for damages or costs you sustain in any proceeding arising from your authorized use of the Rent-A-Wreck Trademarks. Indemnification will be made only if you: (1) timely notify us of the claim or proceeding; and (2) are otherwise in compliance with this Agreement. You must cooperate and assist us with any action it may take in connection with an infringement or challenge to the Rent-A-Wreck Trademarks. We will control any litigation or proceeding regarding your use of the Rent-A-Wreck Trademarks.

D. Telephone Numbers

All telephone numbers used in the Franchised Business (the “**Telephone Numbers**”) must be listed and identified **exclusively** with the Franchised Business and may only be associated with the Rent-A-Wreck Trademarks. The Telephone Numbers may not be used by any other business affiliated with you, by any entity not authorized by this Agreement to use the Rent-A-Wreck Trademarks, or in association with any enterprise other than the Franchised Business. The Telephone Numbers may not be used or advertised in conjunction with any other name, trademark, service mark or business. Once used in association with the Rent-A-Wreck Trademarks, the Telephone Numbers are the property of NPR Auto Group. You must disclose the Telephone Numbers to NPR Auto Group within 5 days of first use. You must immediately notify NPR Auto Group in writing with regard to any changes to the Telephone Numbers.

All Telephone Numbers are our property and must be assigned to NPR Auto Group or our designee on termination of this Agreement. You have the sole and exclusive obligation to obtain telephone numbers for use in the Franchised Business. We will have no obligation to obtain directly or through transfer or assignment a telephone number or numbers for use by you in the Franchised Business.

You may not transfer, disconnect or assign any of the Telephone Numbers used in association with the Rent-A-Wreck Trademarks without Our prior written approval. If you operate the Franchised Business with telephone numbers from a pre-existing or separate business, those numbers will be considered within the definition of Telephone Numbers, as used in this Agreement.

11. KNOW-HOW

A. Confidential and Proprietary Information

NPR Auto Group possesses proprietary and confidential know-how comprising methods, techniques, specifications, procedures, information, systems, and knowledge and experience in the development and operation of a Vehicle Rental Business using the Rent-A-Wreck Trademarks (the “**Know-How**”). We will disclose the Know-How to You in our training programs, in the Manual, and in guidance furnished to you during the term of this Agreement. Know-How is proprietary, confidential information and a trade secret of NPR Auto Group, whether or not marked with words so indicating.

You agree that You will: (1) not acquire any interest in the Know-How other than the right to use it during the term of this Agreement, as We specify, while operating the Franchised Business; (2) not use the Know How in any other business or capacity; (3) keep confidential each item deemed to be a part of the Know How, both during and after termination of this Agreement (after termination of this Agreement, for as long as the item is not generally known in the vehicle rental industry); (4) not make unauthorized copies of the Know How disclosed via electronic media or in written or other tangible form; (5) adopt and implement reasonable procedures to prevent unauthorized use or disclosure of the Know How, including restricting its disclosure to Franchised Business personnel and others and using non-disclosure and noncompetition agreements with those having access to Know How; and (6) not sell, trade, or otherwise profit in any way from the Know How, except as authorized by this Agreement.

B. Covenant Not to Compete – In Term

You understand that it would not be possible for NPR Auto Group to protect our Know-How, and other proprietary and confidential data and trade secrets against unauthorized use or disclosure if you hold an interest in a business similar to the Franchised Business. Therefore, during the term of this Agreement, You, the General Manager of the Franchised Business, Your immediate family members, and the owners of the Operating Company may not own, operate, be engaged in, or have any interest (direct or indirect) as an owner, director, officer, employee, consultant, representative or agent, franchisor, or franchisee, or in any other capacity, in any other Vehicle Rental Business, unless that business is operated under a franchise agreement with NPR Auto Group or one of our affiliates.

C. Covenant Not to Compete – Post Term

For a period of two years beginning on (1) the date of termination; or (2) the date on which You cease to conduct the Franchised Business; or (3) the date on which You cease use of the Rent-A-Wreck Trademarks (whichever is later), You agree that you will not have any interest as an owner, partner, director, officer, employee, consultant, representative, franchisee, franchisor, agent, or in any other capacity, in any other Vehicle Rental Business located within a 20-mile radius of the Franchised Business, unless that other Vehicle Rental Business is operated under an agreement with NPR Auto Group or one of our affiliates.

12. RELATIONSHIP OF THE PARTIES; INDEMNIFICATION

A. Independent Contractor

You are an independent contractor. This Agreement does not create a fiduciary or an agency relationship between NPR Auto Group and You. Nothing in this Agreement is intended to make either party a general or special agent, legal representative, subsidiary, joint venturer, partner, joint employer, employer, employee or servant of the other for any purpose. You agree to identify yourself conspicuously in all dealings with customers, suppliers, public officials, personnel and others as the owner of the Franchised Business under a franchise granted by NPR Auto Group. You must prominently display on the Premises, business cards, stationery, advertising, emails and in other materials that we may require, in the style and form as We may designate, a notification that the Franchised Business is owned and operated by You and that the Franchised Business is an independently owned and operated franchise of the Rent-A-Wreck franchise system.

B. Your Responsibility to Third Parties

You, and not NPR Auto Group, will be exclusively responsible for any damages to any person or property arising directly or indirectly out of the operation of the Franchised Business, whether or not caused by your negligent or willful action or failure to act. You, and not NPR Auto Group, will have exclusive liability for any sales, use, excise, gross receipts, income, property or other taxes and government fees arising out of or related to the operation of the Franchised Business, whether levied upon you, the Franchised Business or its assets, or upon NPR Auto Group.

C. Indemnification

You agree to defend, indemnify, and hold NPR Auto Group, our parents, subsidiaries, affiliates, and our respective shareholders, directors, officers, employees, agents, successors and assigns (the “**Indemnified Parties**”) harmless from and against any and all liability, loss, claims, demands, costs, fines, taxes, fees (“**Claims**”) of any kind or nature whatsoever directly or indirectly arising out of, in connection with, or related to: (1) Your acts or omissions; (2) Your breach of this Agreement; or (3) the operation of the Franchised Business by You or the Operating Company. For purposes of this Section 12.C., Claims include all obligations, damages (actual, consequential, or otherwise), and the cost that any Indemnified Party incurs in defending any claim against it, including reasonable accountants’, arbitrators’, attorneys’ and expert witnesses’ fees. The indemnities and assumptions of liabilities and obligations herein will continue in full force and effect subsequent to, and notwithstanding, the termination of this Agreement.

13. COMPUTER SYSTEM; RESERVATIONS; DATA PRIVACY AND SECURITY

A. Computer System and Technology

We have the right to specify or require, and you agree to obtain and use the Computer System necessary for use in the operation of the Franchised Business. We may modify the Computer System’s specifications and components, and you agree to implement and periodically make upgrades and other changes at your expense to the Computer System as we may reasonably request in writing. As of the Effective Date, the Computer System requirements include: (i) the “**ASAP Computer System**” (or “**ASAP**”) (described below); (ii) high-speed Internet access; and (iii) a personal computer (PC) running an acceptable current operating system.

1. ASAP – Rent. NPR Auto Group, our affiliates, and a third-party supplier have developed the rental management component of ASAP, which we refer to as “ASAP - Rent” You must use ASAP - Rent exclusively in the operation of the Franchised Business. Among other things, ASAP - Rent enables You to: (a) complete and print vehicle rental agreements, (b) allow the renting public to contact You via the Internet; (c) disclose to the renting public information about Your fleet availability and rental rates; (d) accept reservations for Rental Vehicles; (e) process payment card transactions; (f) prepare the internal reports required by this Agreement; (g) read updates to the Manual; (h) access other communications from NPR Auto Group; and (i) manage your Fleet. ASAP also enables us to have independent and unlimited access to your business records and other information and data generated and stored by ASAP - Rent. We may periodically specify in the Manual or otherwise in writing the information that you must collect and maintain on ASAP - Rent, and you must provide us with such reports as we may reasonably request from the data so collected and maintained. The standards and specification of ASAP – Rent are subject to change by us at any time and from time to time. ASAP - Rent, its business processes and all information relating to it, are the property of NPR Auto Group and are part of the Know-How. To access ASAP - Rent, You must sign a separate ASAP – Rent Rental Management System Order Form and Software as a Service Terms and Conditions.

2. ASAP Rates Platform. NPR Auto Group, our affiliates, and a third-party supplier also have developed the “ASAP Rates Platform,” which is a secure platform providing rate management tools, access to reservations, reports, and customer service surveys. You must use the

ASAP Rates Platform in the operation of your Franchised Business and will pay the monthly fee described in Section 6.F. of this Agreement. The standards and specification of ASAP – Rates are subject to change by us at any time and from time to time. ASAP - Rates, its business processes and all information relating to it, are the property of NPR Auto Group and are part of the Know-How.

3. Email. You also agree to use our designated e-mail system for all business related to the Franchise. You must use only the Rent-A-Wreck email address (that is, one that will contain a Top Level Domain Name that we designate) in the operation of your Franchised Business, including in your communications with customers and vendors. We have the right to monitor and review your e-mail communications. You must not use any unapproved computer software or security access codes.

4. Your Responsibility. Although you agree to buy, license, use, and maintain the Computer System (including ASAP) according to our standards and specifications, you will have sole and complete responsibility for: (a) the acquisition, operation, maintenance, and upgrading of the Computer System (including ASAP); (b) the manner in which the Computer System (including ASAP) interfaces with our and any third party's computer system; (c) entering, maintaining, and backing up all necessary data (including rates and other information entered on the Reservation System); (d) maintaining and updating an anti-virus software program; (e) complying with all privacy and data security laws and standards pertaining to the privacy of consumer, employee, and transactional information, including the Payment Card Industry Data Security Standards (“**PCI-DSS**”) and (f) any and all consequences if the Computer System (including ASAP) is not properly operated, maintained, backed up, and upgraded.

5. No Warranties. WE MAKE NO WARRANTIES, EXPRESS OR IMPLIED, CONCERNING THE INFORMATION TRANSMITTED THROUGH THE COMPUTER SYSTEM (INCLUDING ASAP), AND WE WILL BEAR NO LIABILITY OR RESPONSIBILITY FOR: (A) ERRORS OR OMISSIONS OF INFORMATION CONTAINED IN THE COMPUTER SYSTEM (INCLUDING ASAP); OR (B) COMPUTER HARDWARE, SOFTWARE, OR SYSTEM FAILURES IN CONNECTION WITH THE COMPUTER SYSTEM (INCLUDING ASAP).

6. Changes in Technology. You and NPR Auto Group both understand that changes to technology are dynamic and not predictable within the term of this Agreement. To provide for inevitable but unpredictable changes to technological needs and opportunities, you agree that we will have the right to establish, in writing, reasonable new standards for the implementation of technology in the System, and you agree to comply with those reasonable new standards that we establish as if we periodically revised this Section 13.A. for that purpose.

7. Outsourcing. You agree not to hire third party or outside vendors to perform any services or obligations in connection with the Computer System, ASAP Computer System, and/or any other of your obligations, without our prior written approval. Our consideration of any proposed outsourcing vendors may be conditioned upon, among other things, such third party or outside vendor's entry into a confidentiality agreement with us and you in a form that we may reasonably provide and the third party or outside vendor's agreement to pay for all initial and ongoing costs related to interfaces with our computer systems. The provisions of this section are in addition to and not instead of any other provision of this Agreement. You agree not to install

(and/or remove) any software or firmware from the Computer System without our prior written consent. You also agree not to implement, use, or otherwise engage with AI Sources without our prior written consent. The term “**AI Source**” means any resource, online or otherwise, that is for the purpose of gathering, implementing, or otherwise using information from you using artificial intelligence technology, including ChatGPT and other sources.

B. Reservations

1. As of the Effective Date, you must use the Rent-A-Wreck Reservation System, which may be maintained by us or an NPR Auto Group affiliate as your sole reservation system. The Rent-A-Wreck Reservation System includes website reservations, reservations delivered through ASAP, third party providers, and other methods of securing pre-reserved business for Rent-A-Wreck system members. You will sign a Reservation Services Participation Agreement governing the terms and conditions of your participation in the Rent-A-Wreck Reservation System. NPR Auto Group and our affiliates have the right to develop future Reservation System policies, procedures and fee structures and publish them in the Operating Manual. Neither we, our parent nor our affiliates are required to make the Rent-A-Wreck Reservation System available to the Franchised Business for any reservations occurring after the termination of this Agreement.

2. You must provide your prices and rates for use in the Rent-A-Wreck Reservation System in accordance with the System Standards. You agree to: (1) honor any prices, rates, or discounts that appear in the Reservation System or elsewhere; (2) honor all reservations made through the Reservation System or that are confirmed; and (3) not charge any customer a rate higher than the rate specified in the Reservation System or, if not made through the Reservation System, in the reservation confirmation (unless the customer adds optional products and services or otherwise elects to change the terms of the rental at the time of rental).

3. You understand that: (a) your right to participate in the Rent-A-Wreck Reservation System and receive reservations generated by third-party providers (“**Third Party Reservation Platforms**”) may be subject to compliance with Customer Service Index (“**CSI**”) surveys and similar tools established and administered by the Third-Party Reservation Platforms; (b) your failure to meet the CSI survey and other customer service standards established and administered by Third-Party Reservation Platforms could lead to termination of your right to be listed on and receive reservations from the Third-Party Reservation Platforms; (c) Third-Party Reservation Platforms are critical to the Rent-A-Wreck Reservation System; and (d) if the Franchised Business is removed from one or more Third-Party Reservation Platforms, we have the right to terminate this Agreement as provided in Section 16.A.(24) of this Agreement.

C. Ownership of Data

1. Rent-A-Wreck Data. As between you and NPR Auto Group, NPR Auto Group exclusively owns and reserves all right, title and interest in all Rent-A-Wreck Data (defined below), during and after the term of this Agreement, and we will have the right to use, copy, record, distribute, reproduce, disclose, sell, re-sell, display, publicly perform, transmit, publish, broadcast, translate, make derivative works of, and otherwise use and exploit in any manner whatsoever, the Rent-A-Wreck Data in any manner and in any means or medium (existing now or in the future) that we deem appropriate, without compensation to you. “**Rent-A-Wreck Data**”

means data and information (i) provided by or on your behalf to us, (ii) uploaded to our or our agents' systems (including the ASAP Computer System and the Rent-A-Wreck Reservation System) from your or your agents' systems, (iii) downloaded to your or your agent's systems from our system, and (iv) all other data created or collected by you in connection with the System, or, except as set forth below, in connection with your operation of the Franchised Business (including consumer and transaction data). Copies and/or originals of Rent-A-Wreck Data must be provided to us upon our request. Subject to the terms and conditions of this Section 13.C., we hereby grant a limited, non-exclusive, revocable license back to you to use Rent-A-Wreck Data, at no additional cost, solely for the term of this Agreement and solely in connection with the establishment and operation of the Franchised Business pursuant to this Agreement.

2. Franchisee Data. Unless otherwise agreed in writing between NPR Auto Group and Franchisee, any: customer information that Franchisee collects in-store independently of the System, such as instances where customer information is not uploaded to or otherwise processed by the ASAP Computer System, the Rent-A-Wreck Reservation System, or other NPR Auto Group systems, and information regarding Franchisee personnel (collectively, "**Franchisee Data**") will, as between Franchisee and NPR Auto Group, remain the property of the Franchisee. Franchisee shall be solely liable and responsible for any independent collection, use, and/or processing of Franchisee Data carried out by or on behalf of Franchisee independent of the System, and agrees to indemnify and hold NPR Auto Group harmless from any third party claims and all losses, damages, liabilities (including attorneys' fees) in connection with such independently managed collection, use, and/or processing of Franchisee Data.

D. Data Security and Breach Notification

Taking into account the nature, scope, context and purposes of processing data, you agree to install and maintain appropriate technical and organizational security measures to (a) comply with applicable data protection laws, and (b) protect data from accidental or unlawful destruction, loss, alteration, unauthorized disclosure of, or access to, data transmitted, stored or otherwise processed, which shall be no less stringent than generally accepted industry-standard security measures. For example, you agree to comply with the then-current Payment Card Industry Data Security Standards ("PCI-DSS"), as those standards may be revised by the PCI Security Standards Council, LLC (see www.pcisecuritystandards.org) or successor organization; to implement the security requirements that the Council (or its successor) requires of a merchant that accepts payment by credit and/or debit cards; and to complete PCI-DSS audits as and when required by the standards. You agree to make available all relevant records, audits, assessments, logs, files, reports or other materials necessary to demonstrate compliance with applicable security standards, including PCI-DSS compliance. You agree that compliance with PCI-DSS is a minimum requirement, that compliance does not guarantee that no security breach will occur, and that any losses or expenses incurred by us as a result of a security breach will be subject to indemnification under Section 12.C. of this Agreement. You must reimburse us for all costs and expenses incurred by us and our affiliates associated with an actual or suspected security breach, including: (a) security breach notification costs (including any costs of credit monitoring) using the form of notification approved by us; (b) security breach investigation and remediation costs; (c) all fines, penalties and settlements related to or arising from the security breach; and (d) related attorneys' fee. In the event of a known or suspected security breach, you agree to notify us without undue

delay (but in no event later than 48 hours after first suspecting or becoming aware of the breach, unless otherwise prohibited by applicable law) and to comply with applicable laws. Following your notification to us of a security breach, you agree to cooperate with any instructions from us regarding the security breach, including: (a) assisting with any investigation; (b) providing us physical access to facilities, systems, and operations affected; (c) facilitating interviews with Franchisee’s employees and others involved in the matter; and (d) making available all relevant records, logs, files, data reporting and other materials necessary to comply with applicable law, industry standards or as we otherwise require. You, at your sole cost and expense, must use best efforts to immediately remedy any security breach and prevent any further security breach in accordance with Data Protection Laws (defined below). We may offer to you, and if offered you must purchase from us or our affiliate, a package of services for internet access, PCI-DSS compliance and data security.

E. Privacy

1. Definitions.

“**CCPA**” means the California Consumer Privacy Act of 2018 (including as amended by the California Privacy Rights Act of 2020), and any regulations and guidance promulgated thereunder.

“**Consumer**” means “consumer,” “data subject,” or other similar terms defined under Data Protection Laws.

“**Data Protection Laws**” mean all applicable laws, ordinances, rules, regulations (including industry self-regulation), guidelines, and standards (e.g., PCI-DSS) relating to privacy and data protection, cybersecurity, breach notification, consumer protection, and otherwise pertaining to the collection, use, disclosure, integrity, security, transfer, or other processing of, Personal Information

“**Deidentified Data**” means “De-identified Data” or data that has been “Deidentified” as those terms are defined in Data Protection Laws. In the absence of such definitions, “Deidentified Data” means information that cannot reasonably be used to infer information about, or otherwise be linked to, a particular Consumer or a device linked to a particular Consumer.

“**Personal Information**” means information that identifies, relates to, describes, is reasonably capable of being associated with, or could reasonably be linked, directly or indirectly, with a particular consumer, household, or device, and includes, information that is defined or protected under Data Protection Law.

“**Processor**” means a person who processes Personal Information on behalf of another person, and includes, “service provider” and “processor” as defined under Data Protection Laws.

Business Purpose, Sell, and Share each has the meaning given to them in the Data Protection Laws.

2. Compliance with Data Protection Laws. You agree to abide by the Data Protection Laws. You must ensure that any Personal Information is only collected, used, transferred, stored, or otherwise processed on a legal basis recognized by applicable Data Protection Laws, including express or implied consent of the data subject. You are responsible for ensuring, and represent and warrant, that (a) you have complied, and will continue to comply, with applicable Data Protection Laws in your processing of Personal Information; (b) all data shared with or transferred to us has been collected and otherwise processed in compliance with applicable Data Protection Laws and a privacy policy that allows such sharing or transfer; and (c) you have, and will continue to have, the right to transfer, share, or provide access to, Personal Information to us.,

3. Terms required by Data Protection Laws. You agree to process Franchisor Personal Information (defined below) in accordance with our documented instructions solely as a Processor, for the purposes consistent with the license granted to Rent-A-Wreck Data in Section 13.C. of this Agreement and, as to CCPA Personal Information, to carry out the Business Purposes applicable to such purposes (collectively, the “**Agreed Purposes**”), which you agree are the sole purposes for which we are making available the Franchisor Personal Information. Without limiting the generality of the foregoing, you must: (a) not Sell or Share Rent-A-Wreck Personal Information; (b) not retain, use, and disclose Rent-A-Wreck Personal Information for any purpose (including a commercial purpose) other than for the Agreed Purposes; (c) not retain, use, or disclose Rent-A-Wreck Personal Information outside of the direct business relationship between you and NPR Auto Group, including combining or updating Rent-A-Wreck Personal Information received from, by us or on our behalf with Personal Information that you receive from another person; (d) provide the same level of privacy protection as required by Controllers under Data Protection Laws, including by, for example, cooperating with us in responding to and complying with Consumers’ requests made pursuant to Data Protection Laws; and (e) notify us promptly within five (5) business days or, if sooner, the time required by Data Protection Laws, after you make a determination that you can no longer meet your obligations under this Agreement or Data Protection Laws.

You grant us the right, upon notice, to take reasonable and appropriate steps to stop and remediate your unauthorized use of Rent-A-Wreck Personal Information. You certify that you understand and will comply with the restrictions and obligations applicable to Rent-A-Wreck Personal Information under any Data Protection Laws. For the purposes of this Section, “**Rent-A-Wreck Personal Information**” means any Rent-A-Wreck Data that constitutes Personal Information. To the extent you receive from us or otherwise collect Deidentified Data as part of the System, you agree to: (i) maintain such data as Deidentified and take reasonable measures to ensure that such Deidentified Data cannot be associated with an individual or household (including implementing technical safeguards and business processes to prevent reidentification or inadvertent release of the Deidentified Data); (ii) publicly commit to maintain and use the data in Deidentified form and not to attempt to reidentify the data; and (iii) contractually obligate any third parties receiving such data from you to also commit these same requirements. You may permit processing of Rent-A-Wreck Personal Information on our behalf by third parties that we agree to in advance in writing (“**Subprocessors**”). You must flow down the privacy and security requirements of this Agreement to any Subprocessors in a written agreement binding upon each such Subprocessor to terms that include restrictions and obligations that are required by Data Protection Laws and that are no less restrictive than the terms of this Agreement. You will be

solely responsible for all actions and omissions of its Subprocessors.

4. Assistance with Consumer Requests.

a. You must take appropriate measures and provide all reasonable cooperation and assistance that we request in respect of fulfillment of our obligations to respond to Consumer rights requests.

b. If you receive a notice, communication, claim, or complaint from a person (including a governmental authority) regarding, or a Consumer request relating to, Rent-A-Wreck Personal Information, then you will promptly: (i) advise the relevant person or Consumer to make the claim, complaint or request directly to us; (ii) give written notice of the notice, communication, claim, complaint or request to us; and (iii) cooperate with and assist us to respond to the claim, compliant, or request.

c. You must take appropriate measures and provide all reasonable cooperation and assistance requested by us in respect of fulfillment of our obligations to respond to Consumer rights requests.

5. Reviews and Audits. At our request, you agree to provide us with all information, records, files, logs, reports, audits, documents, assessments or other materials necessary to confirm your compliance with this Section 13.E. and applicable Data Protection Laws. At our sole discretion, you grant us, or a third party elected by us, permission to perform an assessment, audit, examination or review of all technical and organizational security and privacy controls, including your physical and/or technical environment, in relation to all Personal Information and Rent-A-Wreck Personal Information collected, used, transferred, stored or otherwise processed by you pursuant to this Agreement. You must fully cooperate by providing access to all personnel, facilities, and systems as necessary to complete the audit. In addition, at our request, you must provide us with the results of any audit performed by or on your behalf that assesses the effectiveness of your security and privacy measures.

14. **REPORTS; OUR INSPECTION AND AUDIT RIGHTS**

A. Reports

On the fifth day of each month, You must furnish to us reports and data (in the form that We prescribe) of the previous month's activity of the Franchised Business, which must: (1) be signed and verified by You (or by a Certified Public Accountant); (2) accurately reflect the identity of each Rental Vehicle owned, used or kept for rental on a daily basis, the sequential numbers of the Rental Agreements used, total Gross Revenues, weekly and/or monthly summaries of daily business reports; and (3) provide such other data, information and supporting records as We from time to time request.

You must also furnish us with annual reports, in such form as We specify, containing information supplied in Your monthly reports during the preceding 12 months, and such other data, information and records as We may at any time and from time to time request.

We may require that you submit all reports via email or other computerized form and/or that we have access to your computer system to obtain or verify such reportable information.

You must keep all of your business records, including rental agreements and tax returns for a period ending seven years after the termination date of this Agreement. The obligation to retain the records of the Franchised Business will survive the termination of this Agreement.

B. Bookkeeping Systems; Chart of Accounts

We will provide guidance on establishment of bookkeeping and accounting systems, chart of accounts, and preparation of financial statements via the Manual and ongoing training. All reports submitted by you to us must be substantially in the form described in the Manual. All bookkeeping and accounting records, financial statements, and other reports (covering such periods as may be prescribed by us) will be available for inspection by us, or our agent, during normal business hours, with or without advance notice for such periods as we may from time to time prescribe.

C. Inspection and Audit

To determine whether or not You are complying, or have complied, with this Agreement, NPR Auto Group will have the right at any time during business hours and without prior notice to You, to inspect the Franchised Business, the Rental Vehicles, all records of the Franchised Business and the Operating Company and any other Vehicle Rental Business located within a 20-mile radius of the Premises, which is owned directly or indirectly or operated by You. Records that we may inspect include profit and loss statements, whether handwritten, printed, computer-generated, stored in or on a computer hard drive, DVD, USB flash drive, or any other digital form. You must give us access to the federal, state and local income tax and sales tax returns of you, the Franchised Business and the Operating Company, and you hereby waive any privilege pertaining to any such tax returns. You must also allow NPR Auto Group full and complete access to all computers and computer systems used in the Franchised Business or by the Operating Company and other businesses previously described in this paragraph.

You must: (1) fully cooperate with our representatives or agents making an inspection, review and/or audit; and (2) permit our representatives or agents to take photographs, movies or videotapes of the Franchised Business and to interview the employees of the Franchised Business. We will bear the cost of any such inspection, review and/or audit, provided that if any such activity reveals an overpayment by You to us, We will promptly refund the overpayment or apply the overpayment to any outstanding amounts owed by You to us. If any such activity reveals an underpayment by you to us, you must pay us the shortfall on demand. If the shortfall amounts to more than 5% of the amount that was actually due, or if such activity discloses that You have failed to comply with any provision of this Agreement to an extent that would permit us to terminate this Agreement, then in addition to all other remedies and rights available to Us, We will have the right to require You to pay Us on demand all of Our costs of conducting the inspection, review and/or audit including the travel expenses, hotel accommodations and the salaries of Our employees or agents conducting such inspection, review and/or audit.

Your obligation to cooperate with us and permit inspection by Us of Your books and records, as well as the books and records of the Franchised Business, the Operating Company and the other businesses described above will survive the termination of this Agreement.

15. ASSIGNMENT

A. By NPR Auto Group

We will have the right to transfer or assign this Agreement and all or any part of our rights or obligations under this Agreement to any person or legal entity without prior notice to, or consent of you. If we transfer or assign this Agreement, any assignee of ours will be solely responsible for all of our obligations under this Agreement from the date of assignment, and we will be relieved of any and all liability under this Agreement.

B. By You

You understand that the rights and duties that this Agreement creates are personal to you, and that we have granted you the Franchise in reliance upon our perceptions of your character, skill, aptitude, attitude, business ability, and financial capacity. Accordingly, you may not, without our prior written approval, assign, sell, transfer, or subdivide: (1) this Agreement (or any interest in this Agreement); (2) the Franchised Business or substantially all of its assets; or (3) a controlling interest (51% or more) in or effective management control of the Operating Company (defined below). Any attempted assignment or transfer without such prior approval will constitute a breach of this Agreement and convey no rights to or interests in this Agreement or the Franchised Business to the purported assignee. Additionally, you may not transfer or assign this Agreement or the Franchised Business in any way that would cause this Agreement or the Franchised Business to be collateral or security for the personal or corporate obligation of you or anyone else.

C. Assignment to Your Operating Company

You must assign the operating rights granted in this Franchise Agreement to a legal entity which is controlled by you, or by you and your immediate family, and which is approved by us (the “**Operating Company**”).

An assignment of the rights in this Agreement to the Operating Company will remain in effect, as long as: (1) You are in full compliance with this Agreement; (2) You or Your immediate family, together own at least 51% of the issued and outstanding voting stock and/or other ownership and management rights of the Operating Company during the term of this Agreement; and (3) You and the Operating Company sign the Assignment Agreement attached to this Agreement as Exhibit 1. Despite this assignment, you remain personally liable for the performance of all obligations, duties and liabilities undertaken by the Operating Company, and you guarantee the full and prompt performance of all obligations, duties and liabilities to NPR Auto Group or Our affiliates undertaken by the Operating Company.

D. Assignment and Sale of the Franchised Business

If You are in full compliance with this Agreement, You may obtain Our approval to assign Your rights and obligations under this Agreement, provided that the proposed assignee(s) is, in Our sole opinion, an individual of good character who has sufficient business experience, aptitude and financial resources to own and operate a Vehicle Rental Business using the Rent-A-Wreck Trademarks, and who otherwise meets Our then-applicable standards for new franchisees, and further provided, that the following conditions are met prior to, or concurrently with, the date of the assignment:

1. all of Your monetary obligations incurred in connection with this Agreement and the operation of the Franchised Business have been paid; and,
2. the assignee agrees to complete Initial Operations Training; and,
3. the assignee has signed and agreed to be bound by Our then-current form of Franchise Agreement and such ancillary agreements as We then customarily use in the grant of franchises for businesses using the Rent-A-Wreck Trademarks; and,
4. You or the assignee have paid to Us a transfer fee of \$4,000 or 5% of the purchase price, whichever is greater; and,
5. We have reviewed and approved all documents evidencing the assignment, including documents relating to the sale of assets and the transfer or assignment of real property interests for the Premises; and,
6. You sign a general release that releases any and all claims, liabilities or causes of action You have or may have, in law or in equity, against Us, our parents, affiliates, and subsidiaries, and our respective shareholders, members, officers, directors, agents and employees, their successors and assigns, that are in any way related to this Agreement or the conduct of the Franchised Business; and,
7. You comply with the post-termination Covenant Not to Compete set forth in Section 11.C. of this Agreement.

E. Your Death or Disability

Upon Your death or permanent disability, Your executor, administrator, conservator, personal representative, guardian or attorney-in-fact (“**Your Representative**”) must, within 6 months after the date of death or disability, assign or transfer Your interest in this Agreement and in the Franchised Business to a third party approved by Us subject to the conditions of Section 15.D. of this Agreement. If Your Representative fails to effect a transfer of your interest in this Agreement within that 6-month period, we may terminate this Agreement effective on written notice to Your Representative.

F. Our Right of First Refusal

If you decide to sell an interest in the Franchised Business, you must obtain a *bona fide*, executed written offer and a reasonable earnest money deposit from a responsible and fully-disclosed purchaser, and submit an exact copy of that offer to us. We will have the right, exercisable by written notice delivered to you within thirty (30) days from our receipt of the copy of the offer to purchase the interest in the Franchised Business or an ownership interest in the Operating Company for the price and on the terms and conditions contained in the offer. We are entitled to substitute cash for any form of payment proposed in the offer and will have at least 30 days to prepare for closing.

If the proposed assignment or franchise transfer includes any of your assets that are not strictly related to the Franchised Business, We will not be required to purchase those other assets. If we do not exercise our right of first refusal, you may complete the sale to the proposed purchaser pursuant to and on the terms of such offer, subject to our approval of the purchaser as provided in Section 15.D. of this Agreement. If the sale to the proposed purchaser is not completed within 90 days after delivery of the offer to us, or if there is a material change in the terms of the sale, we shall again have the right of first refusal as provided in this Section 15.F.

16. DEFAULT AND TERMINATION; SUSPENSION OF SERVICES

A. Termination By NPR Auto Group – Without Cure Period

We have the right to terminate this Agreement effective immediately upon delivery of notice of termination to You, if You or the Operating Company:

1. Fail to obtain Our approval of the Premises as provided in this Agreement; or,
2. Fail to open and begin operating the Franchised Business within 180 days after the Effective Date; or,
3. Fail to satisfactorily complete Initial Operations Training as provided in this Agreement; or,
4. Make an assignment for the benefit of creditors; or,
5. Make a written admission of Your inability to pay debts or obligations as they become due; or,
6. File a voluntary petition in bankruptcy; or,
7. Become insolvent or are adjudicated as bankrupt; or,
8. File a petition or other pleading seeking reorganization, dissolution or any similar relief under any statute, law or regulation or admit or fail to immediately contest the material allegations of a petition or other pleading filed in any such proceeding; or,

9. Seek, consent to or acquiesce in the appointment of any trustee, receiver or liquidator of the Franchised Business of all or a substantial part of any of its assets, or fail to vacate the appointment of any trustee, receiver or liquidator for any such purpose within 30 days of such appointment; or,
10. Have made any material misrepresentation or omission in the application to become a franchisee; or,
11. Abandon or fail to actively operate the Franchised Business for a period of more than 5 consecutive days without Our prior written approval; or,
12. Attempt to transfer, or transfer control of all or any interest in the Franchised Business, this Agreement, or an effective controlling (51% or more) ownership or management interest in the Operating Company without Our prior written approval; or,
13. Submit reports on 3 or more separate occasions in which you understate the number of Rental Vehicles or Gross Revenues generated by the Franchised Business by more than 5%; or,
14. Knowingly falsify any report required to be furnished to us or make any material misrepresentation in your dealings with us or fail to disclose any material facts to us; or,
15. Fail on 3 or more separate occasions to (a) submit when due, reports or other data, information or records, or (b) pay to Us when due any fees required by this Agreement; or,
16. Fail to maintain the insurance coverage, or provide to Us the Certificates of Insurance, required by this Agreement; or,
17. Are convicted of, plead guilty to, or enter a plea of *nolo contendere* to (a) any felony; or, (b) any criminal offense related to the Franchised Business, other than minor traffic violations; or, (c) any crime or any act, whether or not related to the Franchised Business that We determine, in our sole discretion, threatens the integrity or reputation of NPR Auto Group, any of the Rent-A-Wreck Trademarks, the Franchised Business, the Operating Company, or other businesses using the Rent-A-Wreck Trademarks; or,
18. Cease using the ASAP Computer System without our prior written approval; or,
19. Default under any collateral agreement with Us or one of our affiliates; or,
20. Have been subject to 3 or more notices of default under this Agreement, whether or not such defaults have been cured, or
21. Fail to make payments to Preferred Providers when due, or

22. Fail to accept and implement a material modification to the System that applies uniformly to all similarly-situated franchisees within any specified time period; or
23. Fail to meet the minimum Customer Satisfaction Program or quality assurance program scores set forth in the Manual; or
24. Do not comply with Third-Party Reservation Platform standards, resulting in the removal of the Franchised Business from one or more of the Third-Party Reservation Platforms.

B. Termination By NPR Auto Group Following Expiration of Cure Period; Suspension of Franchise Rights

We also have the right to terminate this Agreement effective upon delivery of notice to You, if You fail to comply with any other provision of this Agreement or any mandatory specification, standard or operating procedure that We prescribe, and do not correct such failure within: (1) 30 days after written notice of such failure to comply is delivered to You if a non-monetary matter is involved; (2) 15 days after written notice in the case of a monetary default; or (3) such longer period as may be required by applicable law.

If you are in default under the terms of this Agreement or any other agreement with NPR Auto Group or one of our other affiliates, NPR Auto Group or our affiliates also have the right to suspend or block your reservation services. If you cure your default before this Agreement terminates, NPR Auto Group or Our affiliates will reestablish reservations services to you upon receipt of a reconnection fee from you. As of the Effective Date, the reservation reconnection fee is \$300. Suspension of reservations services to you does not prejudice our rights to pursue other remedies upon your default.

C. Termination By You

1. Termination for Cause. You have the right to terminate this Agreement at any time if we default under the terms of this Agreement and fail to cure the default within 90 days after our receipt of written notice from you.

2. Termination Without Cause -- No Fee. You have the right to terminate this Agreement without cause (and without payment of the Post-Termination Business Continuance Buyout described in Section 17.C. of this Agreement) if you: (a) give us written notice at least 90 days in advance of termination; and (b) you comply with the post-termination Covenant Not to Compete set forth in Section 11.C. of this Agreement.

3. Termination Without Cause -- With Payment of a Fee. You have the right to terminate this Agreement without cause and continue to directly or indirectly own, operate or maintain a competing Vehicle Rental Business within 20 miles of the site of the Franchised Business if: (a) you give us written notice at least 90 days in advance of termination; and (b) you pay us the Post-Termination Business Continuance Buyout as liquidated damages—and not as a penalty—as described in Section 17.C of this Agreement, which you agree is a reasonable estimate of our

probable loss resulting from the termination of the Franchise Agreement and your failure to comply with the Covenant Not to Compete set forth in Section 11.C. of this Agreement.

17. RIGHTS AND OBLIGATIONS UPON TERMINATION

A. Payment of Amounts Owed to NPR Auto Group

Within 15 days after the effective date of termination of this Agreement, You must pay to Us, our affiliates, or our Preferred Providers, as the case may be, all unpaid amounts due Us, our affiliates, or Preferred Providers under the terms of this Agreement or any other agreements between you and us, our affiliates or Preferred Providers, including the Post-Termination Continuation Buyout, if applicable. You also must pay all damages, costs, and expenses, including reasonable attorneys' fees that we incur, as a result of your default, either before or following the termination of this Agreement, as a result of your default.

B. De-Identification; Return of Operating Manual

Upon termination of this Agreement, You, the Franchised Business, and the Operating Company must immediately:

1. Return to Us all copies of the Operating Manual and other items or materials that were loaned or furnished to You; and,
2. Take such action as may be required to cancel all fictitious or assumed name or equivalent registrations relating to use of the Rent-A-Wreck Trademarks or the conduct of the Franchised Business; and,
3. Remove from the Premises all signs, sign faces, advertising materials, forms, invoices and other materials containing any of the Rent-A-Wreck Trademarks or relating to the conduct of the Franchised Business; and,
4. Notify all telephone companies and all telephone number listing agencies of the termination of your right to use the Telephone Numbers and any regular, classified or other telephone directory listings associated with any of the Rent-A-Wreck Trademarks or the Franchised Business, and to authorize transfer of the Telephone Numbers and listings to or at our direction.
5. Cease all use of the Rent-A-Wreck Trademarks, any imitation thereof, or similar marks and cease identifying Yourself, the Franchised Business and the Operating Company as a current or former "Rent-A-Wreck" franchisee, or as otherwise associated with, NPR Auto Group in any manner or for any purpose; and,
6. Take all actions necessary to effect the transfer of any and all agreements and permits that were used in conjunction with the Franchised Business to whomever We direct, or to cancel or terminate such agreements and permits, all at Our sole election; and,

7. Assign to NPR Auto Group all e-mail or worldwide web listings, domain name registrations, SMS numbers or addresses, MMS numbers or addresses, Instant Messenger Screen names, RSS or other syndicated service feeds, profiles and accounts on Twitter, Facebook, LinkedIn or any other interactive or static site maintained on the Internet, the world wide web, or any other similar proprietary or common carrier electronic delivery system containing the Rent-A-Wreck Trademarks, any imitation thereof, or any similar marks; and,

8. Furnish to NPR Auto Group within 30 days after termination of this Agreement evidence satisfactory to Us of Your compliance with the foregoing obligations.

9. Pay to NPR Auto Group the Post-Termination Business Continuance Buyout set forth in Section 17.C. below if this agreement is terminated by you or us, and you fail to comply with the post-termination Covenant Not to Compete set forth in Section 11.C. of this Agreement.

C. Post-Termination Business Continuance Buyout

If this Agreement is terminated by you or us, and you fail to comply with Section 11.C. of this Agreement (the post-termination Covenant Not to Compete), you must pay us a Post-Termination Business Continuance Buyout as liquidated damages – and not as a penalty – as described below:

1. The amount of the Post-Termination Business Continuance Buyout is equal to the product of the number of Rental Vehicles in the fleet of the Franchised Business multiplied by \$800. For purposes of calculating the Post-Termination Business Continuance Buyout, the number of Rental Vehicles in the fleet of the Franchised Business is the greater of: (a) the minimum number of Rental Vehicles described in Exhibit 1 of this Agreement; and (b) the most recent 12-month average of the actual number of Rental Vehicles in the Fleet of the Franchised Business. The Post-Termination Business Continuance Buyout is payable upon demand.

2. You agree that the extent of the damages caused by the termination of the Franchise Agreement and your failure to comply with the Covenant Not to Compete contained in Section 11.C. of this Agreement is difficult or impossible to accurately estimate, and that the formula for calculating the Post-Termination Business Continuance Buyout is a reasonable estimate of our probable loss resulting from the termination of the Franchise Agreement and your non-compliance with Section 11.C of this Agreement. Payment of the Post-Termination Business Continuance Buyout by you does not affect your obligation to pay us all other amounts and fees due to us that accrued before the termination of this Agreement, nor does it affect any of your continuing indemnification obligations.

D. Our Rights to Acquire the Premises and the Franchised Business Assets. Upon termination of this Agreement, at our option, you must:

1. Assign to us your interest in the lease or sublease for the Premises (or provide us with a commercially reasonable lease in the event you own the Premises); or, if you own the Premises, lease the Premises to us pursuant to the terms of our standard lease, for a term of five (5) years with two successive five (5) year renewal options at fair market rental during the term of the lease. If we elect not to exercise our option to acquire the lease or sublease for the Premises,

you must make such modifications or alterations to the Premises as may be necessary to comply with Section 17.B.3; or

2. Sell to us such of the Rental Vehicles, furnishings, equipment, signs, and fixtures of the Franchised Business as we may designate, at fair market value, and such of the inventory and supplies of the Franchised Business as we may designate, at fair market wholesale value. If we cannot agree on the price of any such items within a reasonable time, an independent appraiser will be appointed by us at our expense, and the appraiser's determination will be binding on both parties. If we exercise our option to purchase any items, we will have the right to set off all amounts due from you against any payment for such items; or

3. We may exercise either or both of our options under Sections 17.D.1 and 17.D.2 at any time between the date of delivery of written notice of termination and 90 days after the effective date of termination. If we deem such action desirable in order to preserve the value of such options, we may issue to you, and you must comply with, written instructions to refrain from, delay, or reverse any of the actions required of you under Section 17.B. Our election of either or both of our options in this Section 17.D. is at our discretion, and we may elect not to exercise either option.

E. Continuing Obligations

All obligations of NPR Auto Group and You which expressly or by their nature survive the termination of this Agreement will continue in full force and effect subsequent to and notwithstanding its termination and until those obligations are satisfied in full or by their nature expire.

18. ENFORCEMENT; CONSTRUCTION

A. Severability And Modification

Each section, paragraph, term and provision of this Agreement will be considered severable, and if any such portion of this Agreement is held to be invalid, contrary to, or in conflict with any applicable present or future law or regulation, it will not have any effect upon the remaining portions of this Agreement.

If any applicable law or regulation of any jurisdiction requires a greater prior notice of the termination of this Agreement than stated in this Agreement or the taking of some other action not required by this Agreement, the notice or other action required by such law or rule will be substituted for the comparable provisions of this Agreement.

B. Waiver of Obligations

A waiver by NPR Auto Group of any breach of this Agreement does not constitute a waiver of any additional breach or waiver of your performance under this Agreement. Our failure or neglect to exercise any of our rights under this Agreement does not constitute a waiver of future enforcement of any other provision of this Agreement. NPR Auto Group and you will not be deemed to have waived or impaired any right, power or option reserved by this Agreement by

virtue of any custom or practice of the parties at variance with the terms of this Agreement. Any waiver, forbearance, delay, failure or omission by NPR Auto Group to exercise any right, power or option with respect to any other franchisee of NPR Auto Group or the acceptance by NPR Auto Group of any payments due from You after any breach of this Agreement will not constitute a waiver of Your obligations hereunder.

C. Withholding of Payments

You may not, on grounds of the alleged nonperformance by NPR Auto Group of any of its obligations under this Agreement, withhold payment of any Royalty Fees, Marketing and Advertising Fees, contributions to the Regional Fund, Reservation Fees, or any other fees and charges due NPR Auto Group or Our affiliates under the terms of this Agreement or as a result of Your conduct of the Franchised Business.

D. Resolution of Disputes

If you and NPR Auto Group are unable to resolve a dispute or controversy under this Agreement through informal negotiation, you and NPR Auto Group agree to the following dispute resolution process:

1. Face-to-Face Meeting. Before initiating a judicial proceeding, You and NPR Auto Group agree to make a good faith effort to resolve the dispute at a face-to-face meeting (“**Face-to-Face Meeting**”) between you and one of our representatives, each of whom is authorized to making binding commitments on behalf of their respective parties. The Face-to-Face Meeting will be held at the NPR Auto Group Franchisee Service Center where located at the time of the dispute (currently, Laurel, Maryland) within 30 days after the date of written notice proposing the meeting, unless You and NPR Auto Group agree otherwise in writing. If the Face-to-Face Meeting is not held within 30 days (or within the otherwise agreed-upon time period), the request for a Face-to-Face Meeting will expire, and the requesting party may file a claim without making additional attempts to resolve the dispute informally. You and NPR Auto Group agree that the written notice proposing a Face-to-Face Meeting must be dated before the expiration of the applicable limitation on the period of time in which a claim may be brought under Section 18.D.6.

2. Choice of Venue. The parties agree that any action that you bring against us, in any court, whether federal or state, must be brought only within the state and judicial district for Frederick, Maryland. Any action that we bring against you in any court, whether federal or state, may be brought within the state and judicial district for Frederick, Maryland, waiving any other jurisdiction that may correspond to them by virtue of their domiciles, current or future.

(a) The parties agree that this Section 18.D.2. will not be construed as preventing either party from removing an action from state to federal court; provided, however, that venue will be as set forth above.

(b) The parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.

(c) ANY SUCH ACTION WILL BE CONDUCTED ON AN INDIVIDUAL BASIS, AND NOT AS PART OF A CONSOLIDATED, COMMON, OR CLASS ACTION.

3. Parties Rights are Cumulative. No right or remedy conferred upon or reserved to us or you by this Agreement is intended to be, nor will be deemed, exclusive of any other right or remedy provided under this Agreement or provided or permitted under law or equity; rather, each remedy will be cumulative of every other right or remedy.

4. Injunctions. Nothing in this Agreement will bar our right to obtain precautionary measures or injunctive relief against threatened conduct that will cause us loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions.

5. Waiver of Jury Trials. EACH PARTY TO THIS AGREEMENT IRREVOCABLY WAIVES 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.

6. Must Bring Claims Within One Year. EACH PARTY TO THIS AGREEMENT AGREES THAT ANY AND ALL CLAIMS AND ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE PARTIES' RELATIONSHIP, OR YOUR OPERATION OF THE FRANCHISED BUSINESS, BROUGHT BY ANY PARTY HERETO AGAINST THE OTHER, MUST BE COMMENCED WITHIN ONE (1) YEAR FROM THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIM OR ACTION, OR SUCH CLAIM OR ACTION SHALL BE IRREVOCABLY BARRED; PROVIDED, HOWEVER, THAT THE PARTIES AGREE THAT THIS SECTION 18.D.6 DOES NOT APPLY TO A CLAIM BY NPR AUTO GROUP SEEKING INDEMNIFICATION UNDER THIS AGREEMENT OR CLAIMS ARISING FROM YOUR NONPAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWED TO NPR AUTO GROUP, OR YOUR REFUSAL TO SUBMIT TO AN AUDIT AS PROVIDED IN THIS AGREEMENT.

7. Waiver of Punitive Damages. EXCEPT FOR CLAIMS THAT NPR AUTO GROUP BRINGS AGAINST YOU FOR UNAUTHORIZED USE OF THE RENT-A-WRECK TRADEMARKS OR UNAUTHORIZED USE OR DISCLOSURE OF KNOW-HOW, EACH PARTY TO THIS AGREEMENT HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER, AND AGREES THAT IN THE EVENT OF A DISPUTE BETWEEN THEM EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES IT HAS SUSTAINED.

8. Payment of Legal Fees. You agree to pay us all damages, costs and expenses (including reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur in: (a) obtaining injunctive or other relief for the enforcement of any provisions of this Agreement; and/or (b) successfully defending a claim from you that we misrepresented the terms of this Agreement, fraudulently induced you to sign this Agreement, that the provisions of

this Agreement are not fair, were not properly entered into, and/or that the terms of this Agreement (as it may be amended by its terms) do not exclusively govern the parties' relationship.

9. Survivability. The provisions of this Section 18.D. will continue in full force and effect after termination of this Agreement.

E. Governing Law

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.), this Agreement is governed by the laws of the State of Maryland. Nothing in this Section 18.E. is intended by the parties to invoke the application of any franchise, business opportunity, antitrust, implied covenant, unfair competition, fiduciary, and/or other doctrine of the State of Maryland (or any other state) that would not otherwise apply absent this Section 18.E.

F. Binding Effect

This Agreement is binding upon NPR Auto Group and You and our respective executors, administrators, heirs, beneficiaries, assigns and successors in interest and may not be modified except by a written agreement signed by both NPR Auto Group and You or as provided in Section 18.A. above with respect to conflicts between this Agreement and applicable law.

G. Integration; Construction.

This Agreement contains the entire agreement of the parties and supersedes any previous agreements; all representations, inducements, promises or agreements oral or otherwise not written herein will be of no force or effect. However, nothing in this Agreement or in any related agreement is intended to disclaim our representations made in the franchise disclosure document.

19. NOTICES

All written notices, reports permitted or required to be delivered by this Agreement or the Manual will be deemed so delivered at the time delivered by hand, 1 business day after sending by overnight delivery service, telefax or e-mail or 2 business days after placed in the mail by Registered or Certified Mail, Return Receipt Requested, postage prepaid and addressed to the party to be notified at its current principal business address.

20. EFFECTIVE DATE

This Agreement is not effective until signed by a corporate officer of NPR Auto Group. The Effective Date of this Agreement is _____.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement as of the Effective Date.

NPR AUTO GROUP, LLC,
a Maryland limited liability company

YOU, an individual

By: _____

Title: _____

Date: _____

By: _____

Date: _____

GUARANTY

Each Guarantor named below unconditionally guarantees the full and faithful performance of You, and the Operating Company under the Franchise Agreement, and each Guarantor agrees to be personally liable for every breach by You or the Operating Company of the Franchise Agreement. These guaranties are continuing and will be unaffected by any modification, amendment or extension of the Franchise Agreement. In the event of a default, NPR Auto Group may proceed against You or any or all of the Guarantors in any order. Each guaranty given hereunder will apply to any and all agreements between NPR Auto Group and You respecting the Vehicle Rental Business operated under the Franchise Agreement.

GUARANTOR(S)

1. _____
Printed Name

Signature

3. _____
Printed Name

Signature

2. _____
Printed Name

Signature

4. _____
Printed Name

Signature

EXHIBIT 1 – FRANCHISE INFORMATION PAGE

1- Franchise Information

Franchisee Name: _____

Business Address: _____

Telephone Numbers: _____

2- Site of The Franchised Business

Street City State Zip

3- Franchise Territory Size -Type - minimum fleet requirement.

Franchisee to initial only one option:

a- 6-Mile Primary Service Area
(A circular area with a 6-mile diameter (3-mile radius) with the following center point:

_____)
Minimum Fleet Size – _____ Vehicles within 3 years of the Effective Date.

b. Airport Primary Service Area
(The exclusive right to service deplaning passengers at the following airport:

_____)
Minimum Fleet Size – _____ Vehicles within 3 years of the Effective Date.

c- Single Point Franchise

Minimum Fleet Size – 10 Vehicles within 1 year of the Effective Date.

4- Initial Franchise Fee - \$ _____

Initials of Franchisee _____ Initials of Officer of NPR Auto Group _____

EXHIBIT 2

ASSIGNMENT TO OPERATING COMPANY

This Assignment agreement (“Assignment”) is entered into between NPR Auto Group, LLC., a Maryland limited liability company, (“NPR Auto Group”), and

_____, (“You”)

and _____,

a _____ (the “Operating Company”).

1. INTRODUCTION

You and NPR Auto Group have executed a Franchise Agreement (the “Franchise Agreement”), which grants You the right to operate a Vehicle Rental Business using the name “Rent-A-Wreck” and other services marks owned by NPR Auto Group. This Assignment is part of the Franchise Agreement. You have applied to NPR Auto Group for its consent to assign the operating rights in the Franchise Agreement to the Operating Company.

2. ASSIGNMENT

You hereby assign all operating rights in the Franchise Agreement to the Operating Company. The Operating Company agrees to assume and be bound jointly and severally with You by every obligation, duty and liability owed by You under the Franchise Agreement.

3. CONSENT OF NPR AUTO GROUP

NPR Auto Group consents to the assignment of the operating rights in the Franchise Agreement to the Operating Company. This consent will not be considered consent to any other past, present or future assignment of any or all of Your interests in the Franchise Agreement.

4. TERM OF ASSIGNMENT

This Assignment runs concurrently with the Franchise Agreement. This Assignment will terminate automatically without notice and the operating rights will thereby be reassigned to You if: (a) You or members of Your immediate family together no longer own at least 51% of the issued and outstanding voting stock or ownership interest in the Operating Company; or, (b) You fail to actively manage and control the Operating Company; or, (c) You or the Operating Company are in default of any provision of the Franchise Agreement or any agreement with affiliate(s) of NPR Auto Group and the default is not cured within the time required in the Franchise Agreement or other agreement with affiliate(s) of NPR Auto Group; or, (d) the Franchise Agreement expires or is terminated for any reason.

5. FURTHER ASSIGNMENT

This Assignment does not give You or the Operating Company any power or right to further assign, transfer or dispose of any interest in the operating rights or the Franchise Agreement. The rights granted in this Assignment may only be reassigned by the Operating Company back to You. This Assignment does not give the Operating Company any rights in the Franchise Agreement beyond those needed to operate the Franchised Business.

6. CONTINUING LIABILITY

Despite this assignment to the Operating Company, You continue to be fully and directly responsible to NPR Auto Group, jointly and severally with the operating Company, for the performance of all obligations, duties and liabilities owed to NPR Auto Group arising out of or related to the Franchise Agreement or any collateral agreements that are part of the Franchise relationship.

7. CROSS DEFAULT

Any default of this Assignment is a default of the Franchise Agreement.

8. GUARANTIES

The Operating Company absolutely and unconditionally guarantees the full and prompt performance of Your obligations, duties and liabilities under the Franchise Agreement and guarantees payment of all sums that are or may become due to NPR Auto Group under the Franchise Agreement or any collateral agreement. You absolutely and unconditionally guarantee the full and prompt performance of all obligations, duties and liabilities owed to NPR Auto Group by the Operating Company. These guaranties will continue in effect until all of Your obligations, duties and liabilities under the Franchise Agreement have been completely performed or discharged, even if this Assignment has been terminated. The Operating Company's liability under this guaranty may be enforced without requiring NPR Auto Group to exhaust any other remedy. NPR Auto Group may make, alter, and renew any contracts and agreements between You and NPR Auto Group and between NPR Auto Group and the Operating Company without affecting or discharging either guaranty.

9. COMPETING BUSINESSES

9.1. During the term of this Assignment the Operating Company may not directly or indirectly, for its own benefit or the benefit of any other person or entity, own, engage in, advise, assist, lease or sublease to, invest in, franchise, lend money to, agree to sell, or sell all or substantially all of its assets to, or have any financial or other interest in, any other Vehicle Rental Business except for vehicle rental businesses operated under Franchise agreements with NPR Auto Group or a NPR Auto Group affiliate.

9.2. For a period of 2 years after the effective date of termination of the Franchise Agreement, the Operating Company may not directly or indirectly, on its own or on behalf of any

other person or entity, own, engage in, invest in, franchise, lend money to, agree to sell or sell all or substantially all of its assets to, or have any financial or other interest in, any Vehicle Rental Business located within a 20-mile radius of the Franchised Business.

10. GOVERNING LAW; DISPUTE RESOLUTION

This Assignment will be construed and governed by the law of the State of Maryland. Section 18.D. of the Franchise Agreement (“Resolution of Disputes”) is incorporated by reference into this Agreement.

11. WAIVER OF JURY TRIAL

NPR Auto Group, You and the Operating Company irrevocably waive trial by jury in any action, proceeding or counterclaim, whether at law or in equity, brought by any of them to enforce the terms of this Assignment.

12. EFFECTIVE DATE

This Assignment will take effect on the date it is signed by NPR Auto Group.

NAME OF OPERATING COMPANY

By: _____

Its: _____
Print Title

Your Printed Name

Your Signature

Date Signed by You

NPR Auto Group , LLC

By: _____
President

Date Signed

EXHIBIT 3
**AUTHORIZATION AGREEMENT FOR PAYMENTS BY AUTOMATED CLEARING
HOUSE (ACH) NETWORK (DIRECT DEBITS)**

_____ (Name of Person or Legal Entity)

_____ (ID Number)

The undersigned depositor (“**Depositor**” or “**Franchisee**”) authorizes NPR Auto Group, LLC (“**Franchisor**”) to initiate debit entries and/or credit correction entries to the undersigned’s checking and/or savings account(s) indicated below and the depository designated below to debit or credit such account(s) pursuant to Franchisor’s instructions.

_____ Depository

_____ Branch

_____ City

_____ State

_____ Zip Code

_____ Bank Transit/ABA Number

_____ Account Number

This authorization is to remain in full and effect until sixty days after Franchisor has received written notification from Franchisee of its termination.

_____ Depositor

_____ Depositor

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

EXHIBIT A1

**STATE ADDENDA TO THE RENT-A-WRECK USED CAR RENTAL & LEASING
FRANCHISE AGREEMENT**

**CALIFORNIA ADDENDUM
TO THE RENT-A-WRECK CAR & TRUCK RENTAL
FRANCHISE AGREEMENT**

THIS ADDENDUM is made and entered into this _____ day of _____, _____, by and between **NPR AUTO GROUP, LLC**, a Maryland limited liability company (“NPR Auto Group”), and _____ (“Franchisee”).

1. **Background.** NPR Auto Group and Franchisee are parties to that certain Franchise Agreement dated _____, _____ (the "Franchise Agreement") that has been executed concurrently with the execution of this Addendum. This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being executed because (a) the offer or sale of the Franchised Business that Franchisee will operate under the Franchise Agreement was made in the State of California and Franchisee will operate the Franchised Business in the State of California; and/or (b) Franchisee is a resident of the State of California.

2. **Enforcement.** The following sentence is added to the end of Section 16:

Section 31512 of the California Franchise Investment Law (“FIL”) states that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the FIL or any rule or order under the FIL is void.

3. **Post-Termination Non-competition Covenants.** The franchise agreement contains a covenant not to compete which extends beyond the termination of the franchise. A contract that restrains a former franchisee from engaging in a lawful trade or business may, to that extent, be void under California Business and Professions Code Section 16600.

4. **Termination, Nonrenewal and Transfer.** California Business and Professions Code Sections 20000 through 20043, the California Franchise Relations Act, provide rights to franchisees concerning termination, nonrenewal or transfer of a franchise. For Franchise Agreements entered into after January 1, 2016, under amendments to this law, and except in the case of specific violations enumerated in Section 20021, including, on the part of the franchisee, bankruptcy, abandonment, material misrepresentation, seizure of or foreclosure on the franchise, failure to pay franchise fee, noncompliance with federal, state or local law or regulation, criminal conviction or danger to public health or safety, a franchise agreement cannot be terminated except for good cause. Good cause is defined as the failure of the franchisee to substantially comply with the lawful requirements of the franchise agreement after being given at least 60 days advance notice and a reasonable opportunity to cure of not less than 60 days from the date of the notice of noncompliance.

Upon the lawful termination or nonrenewal of a franchise the franchisor must purchase from the franchisee certain items acquired by the franchisee pursuant to the requirements of the franchise agreement. The franchisor is not obligated to purchase certain items from the franchisee if the items are not required in the operation of the franchised business, the franchisee declined a bona fide offer of renewal from the franchisor, the franchisor permits the franchisee to

retain the franchisee's principal place of business, the termination or nonrenewal is due to the franchisor's total withdrawal of franchising activity in the geographic area in which the franchise is located or the franchisee and franchisor mutually agree in writing to terminate or not renew the franchise or certain items that are sold by the franchisee between the notice of termination and cessation of operation.

The California Franchise Relations Act also provides new provisions concerning a franchisee's right to transfer a franchise agreement, such as requiring that a franchisor communicate to a franchisee its standards for approval of new or renewing franchisees. The Act specifies penalties if a franchisor terminates a franchise agreement in violation of that law, among other things. (See California Business and Professions Code sections 20028 and 20029.) The franchisee should read the entire statute to become familiar with all of its terms since if the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

5. **Applicable Law.** For franchisees operating outlets located in California, the California Franchise Investment Law and the California Franchise Relations Act will apply regardless of the choice of law or dispute resolution venue stated elsewhere. Any language in the Franchise Agreement or any amendment thereto or any agreement to the contrary is superseded by this condition.

6. **Acknowledgments.** The following is added as a new Section 19 of the Franchise Agreement:

“No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.”

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

NPR AUTO GROUP, LLC

FRANCHISEE

a Maryland limited liability company

By: _____
Title: _____
Date: _____

_____, an individual
By: _____
Date: _____

**ILLINOIS ADDENDUM
TO THE RENT-A-WRECK USED CAR RENTAL & LEASING
FRANCHISE AGREEMENT**

THIS ADDENDUM is made and entered into this _____ day of _____, _____, by and between **NPR AUTO GROUP, LLC**, a Maryland limited liability company (“NPR Auto Group”), and _____ (“Franchisee”).

1. **Background.** NPR Auto Group and Franchisee are parties to that certain Franchise Agreement dated _____, _____ (the "Franchise Agreement") that has been executed concurrently with the execution of this Addendum. This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being executed because (a) the offer or sale of the Franchised Business that Franchisee will operate under the Franchise Agreement was made in the State of Illinois and Franchisee will operate the Franchised Business in the State of Illinois; and/or (b) Franchisee is a resident of the State of Illinois.

2. **Consent to Jurisdiction.** Section 16.D of the Franchise Agreement is hereby amended to add the following:

“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.”

3. **Governing Law.** Section 16.E of the Franchise Agreement is hereby amended to read as follows:

The Franchise Agreement will be governed by Illinois law.

4. **Termination of the Franchise Agreement.** Section 19 of the Illinois Franchise Disclosure Act sets forth the conditions and notice requirements for termination of a franchise agreement.

5. **Enforcement.** The following sentence is added to the end of Section 16:

Section 41 of the Illinois Franchise Disclosure Act states that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of the Act or other Illinois law is void.

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

NPR AUTO GROUP, LLC

FRANCHISEE

a Maryland limited liability company

By: _____

Title: _____

Date: _____

_____, an individual

By: _____

Date: _____

**MARYLAND ADDENDUM
TO THE RENT-A-WRECK USED CAR RENTAL & LEASING
FRANCHISE AGREEMENT**

THIS ADDENDUM is made and entered into this _____ day of _____, _____, by and between **NPR AUTO GROUP, LLC**, a Maryland limited liability company (“NPR Auto Group”), and _____ (“Franchisee”).

1. **Background.** NPR Auto Group and Franchisee are parties to that certain Franchise Agreement dated _____, _____ (the "Franchise Agreement") that has been executed concurrently with the execution of this Addendum. This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being executed because (a) Franchisee is a resident of the State of Maryland, and/or (b) the Franchised Business that Franchisee will operate under the Franchise Agreement is located in the State of Maryland.

2. **Preambles. The following language is hereby added to the end of Section 1A:**

However, such representations 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.

3. **The Franchise Agreement is amended to include the following:**

Pursuant to the Interpretive Opinion “Adopting NASAA Statement of Policy Regarding the Use of Franchise Questionnaires and Acknowledgments” dated January 23, 2023 (the “Interpretive Opinion”), issued by the State of Maryland Office of the Attorney General Securities Division (the “Division”), the Division requires franchisors selling franchises that are subject to the Maryland Franchise Registration and Disclosure Law to include the following statement in their franchise agreements: “No statement, questionnaire, or acknowledgment signed or agreed to by a franchisee in connection with the commencement of the franchise relationship shall have the effect of (i) waiving any claims under any applicable state franchise law, including fraud in the inducement, or (ii) disclaiming reliance on any statement made by any franchisor, franchise seller, or other person acting on behalf of the franchisor. This provision supersedes any other term of any document executed in connection with the franchise.”

Accordingly, any statement, questionnaire, or acknowledgment in this Agreement that is not permitted under the Interpretive Opinion is deleted in its entirety and shall have no force or effect.

4. **Conditions for Approval of Assignment.** The following statement is hereby added at the end of Section 13D(6):

, provided, however, this release shall not apply to any liability NPR Auto Group may have under the Maryland Franchise Registration and Disclosure Law.

5. **Limitations of Actions.** Section 16.D.6 of the Franchise Agreement is hereby deleted in its entirety and is replaced by the following:

Except for claims arising from Franchisee's non-payment or underpayment of amounts Franchisee owed to NPR Auto Group, or Franchisee's refusal to submit to an audit under Section 12 of this Agreement, any and all claims arising out of or relating to this Agreement or NPR Auto Group's relationship with Franchisee will be barred unless a judicial proceeding is commenced within twelve (12) months from the date on which the party asserting the claim knew or should have known of the facts giving rise to the claims. For purposes of this Agreement, a judicial proceeding is commenced on the date a Complaint or other request for relief is filed in a court of law in a jurisdiction permitted by the terms of this Agreement; except that any and all claims arising under the Maryland Franchise Registration and Disclosure Law (Md. Code Bus. Reg., §§ 14-201 through 14-233) shall be commenced within three (3) years after the grant of the franchise.

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

NPR AUTO GROUP, LLC

FRANCHISEE

a Maryland limited liability company

By: _____
Title: _____
Date: _____

_____, an individual
By: _____
Date: _____

**MINNESOTA ADDENDUM
TO THE RENT-A-WRECK USED CAR RENTAL & LEASING
FRANCHISE AGREEMENT**

THIS ADDENDUM is made and entered into this _____ day of _____, _____, by and between **NPR AUTO GROUP, LLC**, a Maryland limited liability company (“NPR Auto Group”), and _____ (“Franchisee”).

1. **Background.** NPR Auto Group and Franchisee are parties to that certain Franchise Agreement dated _____, _____ (the "Franchise Agreement") that has been executed concurrently with the execution of this Addendum. This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being executed because (a) the Franchised Business that Franchisee will operate under the Franchise Agreement will be located in the State of Minnesota, and/or (b) the offer or sale of the Franchise occurred in the State of Minnesota.

2. **Conditions for Approval of Assignment.** The following language is added at the end of Section 13D(6) of the Franchise Agreement:

; provided, however, that such release shall not apply to any claim arising under the Minnesota Franchises Law.

3. **Termination of the Franchise By NPR Auto Group.** The following statement is hereby added at the end of Section 14A:

Minnesota law provides Franchisee with certain termination and non-renewal rights. Minn. Stat. Sec. 80C.14 Subd.3, 4 and 5 require, except in certain specified cases, that Franchisee be given 90 days' notice of termination (with 60 days to cure) and 180 days' notice for non-renewal of this Agreement.

4. **Governing Law/Consent to Jurisdiction.** The following statement is hereby added to Section 16.D.2:

Minn. Stat. §80C.21 and Minn. Rule 2860.4400J, prohibit NPR Auto Group from requiring litigation to be conducted outside Minnesota. Additionally, this Section shall not in any way abrogate or reduce your rights as provided for in Minnesota Statutes 1984, Chapter 80C, to any procedure, forum or remedies provided for by the laws of the jurisdiction.

5. **Jury Trial.** Section 16.D.5 of the Franchise Agreement is hereby deleted.

6. **Limitations of Actions.** Section 16.D.6. of the Franchise Agreement is hereby deleted in its entirety and is replaced by the following:

Except for claims arising from Franchisee's non-payment or underpayment of amounts Franchisee owed to NPR Auto Group, or Franchisee's refusal to submit to an audit under Section 12 of this Agreement, any and all claims arising out of or relating to this Agreement or the relationship of NPR Auto Group with Franchisee will be barred unless a judicial proceeding is commenced within twelve (12) months from the date on which the party asserting the claim knew or should have known of the facts giving rise to the claims. For purposes of this Agreement, a judicial proceeding is commenced on the date a Complaint or other request for relief is filed in a court of law in a jurisdiction permitted by the terms of this Agreement; except that Minnesota law provides that no action may be commenced pursuant to Minn. Stat. §80C.17 more than three (3) years after the cause of action accrues.

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

NPR AUTO GROUP, LLC

FRANCHISEE

a Maryland limited liability company

By: _____

_____, an individual

Title: _____

By: _____

Date: _____

Date: _____

**NEW YORK ADDENDUM
TO THE RENT-A-WRECK USED CAR RENTAL & LEASING
FRANCHISE AGREEMENT**

THIS ADDENDUM is made and entered into this _____ day of _____, _____, by and between **NPR AUTO GROUP, LLC**, a Maryland limited liability company (“NPR Auto Group”), and _____ (“Franchisee”).

1. **Background.** NPR Auto Group and Franchisee are parties to that certain Franchise Agreement dated _____, _____ (the "Franchise Agreement") that has been executed concurrently with the execution of this Addendum. This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being executed because (a) the offer or sale of the Franchised Business that Franchisee will operate under the Franchise Agreement was made in the State of New York and Franchisee will operate the Franchised Business in the State of New York; and/or (b) Franchisee is a resident of the State of New York

2. **Assignment of Contract by NPR Auto Group.** The following is added to the end of Section 13.A. of the Franchise Agreement:

“However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor’s obligations under the Franchise Agreement.”

3. **Conditions for NPR Auto Group Approval of Transfer.** The following is added to the end of Section 13.D. of the Franchise Agreement:

“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.”

4. **Termination of This Agreement by Franchisee.** Section 14.C.1. of the Franchise Agreement is hereby deleted and replaced in its entirety by the following:

Franchisee shall have the right to terminate this Agreement upon any grounds available by law.

5. **Choice of Forum and Choice of Law.** The following is added to the end of Section 16.E. of the Franchise Agreement:

“The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.”

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

NPR AUTO GROUP, LLC

FRANCHISEE

a Maryland limited liability company

By: _____

Title: _____

Date: _____

_____, an individual

By: _____

Date: _____

**NORTH DAKOTA ADDENDUM
TO THE RENT-A-WRECK USED CAR RENTAL & LEASING
FRANCHISE AGREEMENT**

THIS ADDENDUM is made and entered into this _____ day of _____, _____, by and between **NPR AUTO GROUP, LLC**, a Maryland limited liability company (“NPR Auto Group”), and _____ (“Franchisee”).

1. **Background.** NPR Auto Group and Franchisee are parties to that certain Franchise Agreement dated _____, _____ (the "Franchise Agreement") that has been executed concurrently with the execution of this Addendum. This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being executed because (a) Franchisee is a resident of the State of North Dakota and the Franchised Business that Franchisee will operate under the Franchise Agreement is located in the State of North Dakota, and/or (b) the offering or sales activity occurs within the State of North Dakota.

2. **Conditions for Approval of Assignment.** The following statements are hereby added to Section 13D(6):

(Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.)

(Any release executed in connection herewith shall not apply to any claims that may arise under North Dakota law.)

3. **Covenant Not to Compete.** The following statement is hereby added to Section 9.C. of the Franchise Agreement:

(Covenants not to compete such as those mentioned above are generally considered unenforceable in the State of North Dakota.)

4. **Liquidated Damages.** Section 14.C.3. of the Franchise Agreement and Section 15.C. of the Franchise Agreement are hereby deleted from the Franchise Agreement.

5. **Costs and Attorneys' Fees.** Section 16.C of the Franchise Agreement is hereby amended by adding the following paragraph:

If Franchisee asserts a claim for amounts owed by NPR Auto Group to Franchisee in any legal proceeding before a court, or if Franchisee is required to enforce any other of its rights under this Agreement in a judicial proceeding, Franchisee and NPR Auto Group shall each pay its own costs and expenses associated with such proceeding, including all attorneys' and accountants' fees.

6. **Governing Law; Consent to Jurisdiction.** Section 16.E of the Franchise Agreement is hereby deleted in its entirety and is replaced with the following:

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) and except as required by North Dakota law, this Agreement and the Franchise shall be governed by the laws of the State of Maryland.

7. **Special and Punitive Damages; Jury Trial.** Section 16.D.5 and 16.D.7 of the Franchise Agreement are hereby deleted.

8. **Limitations of Actions.** Section 16.D.6 of the Franchise Agreement is hereby deleted in its entirety and is replaced by the following:

Except for claims arising from Franchisee's non-payment or underpayment of amounts Franchisee owed to NPR Auto Group, or Franchisee's refusal to submit to an audit under Section 12 of this Agreement, and except as required by North Dakota law for claims arising under the North Dakota Franchise Investment Law or otherwise, any and all claims arising out of or relating to this Agreement or the relationship of NPR Auto Group with Franchisee will be barred unless a judicial proceeding is commenced within twelve (12) months from the date on which the party asserting the claim knew or should have known of the facts giving rise to the claims. For purposes of this Agreement, a judicial proceeding is commenced on the date a Complaint or other request for relief is filed in a court of law in a jurisdiction permitted by the terms of this Agreement.

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

NPR AUTO GROUP, LLC

FRANCHISEE

a Maryland limited liability company

By: _____
Title: _____
Date: _____

_____, an individual
By: _____
Date: _____

**RHODE ISLAND ADDENDUM
TO THE RENT-A-WRECK USED CAR RENTAL & LEASING
FRANCHISE AGREEMENT**

THIS ADDENDUM is made and entered into this _____ day of _____, _____, by and between **NPR AUTO GROUP, LLC**, a Maryland limited liability company (“NPR Auto Group”), and _____ (“Franchisee”).

1. **Background.** NPR Auto Group and Franchisee are parties to that certain Franchise Agreement dated _____, _____ that has been signed concurrently with the signing of this Addendum. This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being signed because (a) the offer or sale of the franchise for the Franchised Business that Franchisee will operate under the Franchise Agreement was made in the State of Rhode Island; and/or (b) Franchisee is a resident of the State of Rhode Island and will operate the Franchised Business in the State of Rhode Island.

2. **Governing Law; Consent to Jurisdiction.** The first sentence of Section 16.E is hereby deleted in its entirety and the following shall be substituted in its place:

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et Seq.) and excluding claims arising under the Rhode Island Franchise Investment Act, this Agreement and the Franchise shall be governed by the laws of the State of Maryland.

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

NPR AUTO GROUP, LLC

FRANCHISEE

a Maryland limited liability company

By: _____
Title: _____
Date: _____

_____, an individual
By: _____
Date: _____

**SOUTH DAKOTA ADDENDUM
TO THE RENT-A-WRECK USED CAR RENTAL & LEASING
FRANCHISE AGREEMENT**

THIS ADDENDUM is made and entered into this _____ day of _____, _____, by and between **NPR AUTO GROUP, LLC**, a Maryland limited liability company (“NPR Auto Group”), and _____ (“Franchisee”).

1. **Background.** NPR Auto Group and Franchisee are parties to that certain Franchise Agreement dated _____, _____ (the "Franchise Agreement") that has been executed concurrently with the execution of this Addendum. This Addendum is annexed to and forms part of the Franchise Agreement. This Addendum is being signed because (a) the offer or sale of the franchise for the Rent-A-Wreck Car & Truck Rental Business that Franchisee will operate under the Franchise Agreement was made in the State of South Dakota, and/or (b) Franchisee is a resident of the State of South Dakota and will operate the Rent-A-Wreck Car & Truck Rental Business in the State of South Dakota.

2. **Conditions for Approval of Assignment.** The following statement is hereby added at the end of Section 13D(6):

(Covenants not to compete are generally unenforceable in the State of South Dakota, except in certain instances provided by law.)

3. **Termination of This Agreement By NPR Auto Group.** The following statement is hereby added at the end of Section 14A:

Notwithstanding the above provisions of this Section 14A, if NPR Auto Group may terminate this Agreement for Franchisee's breach hereof, failure to meet performance and quality standards or failure to make royalty payments, NPR Auto Group shall give Franchisee thirty (30) days' written notice of default with an opportunity to cure such default prior to terminating this Agreement; provided, however, that such written notice and opportunity to cure shall apply only to the first default by Franchisee.

4. **Covenant Not to Compete.** The following statement is hereby added at the end of Section 9.C. of the Franchise Agreement:

(Covenants not to compete are generally unenforceable in the State of South Dakota, except in certain instances provided by law.)

5. **Governing Law; Consent to Jurisdiction.** The first sentence of Section 16.E of the Franchise Agreement is hereby deleted in its entirety and is replaced with the following:

Except to the extent governed by the United States Trademark Act of 1946 (Lanham Act, 15 U.S.C. Sections 1051 et seq.) and except as required under the South Dakota Franchises for Brand-Name Goods and Services Law, this Agreement and the Franchise shall be governed by the laws of the State of Maryland.

6. **Special and Punitive Damages; Jury Trial.** Sections 16.E.5 and 16.E.7 are hereby deleted.

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

NPR AUTO GROUP, LLC

FRANCHISEE

a Maryland limited liability company

By: _____
Title: _____
Date: _____

_____, an individual
By: _____
Date: _____

Exhibit A-2

BRAND SHARE INCENTIVE ADDENDUM TO FRANCHISE AGREEMENT

This Brand Share Incentive Addendum (“**Addendum**”) is made as of _____ (“**Effective Date**”) by and between NPR Auto Group, LLC, a Maryland limited liability company (“**we,**” “**us,**” or “**NPR Auto Group**”); _____, an individual (“**you**” or “**Franchisee**”); and _____, a _____ (“**Operating Company**”).

RECITALS

A. NPR Auto Group has developed an incentive program (“**Rent-A-Wreck Brand Share Plan**”) to encourage independent car rental operators to join the Rent-A-Wreck franchise system.

B. Franchisee owns and operates a vehicle rental business under the “_____” name and marks (“**Existing Business**”) at _____ (“**Premises**”).

C. The parties entered into a franchise agreement (“**Franchise Agreement**”) of even date to convert the Existing Business at the Premises to a “Rent-A-Wreck” Vehicle Rental Business (the “**Franchised Business**”) through the Rent-A-Wreck Brand Share Plan. Franchisee assigned the operating rights of the Franchised Business to Operating Company via an Assignment Agreement to Operating Company of even date.

D. The parties desire to amend the Franchise Agreement as set forth below.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties agree as follows:

1. All capitalized terms used but not defined in this Addendum shall have the meaning given to them in the Franchise Agreement.

2. “**Dual Branding Period**” means the time period between the Effective Date and the date on which the conversion of the Existing Business at the Premises to the Franchised Business is complete, which in any event shall be no later than the third anniversary of the Effective Date.

3. You agree to complete the conversion of the Existing Business at the Premises to the Franchised Business on or before the third anniversary of the Effective Date. During the Dual Branding Period, NPR Auto Group agrees to permit you to operate both the Existing Business and the Franchised Business at the Premises, provided that:

a. You do not display on the Premises any sign or advertisement for the Existing Business that is more prominent than the corresponding sign or advertisement for the Franchised Business; and

b. You do not list or advertise the Existing Business in any internet, telephone directory or other advertisement in conjunction with the Rent-A-Wreck Trademarks or the Franchised Business; and

c. You do not list or advertise the Existing Business in any internet, telephone directory or other advertisement that is more prominent than any corresponding advertisement for the Franchised Business; and

d. You use and advertise telephone numbers for the Existing Business that are separate and distinct from the Telephone Numbers used in the Franchised Business, per 8.D. of the Franchise Agreement.

4. During the Dual Branding Period, the Royalty Fee described in Section 4.B. of the Franchise Agreement and the Marketing and Advertising Fee described in Section 4.C. of the Franchise Agreement are modified as follows:

(a) For the first calendar year of the Dual Branding Period, we will reimburse you for your expenditures (up to an amount equal to 66% of total Royalty Fees and Marketing and Advertising Fees paid by you during that year) on approved brand building activities, including store level signs and branding, local market advertising and promotions, Internet advertising through approved vendors, and other preapproved advertising and brand building efforts (collectively “**Brand Building Activities**”). Reservation Fees payable to us for reservations received from any source, including the Rent-A-Wreck website or call center, online or traditional travel agencies, or the global distribution system, are approved Brand Building Activities and eligible for reimbursement. Other fees payable under the Franchise Agreement or other agreements between you and NPR Auto Group or one of our affiliates will **not** be eligible for reimbursement.

(b) For the second calendar year of the Dual Branding Period, we will reimburse you for your expenditures on approved Brand Building Activities, up to an amount equal to 50% of total Royalty Fees and Marketing and Advertising Fees paid by you during that year.

(c) For the third calendar year of the Dual Branding Period, we will reimburse you for expenditures on approved Brand Building Activities, up to an amount equal to 33% of total Royalty Fees and Marketing and Advertising Fees paid by you during that year.

Upon expiration of the Dual Branding Period, you will pay the Royalty Fee set forth in Section 4.B. of the Franchise Agreement and the Marketing and Advertising Fee set forth in Section 4.C. of the Franchise Agreement for the remainder of the term of the Franchise Agreement.

5. Section 9.B. of the Franchise Agreement is amended to provide that the Covenant Not to Compete will not apply to your operation of the Existing Business at the Premises during the Dual Branding Period, and Section 9.1 of Exhibit 2 to the Franchise Agreement (Assignment to Operating Company) is amended to provided that the restrictions on operation of a competing business shall not apply to the operation of the Existing Business at the Premises during the Dual Branding Period.

6. If the Franchise Agreement is terminated during the Dual Branding Period, the Post-Termination Business Continuance Buyout Fee described in Section 15.C. of the Franchise Agreement will be calculated by multiplying \$100 by the greater of: (a) the minimum number of Rental Vehicles described in Exhibit 1 of your Franchise Agreement; or (b) the most recent 12-month average of the actual number of Rental Vehicles in the Franchised Business.

7. Except as expressly modified and supplemented by this Addendum, the terms of the Franchise Agreement are ratified and confirmed.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Addendum as of the Effective Date of the Franchise Agreement.

NPR AUTO GROUP, LLC,
a Maryland limited liability company

FRANCHISEE
_____, individually

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Date: _____

OPERATING COMPANY

a _____

By: _____
Name _____
Title: _____
Date: _____

EXHIBIT B
FINANCIAL STATEMENTS

NP FRANCHISE GROUP

NP FRANCHISE GROUP, LLC

FINANCIAL STATEMENTS

**FOR THE YEARS ENDED JANUARY 31, 2025 AND 2024,
AND THE SIX MONTHS ENDED JANUARY 31, 2023**

NP FRANCHISE GROUP, LLC

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Independent Auditor's Report

To the Board of Directors
NP Franchise Group, LLC
Rockville, Maryland

Opinion

We have audited the accompanying financial statements of NP Franchise Group, LLC (the Company), which comprise the balance sheets as of January 31, 2025, 2024, and 2023, and the related statements of income and members' equity, and cash flows for the years ended January 31, 2025 and 2024, and for the six months ended January 31, 2023, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of January 31, 2025, 2024, and 2023, and the results of its operations and its cash flows for the periods then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

To the Board of Directors
NP Franchise Group, LLC

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control related matters that we identified during the audits.

Councilor, Buchanan + Mitchell, P.C.

Bethesda, Maryland
June 25, 2025

Certified Public Accountants

NP FRANCHISE GROUP, LLC

**BALANCE SHEETS
AS OF JANUARY 31, 2025, 2024, AND 2023**

	<u>January 31, 2025</u>	<u>January 31, 2024</u>	<u>January 31, 2023</u>
Assets			
Current Assets			
Cash	\$ 1,668,175	\$ 2,459,037	\$ 177,421
Cash Held for Reservation System Deposits	1,041,293	1,191,601	1,089,516
Accounts Receivable, Net	121,983	192,206	98,614
Prepaid Expenses and Other Current Assets	58,921	68,188	52,316
Contract Assets, Current Portion	12,487	19,011	16,956
Due from Affiliates	388,876	-	765,625
	<u>3,291,735</u>	<u>3,930,043</u>	<u>2,200,448</u>
Long-Term Assets			
Contract Assets, Net of Current Portion	5,023	15,010	11,298
Intangible Assets	23,552	23,552	23,552
	<u>28,575</u>	<u>38,562</u>	<u>34,850</u>
	<u>\$ 3,320,310</u>	<u>\$ 3,968,605</u>	<u>\$ 2,235,298</u>
Liabilities and Members' Equity			
Current Liabilities			
Accounts Payable and Accrued Expenses	\$ 78,295	\$ 157,635	\$ 58,005
Deferred Revenue, Current Portion	83,432	81,758	72,692
Reservation System Deposits	1,041,293	1,191,601	1,089,516
Due to Affiliates	-	671,088	-
	<u>1,203,020</u>	<u>2,102,082</u>	<u>1,220,213</u>
Deferred Revenue, Net of Current Portion	<u>9,420</u>	<u>30,333</u>	<u>33,433</u>
Total Liabilities	<u>1,212,440</u>	<u>2,132,415</u>	<u>1,253,646</u>
Members' Equity	<u>2,107,870</u>	<u>1,836,190</u>	<u>981,652</u>
Total Liabilities and Members' Equity	<u>\$ 3,320,310</u>	<u>\$ 3,968,605</u>	<u>\$ 2,235,298</u>

See accompanying Notes to Financial Statements.

NP FRANCHISE GROUP, LLC

**STATEMENTS OF INCOME AND MEMBERS' EQUITY
FOR THE YEARS ENDED JANUARY 31, 2025 AND 2024,
AND THE SIX MONTHS ENDED JANUARY 31, 2023**

	<u>January 31,</u> <u>2025</u>	<u>January 31,</u> <u>2024</u>	<u>Six Months</u> <u>Ended</u> <u>January 31,</u> <u>2023</u>
Revenues			
Continuing License Fees	\$ 1,055,341	\$ 1,041,709	\$ 442,244
Reservation Fee Income	505,478	696,647	296,593
Advertising Fees	242,030	236,973	106,681
Initial Franchise Fees	41,562	115,923	34,193
Reservation Services Set-Up Fees	65,752	53,584	24,468
	<u>1,910,163</u>	<u>2,144,836</u>	<u>904,179</u>
Expenses			
Salaries, Administrative Services, and Employee Benefits	706,253	390,217	155,796
Advertising	249,060	264,046	81,484
Sales and Marketing	350,704	318,931	134,142
Contract Acquisition Costs	50,466	41,702	20,645
General and Administrative	282,000	275,402	117,918
	<u>1,638,483</u>	<u>1,290,298</u>	<u>509,985</u>
Total Expenses	<u>1,638,483</u>	<u>1,290,298</u>	<u>509,985</u>
Net Income	271,680	854,538	394,194
Members' Equity at Beginning of Year	<u>1,836,190</u>	<u>981,652</u>	<u>587,458</u>
Members' Equity at End of Year	<u><u>\$ 2,107,870</u></u>	<u><u>\$ 1,836,190</u></u>	<u><u>\$ 981,652</u></u>

See accompanying Notes to Financial Statements.

NP FRANCHISE GROUP, LLC

**STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JANUARY 31, 2025 AND 2024,
AND THE SIX MONTHS ENDED JANUARY 31, 2023**

	January 31, 2025	January 31, 2024	Six Months Ended January 31, 2023
Cash Flows from Operating Activities			
Net Income	\$ 271,680	\$ 854,538	\$ 394,194
Adjustments to Reconcile Net Income to Net Cash (Used in) Provided by Operating Activities			
<u>(Increase) Decrease in Assets</u>			
Accounts Receivable	70,223	(93,592)	5,471
Prepaid Expenses and Other Current Assets	9,267	(15,872)	(43,154)
Contract Assets	16,511	(5,767)	9,156
Due from Affiliates	(388,876)	765,625	(765,625)
<u>Increase (Decrease) in Liabilities</u>			
Accounts Payable and Accrued Expenses	(79,340)	99,630	(80,549)
Reservation System Deposits	(150,308)	102,085	133,988
Deferred Revenue	(19,239)	5,966	(23,689)
Due to Affiliates	(671,088)	671,088	(326,511)
Net Cash (Used in) Provided by Operating Activities	(941,170)	2,383,701	(696,719)
Net (Decrease) Increase in Cash	(941,170)	2,383,701	(696,719)
Cash at Beginning of Year	3,650,638	1,266,937	1,963,656
Cash at End of Year	\$ 2,709,468	\$ 3,650,638	\$ 1,266,937

See accompanying Notes to Financial Statements.

NP FRANCHISE GROUP, LLC

NOTES TO FINANCIAL STATEMENTS JANUARY 31, 2025, 2024, AND 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Business

NP Franchise Group, LLC (the Company), is a Maryland limited liability company and a wholly owned subsidiary of NP Auto Group, Inc. (NP Auto Group). The Company markets and administers vehicle rental franchise programs throughout the United States and various foreign countries. The Company's operations are subject to numerous federal, state, local, and foreign laws, including federal and state laws governing the offer and sale of franchises and relationships with franchisees.

Fiscal Year Change

Effective February 1, 2023, the Company changed from a fiscal year end of July 31 to January 31. A six-month fiscal transition period from August 1, 2022 through January 31, 2023, preceded the start of the January 31, 2024 fiscal year. The statements of income and members' equity represent one year of operations for the periods ending January 31, 2025, and January 31, 2024, and six months of operations for the period ending January 31, 2023.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Accounts and Note Receivable

Accounts receivable consist of amounts due within one year for initial franchise fees, reservation services set up fees, continuing license fees, and advertising fees. Substantially all trade receivables are due from its franchisees, and are personally guaranteed by the franchisees' owners. Accounts receivable are presented on the balance sheets at the new amount expected to be collected. The Company uses the aging schedule method to estimate expected credit losses. The expected credit losses are determined to be any trade receivables that have been outstanding for longer than ninety days.

Receivables are written off based on management's case-by-case determination that they are uncollectible. Any recoveries of amounts that were previously written off are recorded when the cash is received.

Property and Equipment

Property and equipment are depreciated using the straight-line method over their estimated service lives for financial reporting purposes. Accelerated methods of depreciation and amortization are used for income tax purposes. The estimated service lives used for financial reporting purposes are from 3 to 7 years.

NP FRANCHISE GROUP, LLC

NOTES TO FINANCIAL STATEMENTS JANUARY 31, 2025, 2024, AND 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible Assets

Intangible assets consist of the values of trademarks. The Company's trademarks are deemed to have an indefinite useful life; therefore, the Company does not amortize these assets. The values of intangible assets are evaluated at least annually for impairment. The primary indicators are current or forecasted cash flows from the related businesses, which are dependent on the ability of the Company to renew or extend franchise agreements associated with the trademarks and to acquire new such franchise agreements. There have been no adjustments to the carrying values of intangible assets resulting from these evaluations.

Reservation System Deposits

Reservation system deposits represent refundable deposits from franchisees and other unaffiliated car rental operators that use the Company's various reservation channels. The deposits serve as security against any future obligations that a franchisee or unaffiliated car rental operator may have to the Company. Unused deposits are returned to the depositor upon termination of the operating agreement. These balances are presented as an asset, cash held for reservation system deposits, as well as a liability, reservation system deposits, on the balance sheets.

Revenue Recognition

Revenues consist of initial franchise fees, reservation services set-up fees, continuing license fees, reservation fee income, and advertising fees. Franchisees have the rights to use the Company's trademarked names in specified geographic areas. Additionally, franchisees have continuing access to the use of certain company resources, experience, and knowledge.

The Company recognizes revenue in accordance with FASB Topic ASC 606 as follows:

Initial Franchise Fees

Initial franchise fees are typically billed upon execution of the franchise agreement and recognized over the term of the franchise agreement. Since the franchise agreements do not have a stated expiration date, management has determined that these initial franchise fees should be recognized over three years. Management has concluded this to be a reasonable estimate because the franchisee can cancel the agreement at any time and the initial fees are non-refundable.

In certain cases, the Company may receive a non-refundable fee related to the transfer of a franchise from one franchisee to another. These fees are treated consistently with initial franchise fees and are recognized over the estimated term of the franchise agreement.

NP FRANCHISE GROUP, LLC

NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2025, 2024, AND 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Initial Franchise Fees (Continued)

Topic 606 requires that the Company assesses contracts to determine each separate and distinct performance obligation. However, in accordance with the specific provisions of the Franchisors Topic, Section 952-606-25-2, of the Financial Accounting Standards Board's (FASB) Accounting Standards Codification (ASC), a franchisor that is not a public business entity that enters into a franchise agreement may use a practical expedient to account for the following pre-opening services provided to a franchisee as a single performance obligation:

- Assistance in the selection of a site.
- Assistance in obtaining and preparing the facilities for their intended use, including related financing, architectural, engineering, and lease negotiation services.
- Training of the franchisee's personnel or the franchisee.
- Preparation and distribution of manuals and similar material concerning operations, administration, and record keeping.

The Company has elected to use a practical expedient to recognize the pre-opening services as a single performance obligation, distinct from the franchise license. Therefore, the cost of these pre-opening services may be recognized as revenue when the franchisee begins operations, instead of over the estimated term of the contract as part of the initial franchise fee.

Initial franchise fees collected in advance of revenues earned are included in deferred revenue on the balance sheets. As of January 31, 2025, 2024, and 2023, deferred revenue attributable to initial franchise fees totaled \$42,833, \$81,395, and \$83,318, respectively.

The changes in deferred revenue attributable to initial franchise fees were as follows:

	January 31, 2025	January 31, 2024	January 31, 2023
Deferred Revenue from Initial Franchise Fees, Beginning of Period	\$ 81,395	\$ 83,318	\$ 105,011
Initial Franchise Fees Collected	3,000	114,000	12,500
Less Initial Franchise Fee Revenue Earned	<u>(41,562)</u>	<u>(115,923)</u>	<u>(34,193)</u>
Deferred Revenue from Initial Franchise Fees, End of Period	<u>\$ 42,833</u>	<u>\$ 81,395</u>	<u>\$ 83,318</u>

Initial franchise fee revenue recognized for the years ended January 31, 2025 and 2024, and for the six months ended January 31, 2023, that was included in the deferred revenue balance at the beginning of each period was \$38,562, \$40,443, and \$34,193, respectively.

Reservation Services Set-Up Fees

Reservation services set-up fees represent fees paid to the Company by unaffiliated third-party car rental operators to set up and launch their profile on the Company's various reservation channels. Reservation set-up fees are billed upon execution of the reservation services agreement and are recognized on a pro-rata basis over the stated agreement term of one year.

NP FRANCHISE GROUP, LLC

**NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2025, 2024, AND 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reservation Services Set-Up Fees (Continued)

Reservation services set-up fees collected in advance of the earnings process are included in deferred revenue on the balance sheets. As of January 31, 2025, 2024, and 2023, deferred revenue attributable to reservation services set-up fees totaled \$50,019, \$30,696, and \$22,807, respectively.

The changes in deferred revenue attributable to reservation services set-up fees were as follows:

	January 31, 2025	January 31, 2024	January 31, 2023
Deferred Revenue from Reservation Services Set-Up Fees, Beginning of Period	\$ 30,696	\$ 22,807	\$ 24,803
Reservation Services Set-Up Fees Collected	85,075	61,473	22,472
Less Reservation Services Set-Up Fees Earned	(65,752)	(53,584)	(24,468)
Deferred Revenue from Reservation Services Set-Up Fees, End of Period	\$ 50,019	\$ 30,696	\$ 22,807

Reservation services set-up fee revenue recognized for the years ended January 31, 2025 and 2024, and for the six months ended January 31, 2023, that was included in the deferred revenue balance, at the beginning of each period was \$23,359, \$22,807, and \$17,915, respectively.

Continuing License Fees

Continuing license fees represent royalty fees paid by the franchisee to the Company. They are recognized as revenue monthly, based primarily on the franchisees' reported gross revenues or fleet sizes.

Reservation Fee Income

Reservation fee income represents commissions paid to the Company for the use of its rental vehicle reservation system. The income is recognized as revenue monthly and is based on the amount of reservations booked through the Company's rental vehicle reservation system.

Advertising Fees

Advertising fees represent advertising fund contributions collected and recognized as revenue monthly from franchisees. The fees are based primarily on the franchisees' reported gross revenues or fleet sizes.

Timing of Revenue Recognition

The Company recognized revenue from contacts with customers for the years ended January 31, 2025 and 2024, and for the six months ended January 31, 2023, as follows:

	January 31, 2025	January 31, 2024	Six Months Ended January 31, 2023
Revenues Recognized at a Point in Time	\$ 1,802,849	\$ 1,975,329	\$ 845,518
Revenues Recognized Over Time	107,314	169,507	58,661
	\$ 1,910,163	\$ 2,144,836	\$ 904,179

NP FRANCHISE GROUP, LLC

NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2025, 2024, AND 2023

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contract Acquisition Costs and Contract Assets

The Company's contract acquisition costs for franchise agreements or reservation services agreements consisted of sales commissions. These expenses are recorded as contract acquisition costs on the statements of income and members' equity.

Sales commissions related to obtaining a franchise agreement are capitalized and amortized over the same three-year term as the associated initial franchise fee. Any amount that has not yet been amortized is recorded as a contract asset on the balance sheets.

The changes in contract assets were as follows:

	<u>January 31, 2025</u>	<u>January 31, 2024</u>	<u>January 31, 2023</u>
Contract Assets, Beginning of Period	\$ 34,021	\$ 28,254	\$ 37,410
New Contract Assets	-	22,800	2,500
Less Contract Assets Amortized	<u>(16,511)</u>	<u>(17,033)</u>	<u>(11,656)</u>
Contract Assets, End of Period	<u>\$ 17,510</u>	<u>\$ 34,021</u>	<u>\$ 28,254</u>

The Company has elected to apply a practical expedient provided under Topic 606 to sales commissions related to the acquisition of reservation services agreements. The practical expedient allows the Company to expense the contract acquisition costs when incurred since the amortization period is one year or less.

Advertising Costs

Advertising costs are expensed as incurred and reported as advertising expense.

Allocated General and Administration Costs

The financial statements reflect allocations of certain administrative service expenses from NP Auto Group to the Company. The amount of expense allocated to the Company is determined based upon estimated proportions of total hours spent by administrative employees, which management believes to be reasonable. However, since NP Auto Group operates certain other businesses and provides various administrative services to the Company, expense allocations to the Company may not be representative of the costs of such services if they were incurred by a separate entity (see Note 4).

Income Taxes

Under provisions of the Internal Revenue Code, the Company is not a taxable entity and, accordingly, the net income or loss of the Company is included in the income tax returns of its parent company. Therefore, no provision or liability for federal or state income taxes has been included in the financial statements.

NP FRANCHISE GROUP, LLC

**NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2025, 2024, AND 2023**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued)

Management has determined that the Company does not have any uncertain tax positions and associated unrecognized benefits that materially impact the financial statements or related disclosures. Since tax matters are subject to some degree of uncertainty, there can be no assurance that the Company's tax returns will not be challenged by the taxing authorities and that the Company or its members will not be subject to additional tax, penalties, and interest as a result of such a challenge.

2. ADOPTION OF ACCOUNTING STANDARDS CODIFICATION TOPIC 326

During the year ended January 31, 2024, the Company adopted Financial Accounting Standards Board's (FASB) Accounting Standards Update (ASU) 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. ASU 2016-13 revises the accounting requirements related to the measurement of credit losses and requires organizations to measure all expected credit losses for financial assets based on historical experience, current conditions, and reasonable and supportable forecasts about collectability. Assets must be presented in the financial statements at the net amount expected to be collected. All assets that fall within the scope of ASU 2016-13 were evaluated to determine if the measurement of expected credit losses is material. The Company adopted ASU 2016-13 and the effect of the adoption was not material to the financial statements.

3. ACCOUNTS RECEIVABLE

Accounts receivable at January 31, 2025, 2024, and 2023, consisted of the following:

	January 31, 2025	January 31, 2024	January 31, 2023
Continuing License Fees Receivable	\$ 121,983	\$ 183,856	\$ 97,536
Initial Franchise Fees Receivable	-	15,500	3,000
Less Allowance for Credit Losses	-	(7,150)	(1,922)
Current Accounts Receivable, Net	\$ 121,983	\$ 192,206	\$ 98,614

As of January 31, 2025, no allowance for credit losses was recorded, as all accounts receivable were current and no balances were outstanding for more than 90 days. Allowances of \$7,150 and \$1,922 were recorded as of January 31, 2024 and 2023, respectively.

4. RELATED PARTY TRANSACTIONS

At January 31, 2025 and 2023, the Company had receivables from NP Auto Group and All Car Leasing, Inc., in the amounts of \$388,876 and \$765,625, respectively. At January 31, 2024, the Company had payables to NP Auto Group, All Car Leasing, Inc., and Bundy American, LLC., in the amount of \$671,088.

The Company does not have any employees. Instead, the Company pays fees to NP Auto Group and Rent-a-Wreck of America, Inc., for administrative services. Administrative fees for the years ended January 31, 2025 and 2024, and for the six months ended January 31, 2023, were \$610,688, \$231,823, and \$113,641, respectively.

NP FRANCHISE GROUP, LLC

**NOTES TO FINANCIAL STATEMENTS
JANUARY 31, 2025, 2024, AND 2023**

5. PROPERTY AND EQUIPMENT

Property and equipment at January 31, 2025, 2024, and 2023, consisted of the following:

	January 31, 2025	January 31, 2024	January 31, 2023
Computer Hardware and Software	\$ 82,501	\$ 82,501	\$ 82,501
Less Accumulated Depreciation and Amortization	(82,501)	(82,501)	(82,501)
Net Property and Equipment	\$ -	\$ -	\$ -

6. CONCENTRATIONS

Concentrations of Credit Risk

The Company maintains cash balances in federally insured financial institutions. Accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At times during the year, the Company exceeded these limits. The Company has not experienced any losses on such accounts and believes it is not exposed to any significant financial risk on cash.

Concentrations of Revenue and Receivables

During the years ended January 31, 2025 and 2024, and for the six months ended January 31, 2023, the Company had revenue from certain franchisees that represented 10% or more of the Company's total revenue or whose accounts receivable balances represented 10% or more of the Company's total accounts receivable.

For the year ended January 31, 2025, revenue from two franchisees accounted for 27% of total revenue and 47% of accounts receivable. For the year ended January 31, 2024, revenue from two franchisees accounted for 29% of total revenue, and four franchisees accounted for 50% of accounts receivable. For the six months ended January 31, 2023, two franchisees accounted for 32% of total revenue and four franchisees accounted for 63% of accounts receivable.

7. CONTINGENCIES

The Company is party to routine legal proceedings incidental to its business from time to time. Certain claims, suits, and complaints arise in the ordinary course of business and may be filed against the Company. Based on facts known to the Company at the date of the auditor's report, management believes all such matters are adequately provided for, covered by insurance, or, if not so provided for or covered, are without merit, or involve such amounts that would not have a material adverse effect on the results of operations or financial position of the Company.

8. SUBSEQUENT EVENTS

Management has evaluated subsequent events through June 25, 2025, the date on which the financial statements were available to be issued.

NPR AUTO GROUP, LLC

THESE FINANCIAL STATEMENTS ARE PREPARED WITHOUT AN AUDIT. PROSPECTIVE FRANCHISEES OR SELLERS OF FRANCHISES SHOULD BE ADVISED THAT NO CERTIFIED PUBLIC ACCOUNTANT HAD AUDITED THESE FIGURES OR EXPRESSED HIS/HER OPINION WITH REGARD TO THE CONTENT OR FORM.

NPR Auto Group	
Statement of Income	
For the 7th Month ending August 31, 2025	
(unaudited)	
	8/31/2025
Revenue	
Initial Fees	\$81,800
Reservation Services Set Up Fees	23,730
Royalty/Continuing Franchise Fees	705,968
National Advertising	163,161
Reservation Income	3,525,999
Revenue	4,500,658
Expense	
Salaries and Employee Benefits	857,248
Advertising and Promotion	36,106
Sales and Marketing	133,115
Vehicle Rental Operations	5,897
General Administrative	286,643
Provisions for Doubtful Receivables	(14,319)
Total Expenses	1,304,690
Net Earnings (Loss)	3,195,968

		NPR Auto Group	
		Balance Sheet	
		as of 8/31/25	
		(unaudited)	
		8/31/2025	
Assets		Liabilities and Member's Equity	
Current Assets		Current Liabilities	
Cash and Cash Equivalents	\$2,793,488.00	Accounts Payable and Accrued Expenses	(322,022)
Account Receivable, Net	(431,903)	Deferred Revenue	92,852
Prepaid Expenses and Other current Assets	(86,607)	Due From Affiliates	(409,441)
Total Current Assets	2,274,978	Total Current Liabilities	(638,611)
		UNSECURED DEBT PRE PETITION	
		JJF PAYABLE	
Other Assets			
Contract Assets	17,510	Member's Equity	2,954,651
Intangible Assets	23,552	Total Liabilities & Member's Equity	\$2,316,040
Total Other Assets	\$41,062		
Total Assets	2,316,040		

EXHIBIT C
GENERAL RELEASE

EXHIBIT C

GENERAL RELEASE

THIS GENERAL RELEASE (“Release”) is made and entered into this _____ day of _____, 20__ by and between **NPR AUTO GROUP, LLC**, a Maryland limited liability company (“**NPR Auto Group**”), and _____ (“**Franchisee**”), _____ (“**Operating Company**”), and _____ (“**Guarantor**”).

1. NPR Auto Group and Franchisee entered into a certain Franchise Agreement dated _____ (the “**Franchise Agreement**”), whereby NPR Auto Group granted to Franchisee the right to own and operate a vehicle rental business using the name “Rent-A-Wreck” located at _____ (the “**Franchised Business**”).
2. Franchisee assigned the operating rights under the Franchise Agreement to Operating Company.
3. Franchisee, Guarantor, and Operating Company sign this Release as an express condition of either (i) the consent of NPR Auto Group to Franchisee’s transfer of the Franchise Agreement or the transfer of an interest in Operating Company; or (ii) the consent of NPR Auto Group to mutually terminate the Franchise Agreement.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein and other good and valuable consideration, receipt of which are hereby acknowledged, the parties hereto agree as follows:

1. Release by Franchisee, Guarantor, and Operating Company. Franchisee, Guarantor, and Operating Company, for themselves and their respective successors, assigns, heirs, personal representatives and all other persons acting on their behalf or claiming under them (collectively, the “**Franchisee Releasors**”), hereby release and forever discharge NPR Auto Group and its past and present officers, directors, shareholders, members, parents, subsidiaries, affiliates, agents, employees, attorneys, insurers, representatives, predecessors, successors, and assigns, and each of them, from any and all claims, debts, liabilities, demands, obligations, costs, expenses, suits, actions, and causes of action, of whatever nature, known or unknown, suspected or unsuspected, vested or contingent (collectively, “**Claims**”) that the Franchisee Releasors ever had, now have, or may in the future have, arising out of or relating to any act, omission or event occurring on or before the date of this Release.

2. Waiver Of Civil Code Section 1542. To the extent California (or similar) law applies to this Release, the Franchisee Releasors hereby expressly, voluntarily and knowingly waive, relinquish and abandon each and every right, protection and benefit to which they would be entitled, now or at any time hereafter under Section 1542 of the Civil Code of the State of California, as well as under any applicable laws of similar effect to Section 1542, whether now or hereinafter existing under the laws of California or any other applicable federal and state law

with jurisdiction over the parties' relationship. The Franchisee Releasors acknowledge that Section 1542 of the Civil Code of the State of California provides as follows:

“A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor.”

3. Claims under the Washington Franchise Investment Protection Act. A general release does not apply with respect to claims arising under the Washington Franchise Investment Protection Act, RCW 19.100, and the rules adopted thereunder, except when executed pursuant to a negotiated settlement after the agreement is in effect and where the parties are represented by independent counsel.

4. Risk of changed facts. The Franchisee Releasors understand that the facts in respect of which the release in Section 1 above is given may turn out to be different from the facts now known or believed by the parties to be true. The Franchisee Releasors hereby accept and assume the risk of the facts turning out to be different and agree that the release shall nevertheless be effective in all respects and not subject to termination or rescission by virtue of any such difference in facts.

5. No prior assignment. The Franchisee Releasors represent and warrant that they are the sole owners of all Claims and rights released by them hereunder and that they have not assigned or transferred, or purported to assign or transfer, to any person or entity, any Claim released under Section 1 above.

6. Covenant not to sue. The Franchisee Releasors covenant not to initiate, prosecute, encourage, assist, or (except as required by law) participate in any civil, criminal, or administrative proceeding or investigation in any court, agency, or other forum, either affirmatively or by way of cross-claim, defense, or counterclaim, against any person or entity released under Section 1 above with respect to any Claim released under Section 1 above.

7. Complete defense. Franchisee Releasors: (i) acknowledge that this Release shall be a complete defense to any Claim released under Section 1 above; and (ii) consent to the entry of a temporary or permanent injunction to prevent or end the assertion of any such Claim.

8. Governing law. This Release shall be governed by, and interpreted and construed under, the laws of the State of Maryland.

9. Authorization. The person who executes this Release on behalf of Franchisee represents and warrants that Franchisee has authorized that person to enter into this Release on behalf of Franchisee. Franchisee, Guarantor, and Operating Company represent and warrant that they have the authority to enter into this Release on behalf of themselves and the other persons and entities to be bound by their signature.

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

NPR AUTO GROUP, LLC
a Maryland limited liability company

By: _____
Print Name: _____
Title: _____
Date: _____

FRANCHISEE: _____
An individual

By: _____
Print Name: _____
Date: _____

GUARANTOR: _____

By: _____
Print Name: _____
Title: _____
Date: _____

OPERATING COMPANY
_____, a _____

By: _____
Print Name: _____
Title: _____
Date: _____

EXHIBIT C

MARYLAND ADDENDUM TO GENERAL RELEASE

THIS ADDENDUM TO GENERAL RELEASE (“Addendum”) is made and entered into this _____ day of _____, 20__ by and between **NPR AUTO GROUP, LLC**, a Maryland limited liability company (“NPR Auto Group”), and _____ (“Franchisee”), _____ (“Operating Company”), and _____ (“Guarantor”).

1. NPR Auto Group and Franchisee entered into a certain Franchise Agreement dated _____ (the "Franchise Agreement"), whereby NPR Auto Group granted to Franchisee the right to own and operate a vehicle rental business using the name “Rent-A-Wreck” located at _____ (the "Franchised Business");
2. Franchisee assigned the operating rights under the Franchise Agreement to Operating Company.
3. Franchisee, Guarantor, and Operating Company signed a Release concurrently with this Addendum as an express condition of the consent of NPR Auto Group to Franchisee’s transfer of the Franchise Agreement or the transfer of an interest in Operating Company.
4. This Addendum is annexed to and forms part of the Release. This Addendum is being executed because (a) Franchisee is a resident of the State of Maryland, and/or (b) the Franchised Business that Franchisee operated under the Franchise Agreement is located in the State of Maryland.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements contained herein and other good and valuable consideration, receipt of which are hereby acknowledged, the parties hereto agree as follows:

1. Effect of Release. The release by Franchisee, Operating Company, and Guarantor set forth in Section 1 of the Release shall not apply to any liability NPR Auto Group may have under the Maryland Franchise Registration and Disclosure Law.

2. Effect of Addendum. In the event of any inconsistency between the terms of the Release and the terms of this Addendum, the terms of this Addendum will supersede and control. In all other respects, the terms of the Release are ratified and confirmed.

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

NPR AUTO GROUP, LLC
a Maryland limited liability company

By: _____
Print Name: _____
Title: _____
Date: _____

FRANCHISEE: _____
An individual

By: _____
Print Name: _____
Date: _____

GUARANTOR: _____

By: _____
Print Name: _____
Title: _____
Date: _____

OPERATING COMPANY
_____, a _____

By: _____
Print Name: _____
Title: _____
Date: _____

EXHIBIT D
LIST OF STATE AGENCIES/AGENTS FOR SERVICE OF PROCESS

Exhibit D
LIST OF STATE ADMINISTRATORS

We intend to register this disclosure document as a “franchise” in some or all of the following states, if required by the applicable state laws. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, the following are the state administrators responsible for the review, registration, and oversight of franchises in these states:

<p>CALIFORNIA Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 / Toll Free: (866) 275-2677 Email: ASK.DFPI@dfpi.ca.gov Website: http://www.dfpi.ca.gov</p>	<p>NEW YORK NYS Department of Law Investor Protection Bureau 28 Liberty St. 21st Fl New York, NY 10005 (212) 416-8222</p>
<p>HAWAII Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722</p>	<p>NORTH DAKOTA North Dakota Insurance & Securities Department 600 East Boulevard Avenue Bismarck, North Dakota 58505-0510 (701) 328-2910</p>
<p>ILLINOIS Illinois Office of the Attorney General Franchise Bureau 500 South Second Street Springfield, Illinois 62701 (217) 782-4465</p>	<p>RHODE ISLAND Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527</p>
<p>INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681</p>	<p>SOUTH DAKOTA Division of Insurance Securities Regulation 124 South Euclid Avenue, 2nd Floor Pierre, South Dakota 57501 (605) 773-3563</p>
<p>MARYLAND Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360</p>	<p>VIRGINIA State Corporation Commission Division of Securities and Retail Franchising 1300 East Main Street, 9th Floor Richmond, Virginia 23219 (804) 371-9051</p>
<p>MICHIGAN Michigan Attorney General’s Office Corporate Oversight Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 5th Floor Lansing, Michigan 48913 (517) 335-7567</p>	<p>WASHINGTON Department of Financial Institutions Securities Division P.O. Box 41200 Olympia, Washington 98504-1200 (360) 902-8760</p>
<p>MINNESOTA Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600</p>	<p>WISCONSIN Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139</p>

AGENTS FOR SERVICE OF PROCESS

We intend to register this disclosure document as a “franchise” in some or all of the following states, if required by the applicable state law. If and when we pursue franchise registration (or otherwise comply with the franchise investment laws) in these states, we will designate the following state offices or officials as our agents for service of process in these states:

<p>CALIFORNIA Commissioner of Financial Protection and Innovation Department of Financial Protection and Innovation 320 West Fourth Street, Suite 750 Los Angeles, California 90013-2344 (213) 576-7500 / Toll Free: (866) 275-2677 Email: ASK.DFPI@dfpi.ca.gov Website: http://www.dfpi.ca.gov</p>	<p>NEW YORK New York Secretary of State One Commerce Plaza 99 Washington Avenue Albany, NY 12231 (518) 473-2492</p>
<p>HAWAII Commissioner of Securities Department of Commerce & Consumer Affairs Business Registration Division Securities Compliance Branch 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 586-2722</p>	<p>NORTH DAKOTA North Dakota Insurance Commissioner North Dakota Insurance & Securities Department 600 East Boulevard Avenue Bismarck, North Dakota 58505-0510 (701) 328-2910</p>
<p>ILLINOIS Illinois Attorney General 500 South Second Street Springfield, Illinois 62701 (217) 782-4465</p>	<p>RHODE ISLAND Director of Department of Business Regulation Department of Business Regulation Securities Division, Building 69, First Floor John O. Pastore Center 1511 Pontiac Avenue Cranston, Rhode Island 02920 (401) 462-9527</p>
<p>INDIANA Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681</p>	<p>SOUTH DAKOTA Division of Insurance Director of the Securities Regulation 124 South Euclid Avenue, 2nd Floor Pierre, South Dakota 57501 (605) 773-3563</p>
<p>MARYLAND Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360</p>	<p>VIRGINIA Clerk of the State Corporation Commission 1300 East Main Street, 1st Floor Richmond, Virginia 23219 (804) 371-9733</p>
<p>MICHIGAN Michigan Attorney General’s Office Corporate Oversight Division, Franchise Section 525 West Ottawa Street G. Mennen Williams Building, 5th Floor Lansing, Michigan 48913 (517) 335-7567</p>	<p>WASHINGTON Director of Department of Financial Institutions Securities Division – 3rd Floor 150 Israel Road, Southwest Tumwater, Washington 98501 (360) 902-8760</p>
<p>MINNESOTA Commissioner of Commerce Minnesota Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1600</p>	<p>WISCONSIN Division of Securities 4822 Madison Yards Way, North Tower Madison, Wisconsin 53705 (608) 266-2139</p>

EXHIBIT E
COLLISION DAMAGE WAIVER INDEMNIFICATION AND FEE
AGREEMENT

Exhibit E

COLLISION DAMAGE WAIVER INDEMNIFICATION AND FEE AGREEMENT

This INDEMNIFICATION AND FEE AGREEMENT (“**Agreement**”), dated as of _____, 20____ (“**Effective Date**”), is entered into by and between NPR Auto Group, LLC, a Maryland corporation (“**Company**” or “**NPR Auto Group**”), and _____, (“**Franchisee**”).

WHEREAS, Company and its affiliates have established a Collision Damage Waiver (CDW) program (the “**CDW Program**”) that permits franchisees to sell CDW to customers and seek indemnification from Company for certain Covered Losses to Covered Vehicles (as defined below) incurred by customers who purchase CDW.

WHEREAS Franchisee wishes to participate in the CDW Program and offer optional damage coverage to its vehicle rental customers.

WHEREAS, Company has agreed to indemnify the Franchisee for certain vehicle property damage claims arising out of the CDW program.

NOW, THEREFORE, in consideration of the mutual promises herein contained, and other good and valuable consideration, receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. Franchisee Appointment; Fee; Termination.
 - a. Franchisee agrees to participate in the CDW program, subject to the terms and conditions of this Agreement.
 - b. In consideration of the services provided by Company (or its affiliates) under this Agreement, for each collision damage waiver sold to customers under the CDW Program, Franchisee agrees to pay to Company (or its affiliate) the sum of \$19.60 multiplied by the number of days of CDW coverage purchased.
 - c. Company and Franchisee each may terminate this Agreement at any time, with or without cause, upon one (1) month's written notice to the other party, and Company shall be obligated to pay to Franchisee the compensation and expenses due up to the date of the termination.

2. Indemnification by Company.

- a. In consideration of Franchisee's agreement to sell CDW under the CDW program to its customers that rent motor vehicles owned or leased by Franchisee, Company hereby indemnifies and agrees, subject to paragraph 2(c), to indemnify and hold harmless Franchisee from and against Covered Losses. A “**Covered Loss**” under this Agreement means any and all vehicle property damage claims, liabilities, losses, or damages (each a “**Loss**”) resulting from collision, vandalism or acts of nature that are covered under the CDW agreements between Franchisee and its customers for vehicles owned or leased by Franchisee (“**Covered Vehicles**”), other than Losses resulting from theft of a Covered Vehicle; theft-related damage to a Covered Vehicle; damage to the roof or overhead of a Covered Vehicle; hail damage; or towing, storage, or impound charges. The exclusions to the definition of “Covered Loss” described in the preceding sentence apply even if Franchisee is required by law or contract to waive its right to recover for such Losses from customers that purchase CDW. Company’s indemnification obligation is subject to:
 - i. a \$100 per occurrence deductible, which deductible Franchisee shall not pass on to any customer (“**Retention**”); and
 - ii. a maximum limit per claim of the actual cost of repair of the vehicle up to the lesser of: (A) the Manheim MMR average value of the Vehicle at the date of Loss; and (B) \$40,000 per vehicle.
- b. Company may, in its sole discretion, insure its obligations under paragraph 2(a) through an insurer of its choice (“**Insurer**”) with a provision for the Insurer to pay the Loss proceeds, less a \$100 per-occurrence deductible directly to Franchisee or its heirs, executors, administrators, successors or assigns upon documentation of a claim.
- c. Company shall not be obligated to indemnify Franchisee under paragraph 2(a) for a specific Loss to the extent such Loss is attributable to a finding contained in a final, non-appealable judgment by a court of competent jurisdiction that holds that the act or omission in connection with such Loss resulted from a bad faith violation of law, willful misconduct, or self-dealing by Franchisee.

3. Company's Continuing Duty. All agreements and obligations of Company contained herein shall continue during the period Franchisee participates in the CDW Program and shall continue thereafter so long as Franchisee has any unresolved vehicle property damage claims in connection with CDW sold to customers under the CDW program, including the indemnification obligation described in paragraph 2(a) above.

4. Notice of Claims.

- a. Notice. If Franchisee receives a complaint, claim, or other notice of any legal action (“**Action**”), Loss or other liability that may give rise to indemnification under paragraph 2 above, Franchisee shall promptly notify Company of each such complaint, claim, or other notice; however, the failure to notify Company will not relieve Company from any liability under this Agreement.
- b. Proof of Loss. Within 60 days of the vehicle property damage CDW Loss, Franchisee will provide the Company and any Insurer or administrator with complete documentation of the Loss, including the Date of Loss, proof of ownership or lease of the vehicle .proof of the customer's purchase of the CDW property damage waiver, a detailed description of the vehicle damage, identification of any third parties that may be responsible, a copy of any police reports related to the damage, two *bona fide* estimates of the costs of repair, evidence of the purchase price of the vehicle and evidence of the Average Wholesale Value of the Vehicle at the Date of Loss.

5. Examination of Books and Records. The Company shall have the right to examine Franchisee's books and records as follows:

- a. Franchisee shall allow the Company to access its digital rental records on an ongoing basis.
- b. Franchisee shall allow Company to have ongoing access to WebRent on a live, 24/7/365 basis.
- c. Franchisee shall provide Company with the claim documentation identified in section 4(b) above and on reasonable request thereafter.
- d. Company shall have the ongoing right, upon reasonable request, to audit the Franchisee’s records regarding CDW sold under the CDW program, including all rental agreements.

6. Notices. Any notice or other communication under this Agreement shall be in writing and shall be deemed given upon receipt by a party at its address set forth below or at such other address as such party shall hereafter furnish in writing to the other party hereto.

7. Subrogation. There is no waiver of subrogation against any third parties who are at fault or partially at fault for the damage to a vehicle. However, the CDW program will be “primary” before the collision insurance benefits purchased by the Franchisee, and the CDW program will not subrogate against the Franchisee's collision insurance policy.

8. Dispute Resolution. If Franchisee and Company are unable to resolve a dispute or controversy under this Agreement through informal negotiation, Franchisee and Company agree to the following dispute resolution process:

- a. Face-to-Face Meeting. Before initiating a judicial proceeding, Franchisee and Company agree to make a good faith effort to resolve the dispute at a face-to-face meeting (“**Face-to-Face Meeting**”) between Franchisee and one of our representatives, each of whom is authorized to making binding commitments on behalf of their respective parties. The Face-to-Face Meeting will be held at Company’s Franchisee Service Center where located at the time of the dispute (currently, Laurel, Maryland) within 30 days after the date of written notice proposing the meeting, unless Franchisee and Company agree otherwise in writing. If the Face-to-Face Meeting is not held within 30 days (or within the otherwise agreed-upon time period), the request for a Face-to-Face Meeting will expire, and the requesting party may file a demand for arbitration without making additional attempts to resolve the dispute informally.
- b. Choice of Venue. The parties agree that any action that you bring against us, in any court, whether federal or state, must be brought only within the state and judicial district for Frederick, Maryland. Any action that we bring against you in any court, whether federal or state, may be brought within the state and judicial district for Frederick, Maryland, waiving any other jurisdiction that may correspond to them by virtue of their domiciles, current or future.
 - i. The parties agree that this Section 8.b. will not be construed as preventing either party from removing an action from state to federal court; provided, however, that venue will be as set forth above.
 - ii. The parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.
 - iii. ANY SUCH ACTION WILL BE CONDUCTED ON AN INDIVIDUAL BASIS, AND NOT AS PART OF A CONSOLIDATED, COMMON, OR CLASS ACTION.
- c. Parties Rights are Cumulative. No right or remedy conferred upon or reserved to us or you by this Agreement is intended to be, nor will be deemed, exclusive of any other right or remedy provided under this Agreement or provided or permitted under law or equity; rather, each remedy will be cumulative of every other right or remedy.
- d. Injunctions. Nothing in this Agreement will bar our right to obtain precautionary measures or injunctive relief against threatened conduct that will cause us loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions.

- e. Waiver of Jury Trials. EACH PARTY TO THIS AGREEMENT IRREVOCABLY WAIVES 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.

- f. Must Bring Claims Within One Year. EACH PARTY TO THIS AGREEMENT AGREES THAT ANY AND ALL CLAIMS AND ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE PARTIES' RELATIONSHIP, OR YOUR OPERATION OF THE FRANCHISED BUSINESS, BROUGHT BY ANY PARTY HERETO AGAINST THE OTHER, SHALL BE COMMENCED WITHIN ONE (1) YEAR FROM THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIM OR ACTION, OR SUCH CLAIM OR ACTION SHALL BE IRREVOCABLY BARRED; PROVIDED, HOWEVER, THAT THE PARTIES AGREE THAT THIS SECTION 8.f. SHALL NOT APPLY TO A CLAIM BY US SEEKING INDEMNIFICATION UNDER THIS AGREEMENT OR CLAIMS ARISING FROM YOUR NONPAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWED TO NP FRANCHIS0045 GROUP, OR YOUR REFUSAL TO SUBMIT TO AN AUDIT AS PROVIDED IN THIS AGREEMENT.

- g. Waiver of Punitive Damages. EXCEPT FOR CLAIMS NP FRANCHISE GROUP BRINGS AGAINST YOU FOR UNAUTHORIZED USE OF THE RENT-A-WRECK TRADEMARKS OR UNAUTHORIZED USE OR DISCLOSURE OF KNOW-HOW, EACH PARTY TO THIS AGREEMENT HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER, AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES IT HAS SUSTAINED.

- h. Payment of Legal Fees. You agree to pay us all damages, costs and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur in: (a) obtaining injunctive or other relief for the enforcement of any provisions of this Agreement; and/or (b) successfully defending a claim from you that we misrepresented the terms of this Agreement, fraudulently induced you to sign this Agreement, that the provisions of this Agreement are not fair, were not properly entered into, and/or that the terms of this Agreement (as it may be amended by its terms) do not exclusively govern the parties' relationship.

- i. Survivability. The provisions of this Section 8 will continue in full force and effect after termination of this Agreement.

9. Confidentiality. Company and Franchisee each acknowledge that, in order for the intents and purposes of this Agreement to be accomplished, Franchisee will at times obtain access to certain confidential information concerning the Company and its affairs, including, but not limited to, business methods, information systems, financial data and strategic plans which are unique assets of Company (“**Confidential Information**”). Franchisee covenants not to, either directly or indirectly, in any manner, utilize or disclose to any person, firm, corporation, association or other entity, other than a retained attorney or accountant, any Confidential Information, except to the extent as may be required by law or a court order.

10. Counterparts: Entire Agreement; Modification; Headings.
 - a. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts shall be deemed to constitute one and the same instrument.
 - b. This Agreement contains the entire agreement of the parties and supersedes any previous agreements; all representations, inducements, promises or agreements oral or otherwise not written herein will be of no force or effect. No modification of this Agreement shall be binding unless executed in writing by each of the parties hereto.
 - c. Section headings are not part of this Agreement, are solely for convenience of reference, and shall not affect the meaning or interpretation of any provision of this Agreement.

11. Successors and Assigns.
 - a. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns. Nothing expressed or referred to herein is intended or shall be construed to give any person other than Company, Franchisee and their heirs, executors, administrators, successors or assigns any legal or equitable right remedy, or claim under or with respect to any provision of this Agreement.
 - b. Franchisee shall not assign any of its rights or delegate any of its duties under this Agreement without the prior consent of Company.
 - c. Company will have the right to transfer or assign this Agreement and all or any part of its rights or obligations under this Agreement to any person or legal entity, and any assignee of Company will become solely responsible for all of its obligations under this Agreement from the date of assignment.

12. Relationship of Company to Franchisee. The Company acknowledges that payment made to Franchisee is valid and sufficient consideration for the Representative's duties as set forth in this Agreement.

13. Severability. If any provision of this Agreement shall be held by a court of competent jurisdiction to be invalid, unenforceable, or void, in whole or in part, the remainder of this Agreement shall be unaffected thereby and shall remain in full force and effect.

14. Governing Law. This Agreement shall in all respects be governed by and construed and enforced in accordance with the laws of the State of Maryland (without reference to principles of conflict of laws).

15. Effect of Waiver. The waiver by either party of the breach of any provision of this Agreement shall not operate as or be construed as a waiver of any subsequent breach thereof

[Signature Page Follow]

IN WITNESS WHEREOF, Franchisee and Company have each caused this Agreement- to be duly executed as of the day and year first above written.

NPR AUTO GROUP, LLC,
a Maryland corporation

FRANCHISEE

-

By: _____

Title: _____

By: _____

Date: _____

Date: _____

13900 Laurel Lakes Avenue
Suite 100
Laurel, Maryland 20707
Telephone (240) 581-1300

EXHIBIT F
OPERATING MANUAL TABLE OF CONTENTS

Rent-A-Wreck Operating Manual

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EXHIBIT G
SAMPLE MASTER LEASE AGREEMENT

Exhibit G



MASTER LEASE AGREEMENT

This agreement (“Master Lease Agreement”) is made as of _____ by and among:

1. KFL, LLC, a Maryland limited liability company having its principal place of business at 11411 Rockville Pike, Rockville, Maryland 20852 with administrative offices at 13900 Laurel Lakes Avenue, Suite 100., Laurel, MD 20707, (hereinafter referred to as "we," "us," "our," or “lessor”); and,
2. _____, residing at _____ (“Franchisee”), a franchisee of NPR Auto Group, LLC (“NPR Auto Group”) under the terms of a Franchise Agreement dated _____ (“Franchise Agreement”); and,
3. _____, a _____ with its principal place of business at _____ (the “Operating Company”) (Franchisee and Operating Company are referred to in this agreement jointly and severally as “lessee,” "you" or "your"); and,
4. the Guarantor named on the Signature Page hereof ("Guarantor").

This agreement describes the rights, duties, and obligations of the parties respecting the lease of motor vehicles ("leased vehicles"). You will submit to us a Vehicle Lease Order ("VLO") describing the desired vehicle(s), vehicle delivery date(s) and estimated initial cost and lease payment for each vehicle that you wish added to this Master Lease Agreement. Each leased vehicle will be particularly described in a Vehicle Delivery Receipt (“VDR”) that you will sign upon accepting delivery of the leased vehicle. Each VLO and each VDR, whether now or hereafter executed, are part of this master agreement. A sample VLO and a sample VDR are attached as Exhibit 1 and 2.

This constitutes a master agreement between you and us and covers all vehicles leased by you from us. It continues in force as long as at least 1 vehicle remains on lease.

You do not acquire any right, title, or interest in any leased vehicle except as a lessee. We will acquire each leased vehicle only upon receipt of your VLO. The date on which we acquire a leased vehicle is the “Acquisition Date.” Title to leased vehicles remains in lessor’s name from the Acquisition Date until purchased by you.

1. TERM

Each vehicle is leased for a period beginning on the date the vehicle is delivered to you and continuing for a minimum of 12 months or a maximum of 18 months thereafter, unless the term is extended in writing by mutual agreement of the parties.

This agreement is terminable at our option in the event you fail to cure a default under this agreement or a default under the Franchise Agreement. Termination for default will be effective on delivery of written notice to you.

2. LEASE PAYMENTS AND OTHER CHARGES

- a. Monthly Lease Payments. You will pay us in advance on the 1st day of each month for each leased vehicle the Monthly Lease Payment specified in its VDR, without abatement, setoff or counterclaim arising out of any circumstances whatever. If delivery is taken on any day other than the 1st day of a month, at the time of delivery, you will pay prorated interest for the total number of days between the date of delivery and the 1st day of the following month. You will continue to pay us Monthly Lease Payments until the vehicle is purchased by you regardless of any written extension of the lease term for a vehicle.
- b. Deposits. You will deposit with us \$750 per leased vehicle. One-half this amount is due with each signed VLO. The balance is due on delivery of each leased vehicle. Deposits will be credited to you at the close of each lease, provided you are in compliance with the terms of this lease. If you default under the terms of this Lease Agreement, we have the right to apply all the deposits you paid to us to all amounts due us under this Lease Agreement.
- c. Excess Mileage. If you default under the terms of this Lease Agreement, you will pay us an Excess Mileage Fee of \$0.15/mile for each mile in excess of 2,200 miles per month for each leased vehicle that you do not purchase under the terms of Paragraph 7, below.
- d. Shipping and Transport Charges. The cost of shipping each leased vehicle is payable to us on delivery of each lease vehicle.
- e. All Other Charges. Inspection, Get-Ready Costs, Registration, Titling and Taxes are your sole responsibility and shall be paid by you to those service providers and/or respective state agencies. You agree to immediately reimburse us upon receipt of invoice if we pay all or a portion of the inspection, get-ready costs, registration, titling or tax charges on your behalf.

All amounts due us shall be paid by automatic electronic debit from a bank account satisfactory to us on the first business day after the 1st of each month or, if applicable, upon invoice. If a payment fails for any reason, you will pay us a late fee of 5% of the total amount due. In addition to the late charge, lease payments and any other sums due under this Lease Agreement will bear interest at the rate of 1-1/2% per month calculated from the date the payment was due until paid.

3. MAINTENANCE, TAXES AND FEES

a. Fees and Taxes. Leased vehicles shall be titled and registered in our name or that of any other party we designate. You will have each vehicle safety inspected whether or not required by a state or other authority, at your expense, and you will make alterations and repairs necessary to comply with the manufacturer's specifications or the regulations of a state or other authority. You will pay any costs or fines imposed as a result of your failure to properly complete inspections. If we elect, or are required, to pay any of the foregoing expenses, you will reimburse us on receipt of our invoice.

b. Parking and Traffic Citations. You will pay traffic and parking citations incurred as a result of the use of a leased vehicle. If we receive notice of delinquent citations, you will pay us the amount due to the charging authority plus \$50.00 for each such citation.

c. Safety Inspection. You will conduct a comprehensive safety inspection of each leased vehicle before you rent it to the public.

c. Maintenance. Maintenance and repair of leased vehicles are your responsibility. You will maintain leased vehicles in good operating condition and in compliance with maintenance procedures required or recommended by a vehicle's manufacturer and/or NPR Auto Group. You will perform the maintenance and repairs necessary to keep each vehicle manufacturer's warranty in effect. You will keep your vehicle maintenance records in the Webrent computer system, and will grant us the right to audit and access all Webrent computer system data, including, but not limited to, rental transactions, maintenance transactions, and fleet transactions.

d. Manufacturer Recalls. Before you rent a leased vehicle to the public, and periodically throughout the lease term, you will verify with its manufacturer that it is not subject to any active or open factory recall. If a leased vehicle is subject to a manufacturer's recall, you will comply with the terms of the recall and return the vehicle to an authorized dealer within 15 days of knowledge of or receipt of a recall notice. Leased vehicles that are subject to manufacturer's recalls may not be rented to the public unless and until the vehicle has been inspected and serviced at an authorized dealership.

4. LIMITATION ON USE OF LEASED VEHICLES

a. Leased vehicles will be used only in the ordinary course of the operation of your franchised auto rental business.

b. You will not use a leased vehicle for transportation of persons for hire. You will not permit leased vehicles to be used in violation of federal, state or municipal laws or ordinances, or contrary to the provisions of an applicable insurance policy. You will indemnify, hold harmless, and defend us and NPR Auto Group from and against fines, forfeitures, seizures, damages or penalties resulting from violations of the laws of any state or other public authority.

c. The use of leased vehicles is limited to the United States, and Canada.

d. You indemnify us for all loss we incur as a result of the conversion, abandonment, unauthorized use, sale or concealment of leased vehicles. You will immediately reimburse us for such loss.

e. You will not place advertising signs, lettering, insignia, or other devices in or upon a leased vehicle without our prior written consent.

f. You will not convey, assign or transfer a leased vehicle or any interest under this agreement without our prior written consent.

5. INSURANCE AND INDEMNITY

a. **Liability Insurance.** During the term of this Agreement and until each leased vehicle is purchased by you, you will provide and maintain the automobile liability insurance required by the terms of the Franchise Agreement. Coverage will begin on the Acquisition Date.

b. **Collision and Comprehensive Insurance.** You will maintain comprehensive and collision insurance with deductibles satisfactory to us, covering loss from collision, fire, theft, windstorm and other comprehensive hazards. Coverage will begin on the Acquisition Date.

c. **Other Requirements.**

(i) You must provide us with written evidence of insurance prior to delivery of leased vehicles. The evidence of insurance must name us, NPR Auto Group, and any other party we designate as an additional insured and loss payees. Any notice of cancellation, expiration or material change in the insurance coverage must be delivered to us at least 30 days in advance of the noticed event.

(ii) You will cooperate fully with us and any insurer in the investigation, prosecution, or defense of any accidents, claims and suits arising out of the use or operation of leased vehicles.

d. **Failure to Provide and Maintain Insurance.** If you fail to provide or maintain the insurance coverage called for in this Lease Agreement, or fail to furnish us with the required evidence of insurance coverage, we may at our option, immediately terminate this Lease Agreement and repossess the leased vehicles without prior notice. In the alternative we may, but are not required to, obtain insurance coverage on your behalf; if we do, you will pay us the cost of said insurance.

e. **Indemnification.** You will indemnify us and hold us, our agents and employees, free and harmless from all losses or liability of any kind, including costs of suit and attorney's fees, arising from the condition (including, without limitation, latent or other defects, whether raised under the doctrine of strict liability or otherwise) or operation of any leased vehicle. You will defend all claims brought against us in connection with the condition or operation of a leased vehicle. The termination of this agreement will not terminate your obligations under this provision. We will give you prompt notice of any

claim subject to this indemnity, and you will be entitled to control its defense, provided that we may, at our option, participate in the defense.

6. LOSS OR DAMAGE

a. **Responsibility for Payments.** Your responsibility for payment of charges due under this agreement will continue during the time a leased vehicle is stolen, converted, destroyed, damaged, or missing and during the time required for any repair, adjustment, or servicing, unless you and we agree in a writing signed by both of us to cancel the lease for that vehicle.

b. **Limitation of Our Liability.** We are not liable to you for business loss, or interruption of, or damage to, your business or profits, or for other damages of any kind caused by reason of theft, conversion, destruction, loss, repairs, adjustments, servicing, replacement or unavailability, for any reason, of a leased vehicle. We will not be liable to you for failure to deliver a requested or promised vehicle.

c. **Damage or Destruction of Leased Vehicles.** You bear the risk of loss or damage to leased vehicles. If a leased vehicle is lost, stolen, or so damaged that it cannot, in our judgment be economically repaired, then its lease will be terminated after receipt of notice by us of such loss or damage. On termination you will pay us an amount equal to the Book Value (as shown on the Statement for that vehicle) of the vehicle for the month in which the loss was reported to us. You will be credited any insurance proceeds received by us with respect to such vehicle.

7. PURCHASE OF VEHICLES

You must purchase each leased vehicle in "as is" condition for a price equal to the Book Value for the month of settlement of the purchase as provided in your monthly statement. The purchase must be completed on or before the end of the lease term for that vehicle. If you purchase the leased vehicle before the end of the lease term, there will be no prepayment penalty.

After you pay the purchase price in cash or certified funds, plus fees, taxes and other amounts necessary to prepare the vehicle to conform with legal requirements for sale, we will deliver documents of title to you via overnight mail.

To exercise your option to purchase a lease vehicle, you must give us notice in writing of your intent to do so no less than 10 days prior to the requested settlement date. The notice must include a copy of the VDR or the most recent monthly statement for that vehicle.

8. DEFAULT BY YOU

a. If at any time during the lease term, we deem ourselves insecure with respect to this lease or any VDR, or if you:

(i) fail in the performance of any covenant, term, condition or obligation in this agreement;

(ii) fail to cure a default in your Rent-A-Wreck franchise agreement;

(iii) become insolvent, or make an assignment for the benefit of creditors,
Or if a receiver is appointed for your property;

(iv) permit an attachment, garnishment, levy or execution against a leased vehicle,

we may, but will not be required to, terminate this Lease Agreement, and we may do so without prior notice to you. We may repossess the leased vehicles without prior notice and without process of law. You expressly waive any further interest in the vehicle and any right of action arising out of such entry and repossession. We shall not be liable in damages for any termination pursuant to this paragraph. A default as to one leased vehicle constitutes a default as to all leased vehicles.

b. If we exercise our right to terminate this agreement by reason of your default, you will pay us upon demand the difference (if any) between the total of the Book Values of the leased vehicles for the month in which your default occurred and the net value of liquidation of all leased vehicles subject to this Lease Agreement (“Net Liquidation Value”). The Net Liquidation Value is equal to the actual sales price that we receive from the sale of the leased vehicles minus: (i) all amounts due under the Lease Agreement through the date of termination; (ii) Excess Mileage Fees; (iii) all costs that we incur in the repossession and disposal of leased vehicles, such as, but not limited to, auction fees, transportation costs, management, management travel and per diem, investigation, inspection, and towing; (iv) all fees and costs incurred by us as a result of your failure to comply with the Vehicle Return Condition Standards set forth in Exhibit A; and (v) an administration fee of \$300 for each leased vehicle subject to this Lease Agreement. If the Net Liquidation Value exceeds the total Book Values for the leased vehicles, we will pay the surplus amount to you.

c. Our repossession of a leased vehicle will not constitute a payment, release, novation, or accord and satisfaction of any of your obligations hereunder. All of your obligations under this lease agreement will remain in force until fully satisfied.

d. If we employ an attorney to enforce our rights, you will pay us the actual attorneys fees and related expenses, including court costs we incur in obtaining and collecting a judgment against you.

9. DISCLAIMER OF WARRANTIES

Vehicles are leased as is, and we make no warranties, express or implied, as to any vehicle or its equipment. We disclaim any implied warranty of merchantability and any express or implied warranty of fitness for any particular purpose. No defect or unfitness of a vehicle or its equipment will relieve you of your obligations under this agreement.

10. GUARANTY

The undersigned Guarantor hereby irrevocably, absolutely and unconditionally guarantees your performance under this agreement. In the event of default, we may proceed at our

option against you or Guarantor in any order or concurrently. This guaranty is continuing and applies to all leased vehicles and to all VDRs executed by you and to all amendments hereto, even if you or we fail to give notice to Guarantor of subsequent VDRs or amendments to this agreement.

11. DISPUTE RESOLUTION

a. Face-to-Face Meeting. Before initiating a judicial proceeding, You and KFL agree to make a good faith effort to resolve the dispute at a face-to-face meeting (“Face-to-Face Meeting”) between you and one of our representatives, each of whom is authorized to making binding commitments on behalf of their respective parties. The Face-to-Face Meeting will be held at the NPR Auto Group Franchisee Service Center where located at the time of the dispute (currently, Laurel, Maryland) within 30 days after the date of written notice proposing the meeting, unless You and KFL agree otherwise in writing. If the Face-to-Face Meeting is not held within 30 days (or within the otherwise agreed-upon time period), the request for a Face-to-Face Meeting will expire, and the requesting party may file a claim with without making additional attempts to resolve the dispute informally. You and KFL agree that the written notice proposing a Face-to-Face Meeting must be dated before the expiration of the applicable limitation on the period of time in which a claim may be brought under Section 11.b.

b. Choice of Venue. The parties agree that any action that you bring against us, in any court, whether federal or state, must be brought only within the state and judicial district for Frederick, Maryland. Any action that we bring against you in any court, whether federal or state, may be brought within the state and judicial district for Frederick, Maryland, waiving any other jurisdiction that may correspond to them by virtue of their domiciles, current or future.

1. The parties agree that this Section 11.b. will not be construed as preventing either party from removing an action from state to federal court; provided, however, that venue will be as set forth above.
2. The parties hereby waive all questions of personal jurisdiction or venue for the purpose of carrying out this provision.
3. Any such action will be conducted on an individual basis, and not as part of a consolidated, common, or class action.

c. Parties Rights are Cumulative. No right or remedy conferred upon or reserved to us or you by this Agreement is intended to be, nor will be deemed, exclusive of any other right or remedy provided under this Agreement or provided or permitted under law or equity; rather, each remedy will be cumulative of every other right or remedy.

d. Injunctions. Nothing in this Agreement will bar our right to obtain precautionary measures or injunctive relief against threatened conduct that will cause us loss or damages, under the usual equity rules, including the applicable rules for obtaining restraining orders and preliminary injunctions.

e. Waiver of Jury Trials. EACH PARTY TO THIS AGREEMENT IRREVOCABLY WAIVES 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.

f. Must Bring Claims Within One Year. EACH PARTY TO THIS AGREEMENT AGREES THAT ANY AND ALL CLAIMS AND ACTIONS ARISING OUT OF OR RELATING TO THIS AGREEMENT, THE PARTIES' RELATIONSHIP, OR YOUR OPERATION OF THE FRANCHISED BUSINESS, BROUGHT BY ANY PARTY HERETO AGAINST THE OTHER, SHALL BE COMMENCED WITHIN ONE (1) YEAR FROM THE OCCURRENCE OF THE FACTS GIVING RISE TO SUCH CLAIM OR ACTION, OR SUCH CLAIM OR ACTION SHALL BE IRREVOCABLY BARRED; PROVIDED, HOWEVER, THAT THE PARTIES AGREE THAT THIS SECTION 11.f SHALL NOT APPLY TO A CLAIM BY US SEEKING INDEMNIFICATION UNDER THIS AGREEMENT OR CLAIMS ARISING FROM YOUR NONPAYMENT OR UNDERPAYMENT OF AMOUNTS YOU OWED TO KFL, OR YOUR REFUSAL TO SUBMIT TO AN AUDIT AS PROVIDED IN THIS AGREEMENT.

g. Waiver of Punitive Damages. EACH PARTY TO THIS AGREEMENT HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY LAW ANY RIGHT TO OR CLAIM OF ANY PUNITIVE OR EXEMPLARY DAMAGES AGAINST THE OTHER, AND AGREE THAT IN THE EVENT OF A DISPUTE BETWEEN THEM EACH SHALL BE LIMITED TO THE RECOVERY OF ANY ACTUAL DAMAGES IT HAS SUSTAINED.

h. Payment of Legal Fees. You agree to pay us all damages, costs and expenses (including without limitation reasonable attorneys' fees, court costs, discovery costs, and all other related expenses) that we incur in: (a) obtaining injunctive or other relief for the enforcement of any provisions of this Agreement; and/or (b) successfully defending a claim from you that we misrepresented the terms of this Agreement, fraudulently induced you to sign this Agreement, that the provisions of this Agreement are not fair, were not properly entered into, and/or that the terms of this Agreement (as it may be amended by its terms) do not exclusively govern the parties' relationship.

i. Survivability. The provisions of this Section 11 will continue in full force and effect after termination of this Agreement

12. MISCELLANEOUS

a. We have the right to lease, or finance leased vehicles via security interest or by assigning our interest under this agreement, or both. Any such security interest and its lien will be superior to this lease. You will recognize any such assignment and will not assert against the assignee any defense, counterclaim or setoff that you have or may have against us.

b. This instrument, the VLOs, and the VDRs constitute the entire agreement between the parties in regard to the lease of vehicles and may be modified only in a writing executed by you and us.

c. Neither the failure of a party to insist upon the performance of any term or

condition of this agreement, or to exercise any right or privilege conferred by this agreement, nor the waiver by a party of any such term or condition will be construed as thereafter waiving any such term, condition right or privilege, or waiver of the right to thereafter insist upon strict compliance with this agreement.

d. Should any part, term or provision of this contract be held by any court to be invalid or in conflict with any law, the validity of the remaining portions or provisions shall not be affected thereby but shall remain in force.

e. This agreement is binding on the parties, their successors, legal representatives and assigns; however, you have no right to assign, sublet, transfer, encumber or convey this agreement or any interest in it without our prior written consent.

f. This agreement is made in, and will be construed in accordance with the laws of, the state of Maryland.

g. Any notice required to be given by a party herein to the other must be in writing and will be deemed delivered when deposited in the United States Mail, postage prepaid, and sent to the other party at its address as the same appears herein or at an address of which such party may have previously notified the other party in writing. Delivery may also be accomplished by email, fax or overnight courier.

[Signature page Follows]

SIGNATURE PAGE

FRANCHISEE

Signature of Rent-A-Wreck Franchisee

Home Street Address of Franchisee

Printed Name of Franchisee

City, State, Zip Code of Franchisee

OPERATING COMPANY

Printed name of Operating Company

Street Address of Operating Company

By: _____
Signature of Operating Company

City, State, Zip Code Operating Company

Title: _____

Date signed: _____

GUARANTOR 1

GUARANTOR 2

Signature of Guarantor 1

Signature of Guarantor 2

Printed name of Guarantor 1

Printed name of Guarantor 2

Dated Signed: _____

Dated Signed: _____

KFL, LLC

By: _____

Title: _____

Date signed: _____

EXHIBIT 1

VEHICLE LEASE ORDER - VLO (Excel File)

EXHIBIT 2

VEHICLE DELIVERY RECEIPT – VDR (Excel File)

EXHIBIT 3

MONTHLY STATEMENT - (Excel File)

EXHIBIT A
VEHICLE RETURN CONDITION STANDARDS

Set forth below are the standards to be used by Lessee and Lessor in inspecting Vehicles returned by Lessee to Lessor.

GENERAL CONDITIONS

- 1) Vehicle will be returned washed and vacuumed. Vehicles not returned in this condition will be washed and vacuumed by the lessor or the auction and the Lessee will be responsible for any charges for this service.
- 2) Two sets of keys are required.
- 3) Operations and warranty books must be in the vehicle.
- 4) Previously repaired collision damage in excess of \$300 must be reported and accompanied by repair orders.
- 5) Lessor will absorb the repair cost of those units returned with less than \$300 chargeable damage. Lessee will be charged for all repair amounts above \$300.

MAINTENANCE

Vehicles must be maintained as described in the Owner's Manual and Limited Warranty Statement. Any failures of engines/transmissions due to noncompliance will be chargeable to Lessee.

SHEET METAL AND PAINT

All dings and dents above normal wear and tear, poorly repaired paint or metal, a scratch or multiple scratches that break the paint and make a panel objectionable because of quantity or length are to be considered chargeable against the maximum damage allowance of \$300. Chargeable dings and dents will be considered above normal wear and tear when a single panel contains damage that will require more than one half hour sheet metal repair (painting excluded).

FRONT AND REAR BUMPERS, BUMPER GUARDS, BODY SIDE MOLDINGS, WHEEL OPENING MOLDINGS, EXTERIOR MOLDINGS AND WINDOW MOLDINGS.

Only minor dents, nicks and scratches are allowed to these protective guards and moldings.

TIRES

All tires must have 5/32 of an inch or better original tread across all tread, including the spare. All tires must match by make, size and type and be to manufacturer's original equipment standards. No gouges, cuts, plugs or vulcanized sidewalls allowed.

None should be returned with a "spare" on the vehicle. All tires should be usable at the time of turn-in.

WHEELS AND WHEEL COVERS

All must be original equipment. Damages will be chargeable to the damage allowance. Wheels and wheel covers must not be missing. If unit has wheel covers requiring wrenches or keys, these must be returned with the unit.

GLASS

The Lessee will be charged if the windshield, rear window or side windows are in such condition that they require replacement due to sandblasting, cracks or chips. All glass replacements will require replacement or related window seal. Failure to replace the seal can result in a chargeback to the Lessee of the cost of seal and any resulting damage. All glass replaced must be manufacturer original equipment and is the responsibility of Lessee and will be chargeable to the damage allowance.

LIGHTS

Damage to headlights, taillights, turn signals, running lights and coach lamps will be chargeable to the damage allowance.

INTERIOR SOFT TRIM AND CARPETS

Damage to carpet or upholstery will be charged to the damage allowance. This includes non-cleanable stains, cuts, tears, burns, mildew and offensive odors.

ORIGINAL EQUIPMENT AND ACCESSORIES

All original equipment and accessories must be on the Vehicle. All missing parts (such as body side moldings, wheel covers, trunk rugs, spare tires, jacks and wheel wrenches) are to be replaced with manufacturer's original equipment. Warranty books and owner's manuals must be in the Vehicle.

OPERATING CONDITION

Each Vehicle and all its accessories shall be in sound mechanical and electrical operating condition. Repairs of these items must be made prior to turn-in or the chargeable damage allowance will be excluded.

10/30/2025 Vehicle Lease Order - VLO

VLO - Vehicle Lease Order for Master Lease Number #

You order for lease, under the terms of the Master Lease Agreement, which is incorporated by reference, the vehicles listed below. You understand that you are ordering Used Vehicles that may be purchased at an Auction (if approved by lessor) and that the price may vary by up to \$_____. You also agree that the vehicles will be in Clean Wholesale or Average Wholesale condition and they will not be in "like new" condition. You agree that the amount due below shall be electronically transferred from your account to the lessor's account. The vehicles are to be delivered to:

Street Address _____ City _____ State _____ Zip Code _____

Delivery Contact Name _____ Delivery Contact Telephone Number _____ Delivery Contact Days and Hours of Availability _____

Lessee Signature _____ Date _____

Cash Needed to complete transactions

Desired Vehicle Delivery Date (the accepted window is 30 days before or after)	Year	Make	Model	Trim	Mileage Range	Estimated Initial Cost Of Vehicle Block Price Plus Auction Fees	\$350	Estimated Capitalized Cost at Start of Lease	Estimated Monthly Depreciation Estimate @ 2.25% per Month	12.0%	\$15.00	Estimated Cost of Monthly Lease Payment
							Estimated Acquisition Fee			Estimated Interest Cost at Prime Rate plus 4 Points	Estimated Monthly Admin fee	
1 #####	2024	Toyota	RAV4	XLE	9	\$31,394	\$350.00	\$31,744	\$714.24	\$317.37	\$15.00	\$1,046.61
2 #####	2024	Nissan	Sentra	SV	9	\$22,167	\$350.00	\$22,517	\$506.63	\$222.09	\$15.00	\$743.72
3 #####	2024	Hyunda	Sonata	SEL	9	\$26,885	\$350.00	\$27,235	\$612.79	\$268.62	\$15.00	\$896.41
4 #####	2024	Chryslr	Pacifica	Touring	9	\$39,850	\$350.00	\$40,200	\$904.50	\$396.49	\$15.00	\$1,315.99
5 #####	2024	Dodge	Durango	SXT	9	\$36,125	\$350.00	\$36,475	\$820.69	\$359.75	\$15.00	\$1,195.44
6							\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
7							\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
8							\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
9							\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
10							\$0.00	\$0	\$0.00	\$0.00	\$0.00	\$0.00
Totals --->						\$156,421	\$1,750.00	\$158,171	\$3,558.85	\$1,564.32	\$75.00	\$5,198.17

Pay to Lessor		Service Provider	Pay State Agency	Total Cash needed to get vehicle in rental service.
\$375	\$375	Estimated Vehicle Safety Inspection, Satellite Tracking and general get ready.	Estimated State - Title License Plate and Taxes (if any)	
50% of Lease Deposit Due with Signed Lease Order	50% of Lease Deposit Due upon delivery	Estimated Shipping and Transport Due Upon Delivery		
\$375.00	\$375.00	\$350.00	\$275.00	\$1,500.00
\$375.00	\$375.00	\$350.00	\$275.00	\$1,500.00
\$375.00	\$375.00	\$350.00	\$275.00	\$1,500.00
\$375.00	\$375.00	\$350.00	\$275.00	\$1,500.00
\$375.00	\$375.00	\$350.00	\$275.00	\$1,500.00
\$0.00	\$0.00			\$0.00
\$0.00	\$0.00			\$0.00
\$0.00	\$0.00			\$0.00
\$0.00	\$0.00			\$0.00
\$0.00	\$0.00			\$0.00
\$1,875.00	\$1,875.00	\$1,750.00	\$1,375.00	\$7,500.00

Pay This Amount with completed Lease Order \$ 1,875.00

10/30/2025 Vehicle Delivery Receipt- VDR

VDR - Vehicle Delivery Receipt for Master Lease Number #

You accept for lease the vehicles listed below, under the terms of the Master Lease Agreement, which is incorporated by reference. You agree to accept these vehicles in their current as delivered condition. You agree to conduct a comprehensive safety inspection before You begin using these vehicles. :

Lessee Signature _____ Date _____

Vehicle Shipped Date	Auction Location Shipped from	Transport Carrier	Transport Cost	Vehicle Delivery Date	Monthly Statement Start Date	Unit Stock Number	Year	Make	Model	Trim	Vin	Start Miles	Cost Of Vehicle (Block Price Plus Auction Fees)	\$350	Capitalized Cost at Start of Lease	Monthly Depreciation Charge @ 2.25% per Month	12.0%	\$15.00	Monthly Lease Payment	Additional Days Charged	7.50%	\$375	Total Amount Due
														Buyer Fee			Interest Charge at Prime Rate plus 4 Points	Monthly Admin Charge			Additional Days Interest Charge	50% of Lease Deposit Due upon delivery	
09/10/24			350.00	9/15/2024	10/01/24	89724	2024	Toyota	RAV4	XLE	ab12345678912345678	9	\$31,394	350.00	31,744.00	714.24	317.37	15.00	1,046.61	15	70.96	375.00	795.96
09/10/24			350.00	9/15/2024	10/01/24	39367	2024	Nissan	Sentra	SV	ab12345678912345678	9	\$22,167	350.00	22,517.00	506.63	225.12	15.00	746.75	15	50.10	375.00	775.10
09/10/24			350.00	9/15/2024	10/01/24	39367	2024	Hyunda	Sonata	SEL	ab12345678912345678	9	\$26,885	350.00	27,235.00	612.79	272.29	15.00	900.08	15	60.77	375.00	785.77
09/10/24			350.00	9/15/2024	10/01/24	39367	2024	Chrysler	Pacifica	Tourin	ab12345678912345678	9	\$39,850	350.00	40,200.00	904.50	401.91	15.00	1,321.41	15	90.07	375.00	815.07
09/10/24			350.00	9/15/2024	10/01/24	39367	2024	Dodge	Durango	SXT	ab12345678912345678	9	\$36,125	350.00	36,475.00	820.69	364.67	15.00	1,200.36	15	81.65	375.00	806.65
														0.00	0.00	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
														0.00	0.00	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
														0.00	0.00	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
														0.00	0.00	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
														0.00	0.00	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
														0.00	0.00	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
														0.00	0.00	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00
Total			1,750.00										156,421.00	1,750.00	158,171.00	3,558.85	1,581.36	75.00	5,215.21	75	353.55	1,875.00	3,978.55

This Amount Due within 5 Days of Delivery \$ 3,978.55

Invoice Date		Sample Statement										Security Deposit		Credit Limit		Next Invoice Date		Prime plus Margin		Interest Days charged this period	
10/01/24		123 Main Street										Available		\$750,000		11/1/2024		4.00		31	
Account Number		Anytown, Md. 20707										Per Unit		Credit		Prime Rate		4.00		31	
12345678												750.00				8.00					
Monthly Payment Start Date	Unit Stock Number	Year	Make	Model	Trim	Vin	Start Miles	Original Capitalized Cost	Lease Term Months	Security Deposit	End of Lease Term Value	End of Term Date	Number of Prior Payments Completed	Interest Value before this month's payment is applied	Interest Rate ->	Monthly Reduction of Original Capitalized Cost	Book Value after this month's payment and deposit is Pledged	Interest Due in Advance	Statement Admin Monthly Charge	Misc Charges	Monthly Payment
1	10/01/24	89724	#####	Toyot	RAV4	XLE	17 digit vin 17	9	31,744.00	12	750.00	23,173.12	10/01/25	0	31,744.00	714.24	30,279.76	323.53	15.00		1,052.77
2	10/01/24	39367	#####	Niss	Sentra	SV	17 digit vin 17	9	22,517.00	12	750.00	16,437.41	10/01/25	0	22,517.00	506.63	21,260.37	229.49	15.00		751.12
3	10/01/24	30004	#####	Hyun	Sonata	SEL	17 digit vin 17	9	27,235.00	12	750.00	19,861.55	10/01/25	0	27,235.00	612.79	25,872.21	277.57	15.00		905.36
4	10/01/24	37068	#####	Chryl	Pacific	Touring	17 digit vin 17	9	40,200.00	18	750.00	23,919.00	04/01/26	0	40,200.00	904.50	38,545.50	409.71	15.00		1,329.21
5	10/01/24	39479	#####	Dodg	Durang	SXT	17 digit vin 17	9	36,745.00	18	750.00	21,863.28	04/01/26	0	36,745.00	826.76	35,168.24	374.50	15.00		1,216.26
Totals								158,441.00		3,750.00	105,274.36			158,441.00	3,564.92	151,126.08	1,614.80	75.00	0.00		5,254.72

Payments are due on the 1st day of each month. A late payment charge equal to 5% of total payment due will be assessed on payments received by us after the 10th day of the month.

Payment Due	5,254.72
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EXHIBIT H
LIST OF CURRENT FRANCHISEES

Exhibit G
Rent-A-Wreck Current Franchisees as of January 31, 2025

Name	Contact Name	Address	City	State	Zip	Phone
California						
RENT-A-WRECK OF BERKELEY	CORNELIUS J. DOHERTY	10895 SAN PABLO AVE.	EL CERRITO	CA	94530	(510) 234-3386
RENT-A-WRECK OF GORMAN	OTILIA HERRERA	49717 PEACE VALLEY ROAD	GORMAN	CA	93243	(661) 248-6707
RENT-A-WRECK OF SAN FRANCISCO	TOM PENDERGAST	2955 THIRD STREET	SAN FRANCISCO	CA	94107	(415) 282-6293
RENT-A-WRECK OF LOS ANGELES	DAVE SCHWARTZ	12903 W. WASHINGTON BLVD.	LOS ANGELES	CA	90066	(310) 478-0676
Connecticut						
RENT-A-WRECK OF EAST HAVEN	MONGILLO, ERNIE SR - ERNIE & SONS	957 FOXON ROAD	EAST HAVEN	CT	6513	(203) 469-7331
RENT-A-WRECK OF HAVEN AIRPORT	MONGILLO, ERNIE SR - ERNIE & SONS	957 FOXON ROAD	EAST HAVEN	CT	6513	(203) 469-7331
RENT-A-WRECK OF HAMDEN	MONGILLO, ERNIE SR - ERNIE & SONS	1091 DIXWELL AVE.	HAMDEN	CT	6514	(203) 498-7368
Illinois						
RENT-A-WRECK OF BEDFORD PARK	MOHAMAD SHOUMAN	7250 S. CICERO AVE. #G	BEDFORD PARK	IL	60629	(708) 924-9776
Indiana						
RENT-A-WRECK OF HAMMOND	MOHAMAD SHOUMAN	7315 KENNEDY AVENUE	HAMMOND	IN	46323	(219) 554-1695
Maine						
RENT-A-WRECK OF BANGOR	DAVID CHANDLER & PATRICK BOUCHARD, JR.	602 MAIN ROAD NORTH	HAMPDEN	ME	4444	(207) 942-4600
RENT-A-WRECK OF BIDDEFORD	DAVID LAVERRIERE	20 BARRA ROAD	BIDDEFORD	ME	4005	(207) 282-0591
Maryland						
RENT-A-WRECK OF GLEN BURNIE	MARIO SARAHI	7352 RITCHIE HIGHWAY	GLEN BURNIE	MD	21061	(410) 760-1036
RENT-A-WRECK OF ROCKVILLE	CLYDE RAGUNATH	621 HUNGERFORD DR.	ROCKVILLE	MD	20850	(301) 309-6767
Michigan						
RENT-A-WRECK OF WARREN	LARRY ODE & DARIN ODE	23830 GROESBECK HIGHWAY	WARREN	MI	48089	(586) 772-7711
Montana						
RENT-A-WRECK OF BILLINGS	WESLEY NUSSBAUM	2110 1ST AVE. NORTH	BILLINGS	MT	59101	(406) 245-9008
North Carolina						
RENT-A-WRECK OF ABERDEEN/PINEHURST	JEFFREY CARFAGNA	200 N. SANDHILLS BLVD.	ABERDEEN	NC	28315	(910) 944-9444
RENT-A-WRECK OF WINSTON-SALEM	MYRL GLENN MILLER	375 PETERS CREEK PARKWAY	WINSTON-SALEM	NC	27101	(336) 748-9021
North Dakota						
RENT-A-WRECK OF MINOT	SCTOTT MITZEL	529 BURDICK EXPWY W	MINOT	ND	58701	(701) 838-0098
Nevada						
RENT-A-WRECK OF RENO - AIRPORT	ALI JARAR	295 GENTRY WAY	RENO	NV	89502	(775) 826-7676
RENT-A-WRECK OF RENO	ALI JARAR	295 GENTRY WAY	RENO	NV	89502	(775) 826-7676

Exhibit G
Rent-A-Wreck Current Franchisees as of January 31, 2025

New Jersey

RENT-A-WRECK OF BEACHWOOD	MARTY MEHALKO	100 ATLANTIC CITY BOULEVARD	BEACHWOOD	NJ	8722 (732) 525-0505
RENT-A-WRECK OF CHERRY HILL	LANSING INC.	1406 ROUTE 38	CHERRY HILL	NJ	8002 (856) 779-7123
RENT-A-WRECK OF CHESTER	MARTY MEHALKO	383 ROUTE 206 S	CHESTER	NJ	7930 (908) 879-2275
RENT-A-WRECK OF DEPTFORD	A.W. TRANSPORTATION	1574 HURFFVILLE RD.	DEPTFORD	NJ	8096 (856) 228-1400
RENT-A-WRECK OF DOVER	MARTY MEHALKO	33 NORTH MORRIS STREET	DOVER	NJ	7801 (973) 361-3044
RENT-A-WRECK OF EMERSON	RICHARD TUNTIGAN AND BRIAN MURPHY	39 CHESTNUT STREET	EMERSON	NJ	7630 (201) 523-9922
RENT-A-WRECK OF HACKETTSTOWN	MARTY MEHALKO	141 MOUNTAIN AVENUE	HACKETTSTOWN	NJ	7840 (908) 813-1155
RENT-A-WRECK OF JERSEY CITY	MARTY MEHALKO	597 MARIN BOULEVARD	JERSEY CITY	NJ	7310 (973) 361-3044
RENT-A-WRECK OF NEWTON	MARTY MEHALKO	75 NEW JERSEY 15 RD.	LAFAYETTE	NJ	7860 (973) 383-6286
RENT-A-WRECK OF MORRISTOWN	MARTY MEHALKO	67 SPRING STREET	MORRISTOWN	NJ	7960 (973) 285-1185
RENT-A-WRECK OF NEWARK LOCAL	MARTY MEHALKO	1142 BROAD STREET	NEWARK	NJ	7114 (973) 361-3044
RENT-A-WRECK OF NEWARK AIRPORT	MARTY MEHALKO	3 BREWSTER ROAD	NEWARK	NJ	7114 (908) 288-7663
RENT-A-WRECK OF PARSIPPANY	MARTY MEHALKO	141 NORTH BEVERWYCK ROAD	PARSIPPANY	NJ	7034 (973) 299-9339
RENT-A-WRECK OF TOMS RIVER, NJ	MARTY MEHALKO	1999 LAKEWOOD ROAD	TOMS RIVER	NJ	8755 (732) 979-2277

New York

RENT-A-WRECK OF ART	JRW AUTO RENTAL INC	22529 NY-12F	DEXTER	NY	13634 (315) 788-8412
RENT-A-WRECK OF WATERTOWN	JRW AUTO RENTAL INC.	19079 US RT. 11	WATERTOWN	NY	13601 (315) 788-8412

Ohio

RENT-A-WRECK OF CLEVELAND	SANDRA RAYNER-BOZAK - RAYNER-BOZAK, INC	10225 MADISON AVENUE	CLEVELAND	OH	44102 (216) 281-7340
RENT-A-WRECK OF PARMA	LANCE, CHARLES LANCE, JACK-LANCE INVEST.	8003 BROOKPARK ROAD	PARMA	OH	44129 (216) 351-1840

Pennsylvania

RENT-A-WRECK OF EAST STROUDSBURG	KILBURN, HAWLEY KILBURN, GREG	4340 WEST 26TH STREET	ERIE	PA	16506 (814) 833-9941
RENT-A-WRECK OF LATROBE	LOU FALBO	4146 ROUTE 982 SOUTH	LATROBE	PA	15650 (724) 537-3929
RENT-A-WRECK OF LATROBE - AIRPORT	LOU FALBO	4146 ROUTE 982 SOUTH	LATROBE	PA	15650 (724) 537-3929

Puerto Rico

RENT-A-WRECK OF SAN JUAN, PR	RHAMSES CARAZO ALLIED CAR & TRUCK RENTAL	10200 CALLE CELESTIAL MARGINAL LOS ANGELES LOT C	SAN JUAN	PR	979 (787) 726-7350
RENT-A-WRECK OF AGUADILLA INTL AIRPRT	RHAMSES CARAZO ALLIED CAR & TRUCK RENTAL	WINGS ST. #333 RAMEY BASE	AGUADILLA	PR	690 (787) 890-3010

South Dakota

RENT-A-WRECK OF RAPID CITY	CRAIG A. NELSON	1600 EAST HWY 44	RAPID CITY	SD	57703 (605) 348-3050
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Washington

RENT-A-WRECK OF LAKEWOOD	MAHBOOB HUSSAIN NAZIR	9313 SOUTH TACOMA WAY	LAKEWOOD	WA	98499 (253) 584-1833
RENT-A-WRECK OF SEATTLE	MAHBOOB HUSSAIN NAZIR	3000 SOUTH 176TH ST	SEATAC	WA	98188 (206) 922-3713

EXHIBIT I
LIST OF FORMER FRANCHISEES

Exhibit I

List of Franchisees Who Left the Rent-W-Wreck System - February 1, 2024 through January 31, 2025

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

1. List of Franchisees Who Had an Outlet Terminated, Canceled, Not Renewed, or Otherwise Voluntarily or Involuntarily Ceased to do Business Under the Franchise Agreement February 1, 2024 through January 31, 2025

David Pearce
Aberdeen, NC
(910) 944-9444

2. Franchisees Who Have Not Communicated with Us During 10 Weeks Preceding the Issuance Date of the Disclosure Document

None

EXHIBIT J
RESERVATION SERVICES ENROLLMENT FORM

Exhibit J
Rent-A-Wreck Reservation Services – Booking Channel Participation Agreement
(“Participation Agreement” or “Agreement”)

Effective Date: _____

This Participation Agreement outlines the terms and conditions for the Rent-A-Wreck Car and Truck Rental franchisee identified below (“Franchisee” or “you”) to participate in the “Rent-A-Wreck Reservation System” provided by NPR Auto Group, LLC (“Company,” “we,” or “us”). For purposes of this Agreement, the “Rent-A-Wreck Reservations System” or “Reservation Services” means car rental services provided by NPR Auto Group through various channels, including the “Rent-A-Wreck” website and toll-free telephone numbers, as well as via third-party providers, such as traditional and online travel agencies and the Global Distribution System. We reserve the right to alter or amend this Agreement from time to time in the event that system wide changes are deemed prudent or as our channel agreements are altered or amended.

1. **Fees and Commissions.** The “Reservation Channel Fees and Commissions” and “Deposit” listed on Schedule 1 of this Participation Agreement are in effect as of the date you sign below. You will be notified of fee, commission or deposit changes at least 30 days in advance.
2. **Deposit.** NPR Auto Group reserves the right to require a deposit (“Deposit”) for any reservation source, based upon the volume of reservations that you receive from the source(s). The Deposit is a security deposit against future Rent-A-Wreck Reservation System reservation invoices and obligations, and will be maintained at a level commensurate with location volume at the discretion of NPR Auto Group. You agree that:
 - a. Our deposit policy exists to protect our supplier relationships and the other franchise owners and stakeholders in our reservation system whose interests are all vitally tied to the preservation and development of the reservation system.
 - b. Our expectation is that you will maintain a Deposit equal to an average of two months of reservation fees for all locations that you operate. We reserve the right to increase the amount of your Deposit based upon the volume of reservations that you receive. We also will monitor your Deposit amount and will require that a sufficient deposit be maintained to meet anticipated commissions on existing reservations. In addition, we may, in our discretion, increase Deposit amounts for all Reservation System participants at any time. We may use your Deposit to cover any past-due amounts at any time and will return any unused Deposit amounts to you upon termination of your participation in the Rent-A-Wreck Reservation System.
3. **Prepaid Reservation Withholding and Prepaid Proceeds.** Customers who use the Rent-A-Wreck Reservation System have an option to prepay their reservation. The prepayments are deposited with NPR Auto Group (not the franchisee) and remain in NPR Auto Group’s possession until they have been applied as a credit to your monthly Rent-A-Wreck Reservation System invoice after the vehicle rental has taken place. You agree to an ongoing 10 percent withholding of “Prepaid Reservation Proceeds” (defined below) generated by the Rent-A-Wreck Reservation System and

its central merchant account; provided that the ongoing withholding for Prepaid Reservation Proceeds generated by the Rent-A-Wreck Reservation System and processed through select OTA channels who process prepaid reservations as merchant of record on our behalf will be two percent. “Prepaid Reservation Proceeds” means the net amount of the funds from prepaid reservations that are disbursed to the location, less the commissions due on the total reservation invoice. Prepaid Reservation Proceeds will be withheld from the monthly prepaid reservation proceeds, and this amount will be added to your reservation deposit account and tracked as a credit memo on your monthly Rent-A-Wreck Reservation System invoice.

4. Method of Payment. On the Reservation Services invoice due date, your bank account will be debited or your payment card charged for the total balance due. It is your responsibility to notify NPR Auto Group of any changes to your relevant bank or payment card account information. If method of payment is rejected, your reservation services will be immediately suspended and any Deposit will be applied to the balance due. In order to have service reestablished, you must pay a \$300 reconnection fee, (except in the case of an expired payment card) and an additional Deposit may be required. **We may terminate your participation in the reservation system immediately without notice if you fail to timely pay any amounts due in connection with the Rent-A-Wreck Reservation System.** We reserve the right to modify, at our option, the timing and method by which you pay the amounts due under this Agreement

5. You also agree to comply with the following Rent-A-Wreck Reservation System policies:
 - a. Honoring Reservations. You agree to honor all confirmed reservations for a minimum of two hours after the quoted arrival time at the rates and during the business hours established by you and published by NPR Auto Group. If, for any reason, You do not or cannot honor the reservation at the time a rental was scheduled to begin, including if the reserved vehicle is unavailable or you do not have sufficient inventory, you agree, at your sole expense, to either: (a) upgrade the customer to a higher-class vehicle at no additional charge, or (b) obtain a vehicle from another company for the customer. In any event, you shall be responsible, and make arrangements to pay or reimburse the customer, for any price differential and reasonable expenses and costs incurred by the customer. In addition, the following guidelines apply if a customer arrives more than two hours after the quoted arrival time:
 - i. If a customer provides NPR Auto Group with accurate flight information at the time the reservation is made and the reservation is confirmed, you should honor the reservation for a minimum of 24 hours after the quoted arrival time at the rates and during the business hours established by you and published by NPR Auto Group, when customers flight was delayed.
 - ii. If a customer has made a Reservation Deposit or Prepayment to NPR Auto Group, and arrives for rental more than two hours after the scheduled arrival, but within the reserved rental period, you must make best efforts to provide a comparable vehicle to the customer at the earliest time practical, and at a cost no higher than the total price quoted in the reservation.

- iii. On those occasions when a customer arrives beyond the time limits set forth above, you agree to use your best efforts to accommodate the customer with a vehicle similar in rate, size and type to the vehicle originally reserved.
- b. Franchisee's Station Information and Policies; Third-Party Booking System Policies. We agree to maintain a current data bank of: (A) Franchisee's station information, rental qualifications and policies, vehicles, rental rates and availability, as made available to us by you and as requested from time to time by us; and (B) the rules and regulations established by the owners of each applicable automated reservation system included in the Rent-A-Wreck Reservation System.
- c. Your Responsibility for Rates and Other Information. Franchisee acknowledges and agrees that it is Franchisee's responsibility to maintain its own rates, blackouts and promotions through the ASAP RATE system. Franchisee further acknowledges and agrees that: NPR AUTO GROUP SHALL NOT BE RESPONSIBLE, NOR SHALL IT BE LIABLE FOR, ANY INCORRECT RATE(S) QUOTED OR POSTED THROUGH NO FAULT OF ITS OWN. FRANCHISEE ACKNOWLEDGES THAT THE FRANCHISEE SHALL BE RESPONSIBLE FOR RATE MANAGEMENT SERVICES, AND THOSE SERVICES WILL INCLUDE INFORMATION INPUT FROM HUMAN BEINGS. NPR AUTO GROUP SHALL NOT BE RESPONSIBLE FOR ANY LOSS OF REVENUE CAUSED BY RENTAL RATE MISCALCULATIONS THAT MAY OCCUR WITHIN THE RESERVATION SYSTEM FORMAT (INTERNET OR GLOBAL DISTRIBUTION SYSTEM ("GDS")). NPR AUTO GROUP MAKES NO REPRESENTATION THAT THE RESERVATION SYSTEM WILL BE UNINTERRUPTED OR ERROR-FREE, AND NPR AUTO GROUP WILL NOT BE LIABLE FOR THE CONSEQUENCES OF ANY INTERRUPTIONS OR ERRORS, INCLUDING BUT NOT LIMITED TO LOSS OF BUSINESS, LOSS OF REVENUE, LOSS OF CUSTOMERS OR ANY LIABILITIES RESULTING DIRECTLY OR INDIRECTLY, FROM CUSTOMER COMPLAINTS OR POTENTIAL PRICING OFFSETS TO SETTLE CUSTOMER COMPLAINTS.
- d. Overbooking. You acknowledge and agree that the Rent-A-Wreck Reservation System, and the relationship of NPR Auto Group and its affiliates with various reservation channels are valuable assets of NPR Auto Group and its affiliates. You further understand that various reservation channels have specific requirements for local rental agencies, and that NPR Auto Group has discretion to determine if you meet reservation channel requirements and whether to allow and/or suspend and/or terminate Franchisee's listing on various channels. You agree that you will not knowingly overbook on the Rent-A-Wreck Reservation System, nor make provisional reservations directly with other reservation channels in anticipation of the potential for overbooking. If you unintentionally overbook on the Rent-A-Wreck Reservation System, you agree that immediately upon discovering the overbooking, you will contact the NPR Auto Group reservation center to resolve the overbooking issue.
- e. Inspection and Audit. You understand that various reservation channels have specific requirements with which NPR Auto Group (and its affiliates) and you must comply. To

confirm compliance with their requirements, these reservation channels have the right to conduct a limited audit of both NPR Auto Group and your reservation records to confirm compliance. You agree to cooperate fully with any such audit and that you will bear the local costs associated with such an audit (i.e., copying charges).

6. Assignment. NPR Auto Group has the right to transfer or assign this Agreement or any part of our rights or obligations under this Agreement to any person or legal entity. Franchisee may not assign this Agreement without the prior written approval of NPR Auto Group. Any assignment or transfer without the prior written approval of NPR Auto Group will be deemed void, constitute a material breach of this Agreement, and will result in the immediate termination of this Agreement.

[Signature Page Follows]

By signing below, you agree to the terms and conditions above and agree to pay the Reservation Fees and Commissions described on the following page. The reservation billing period will begin on the 1st day of the month and end on the last day of the month. You understand that the status of all reservations, including actual time and mileage amounts charged, must be reported using the Rent-A-Wreck Reservation Services Management System by the close of each monthly billing cycle. Reservations that are not reported will be charged commission based on the time and mileage reserved.

FRANCHISEE:

Company Name: _____

Signed by: _____

Print Name: _____

Title: _____

Date: _____

NPR AUTO GROUP, LLC

By: _____

Print Name: _____

Title: _____

Date: _____

GUARANTY

Each Guarantor named below unconditionally guarantees the full and faithful performance of You, and the Operating Company under the Reservation Services Agreement, and each Guarantor agrees to be personally liable for every breach by You or the Operating Company of the Reservation Services Agreement. These guaranties are continuing and will be unaffected by any modification, amendment or extension of the Reservation Services Agreement. In the event of a default, NPR Auto Group may proceed against You or any or all of the Guarantors in any order. Each guaranty given hereunder will apply to any and all agreements between NPR Auto Group and You respecting the Vehicle Rental Business operated under the Reservation Services Agreement.

GUARANTOR(S)

1. _____
Print Name

Signature

Schedule 1
Reservation Channel – Fees and Commissions

1. Per-Channel Fees and Commissions

The following are the Reservation Fees and Commissions as of the Effective Date:

Channel	Charge per Completed Reservation	Commission Expense Percentage of Time and Mileage on Completed Reservations⁽¹⁾	Commission Expense - Percentage of Time & Mileage on Cancellations⁽²⁾	Commission - Percentage of Time & Mileage on Direct Cancellation and No-Show Reservations
Rent-A-Wreck Website and Call Center	\$5.00	5%	0%	0%
GDS Travel Agents	\$9.00 - \$12.00	10% - 35%	0%	0% - 35%
XML/Online Travel brokers	\$5.00	10% - 35%	0%	0%

Note 1: Commission expenses include delivery fees associated with your participation in the applicable third-party booking channels that we pay on your behalf. “Completed reservations” mean all non-cancelled reservations.

Note 2: Cancellations will be considered reservations cancelled at the source of the booking. Reservations must be cancelled at the source with which they were booked to be credited.

2. Deposit

You agree to pay an initial deposit of US\$ _____ for reservations taken on your behalf upon signing this Agreement.

_____ Initial here to Accept.

EXHIBIT K

**ASAP RENTAL MANAGEMENT SYSTEM ORDER FORM AND
SOFTWARE AS A SERVICE TERMS AND CONDITIONS**

ORDER FORM -- ASAP RENTAL MANAGEMENT SYSTEM

This ASAP Rental Management System Order Form (this “**Order**”) describes the relationship between NPR Auto Group LLC, a Maryland, USA limited liability company with its franchise service center located at 13900 Laurel Lakes Ave. Suite 100, Laurel, Maryland, United States 20707 (“**Licensor**”) and the Subscriber (named below) (each a “**Party**” and collectively the “**Parties**”), and hereby incorporates the ASAP Rental Management System, Software as a Service, Terms and Conditions (“**T&Cs**”) and any documents referenced or attached therein or herein (collectively, the “**Agreement**”). A copy of the T&Cs has been provided to Subscriber and Subscriber acknowledges it has read and agrees thereto. This Agreement may be executed in two counterparts, each of which shall be an original and both of which when taken together binds Licensor and the Subscriber to the Agreement. Capitalized terms used but not defined in this Order shall have the meanings given elsewhere in the Agreement.

ASAP Rent Desired Launch Date: _____ **Set Up Fee:** _____

Initial Number of Vehicles in Fleet: _____ **Initial Estimated Monthly Fee** _____

Once NPR Auto receives payment of the setup fee listed above, we will make every effort to allocate resources to meet your desired launch date (“**Launch Date**”); the date you and your team plan to begin using ASAP Rent as your daily system. If we are unable to accommodate that date, we will work with you to set a new Launch Date as close as possible to your preference. ASAP Rent subscriber monthly fees will begin on the Launch Date and will be prorated as necessary if the Launch Date is not the first day of a calendar month.

Subscriber Monthly Fees: (all fees are in U.S. dollars and exclude any applicable taxes)

Beginning on the Launch Date, the subscriber monthly fee is based on the higher amount of; (A) Cost per vehicle per month multiplied by the number of vehicles that are operated in the fleet and is automatically calculated each month by the SaaS Services, and (B) the corresponding monthly minimum for the fleet size range shown in the chart below.

Subscription Plan Name	Number of Reported SaaS Vehicles	Cost per vehicle per month	Minimum Monthly Fee	Maximum Monthly Fee	Number of Authorized Named User Licenses
Basic Plan	1 to 49	\$6.50	\$189	\$318	6
Professional Plan	50 to 99	\$7.00	\$289	\$693	8
Complete Plan	100 to 149	\$8.00	\$389	\$1,192	20
Complete Plan	150 to 399	\$7.50	\$1,012	\$2,992	30
Complete Plan	400 to 599	\$7.00	\$2,520	\$4,193	40
Complete Plan	600 to 799	\$6.75	\$3,645	\$5,393	50
Complete Plan	800 to 999	\$6.50	\$4,680	\$6,593	60
Complete Plan	1000 to 1499	\$6.25	\$5,625	\$9,368	85
Complete Plan	1500 to 1999	\$6.00	\$8,100	\$11,994	110
Complete Plan	2000 & up	\$5.50	\$9,900	TBD	TBD

ORDER FORM -- ASAP RENTAL MANAGEMENT SYSTEM

The terms of this Agreement, including this Order and the Terms and Conditions, shall be considered Confidential Information of Licensor.

IN WITNESS WHEREOF, the Parties have caused their duly authorized representatives to execute and be bound to this Agreement, effective as of the dates set forth below by their duly authorized representatives.

SUBSCRIBER: (Entity Name) _____

Name: (Individual Name) _____

Signature: _____

Title: _____

Date: _____

Address: _____

Address: _____

Administrator Name: _____

Administrator Cell Phone: (necessary for 2-factor authorization): _____

Administrator Email Address: (necessary for 2-factor authorization): _____

LICENSOR: NPR Auto Group, LLC

Name: Michael L. DeLorenzo

Signature: _____

Title: President

Date: _____

ASAP RENTAL MANAGEMENT SYSTEM SOFTWARE AS A SERVICE -- TERMS AND CONDITIONS

These ASAP Rental Management System Software as a Service Terms and Conditions (“**T&Cs**”), including any Schedules incorporated herein, govern and are incorporated into any Order between NPR Auto Group, LLC (“**Licensor**”) and the Subscriber identified on the applicable Order (each a “**Party**” and collectively the “**Parties**”). The “**Agreement**” has the meaning given in the Order and includes these T&Cs.

1. DEFINITIONS

“**Administrator User**” means a named Authorized User who is responsible for identifying the other Named Authorized Users and managing log in credentials for all Named Authorized Users.

“**Authorized Named Users**” means Subscriber’s employees and independent contractors working for Subscriber in the ordinary course of Subscriber’s business who: (i) agree to be bound by the terms of the Agreement; and (ii) are specifically authorized by Subscriber to access the Service. All authorized users will be required to use “**two factor authentication**” (**2FA**) which may include both a unique user password and an authentication code received by e-Mail or SMS TEXT on user’s mobile phone or through an APP on user’s mobile device.

“**Documentation**” means the user guides, online help, release notes, training materials and other documentation provided or made available by Licensor to Subscriber regarding the use or operation of the SaaS Services.

“**Franchise Agreement**” means any franchise agreement entered into between the Parties.

“**Licensor Technology**” means all of Licensor’s proprietary technology (including software, hardware, products, processes, algorithms, user interfaces, know-how, techniques, designs and other tangible or intangible technical material or information) made available to Subscriber by Licensor in providing the SaaS Services.

“**Maintenance Services**” means the support and maintenance services provided by Licensor to Subscriber pursuant to the Agreement and Schedule A.

“**Order**” means an ordering form or quote executed by the Parties in which Subscriber orders the SaaS Services. The Order shall identify or describe the applicable Subscriber, rights and licenses to the SaaS Services, the corresponding fees and expenses, and payment options. All services acquired by Subscriber shall be governed exclusively by the T&Cs and the applicable Order. In the event of a conflict between the terms of an Order and the T&Cs, the terms of the Order shall govern the conflicting terms.

“**Other Services**” means all technical and non-technical services performed or delivered by Licensor under the Agreement, including, without limitation, implementation services and other professional services, training and education services but excluding the SaaS Services and the Maintenance Services. Other Services, including on-site training, will be provided on a time and material basis at such times

and locations or during such periods, as may be specified in a Schedule and mutually agreed to by the parties. All Other Services will be provided on a non-work for hire basis.

“**SaaS Services**” refer to the Licensor’s internet-accessible rental management service as identified in an Order.

“**Schedule**” is a written document attached to these T&Cs including but not limited to the Service Level Agreement.

“**Subscriber Content**” means all data and materials provided by Subscriber to Licensor for use in connection with the SaaS Services, including, without limitation, subscriber applications, data files, graphics, and Subscriber’s customer data.

2. SAAS SERVICES

During the Subscription Term, Licensor will provide Subscriber a limited, nonexclusive, non-assignable, and royalty free right for Subscriber’s Authorized Users to access and use the SaaS Services solely for Subscriber’s internal business operations subject to the terms and conditions of the Agreement and up to the number of Authorized Named Users documented in the applicable Order. To access and use the SaaS Services, Subscriber must have an active subscription in effect and is responsible at its own expense for obtaining its own Internet access, and any required hardware, software (including without limitation Microsoft Excel or Google Sheets), or other technology as necessary to use the Services. Subscriber acknowledges that the Agreement is a services agreement and Licensor will not deliver copies of the object code software to Subscriber as part of the SaaS Services.

3. RESTRICTIONS

Subscriber shall not (and shall not permit any Authorized User or third party to): (i) copy or republish the SaaS Services, (ii) make the SaaS Services available to any third party other than Authorized Users, (iii) use or access the SaaS Services to provide service bureau, time-sharing or other computer hosting services to third parties, (iv) modify or create derivative works based upon the SaaS Services or Documentation, (v) remove, modify or obscure any copyright, trademark or other proprietary notices contained in the software used to provide the SaaS Services or in the Documentation, (vi) reverse engineer, decompile, disassemble, or otherwise attempt to derive the source code of the SaaS Services, except and only to the extent such activity is expressly permitted by applicable law, (vii) access the SaaS Services or use the Documentation in order to build a similar product or competitive product, or (viii) provide false identity information to gain access to or use the SaaS Services. Subject to the limited rights granted herein, Licensor shall own all right, title and interest in and to the SaaS Services, Documentation, and other deliverables provided under the Agreement, including all modifications, improvements, upgrades, derivative works and feedback related thereto and intellectual property rights therein. Subscriber agrees to assign all right, title and interest it may have in the foregoing to Licensor. Without limiting any of its other rights or remedies, Licensor reserves the right to suspend any Authorized User’s right to access the SaaS Services if Licensor reasonably believes that such Authorized User has materially violated the restrictions and obligations in the Agreement or to protect

against fraudulent or suspected fraudulent activity. Subscriber shall be solely responsible for the acts and omissions of its Authorized Users.

4. SUBSCRIBER RESPONSIBILITIES

4.1 Set-up and Maintenance Assistance.

Subscriber shall (and shall cause each Authorized User to) provide commercially reasonable information and assistance to Licensor to enable Licensor to deliver the SaaS Services. Upon request from Licensor, Subscriber shall promptly deliver Subscriber Content to Licensor in an electronic file format specified and accessible by Licensor. Subscriber acknowledges that Licensor's ability to deliver the SaaS Services in accordance with the Documentation may depend upon the accuracy and timeliness of such information and assistance.

4.2 Compliance with Laws.

Subscriber shall comply with all applicable local, state, national and foreign laws in connection with its use of the SaaS Services, including those laws related to data privacy, international communications, and the transmission of technical or personal data. Subscriber acknowledges that Licensor exercises no control over Subscriber Content transmitted by Subscriber or the Authorized Users through the SaaS Services. Subscriber and its Authorized Users shall not upload, post, reproduce or distribute any information, software or other material protected by copyright, privacy rights, or any other intellectual property right without first obtaining the permission of the owner of such rights.

4.3 Unauthorized Use; False Information.

Subscriber shall: (i) immediately notify Licensor in writing of any known or suspected unauthorized use of any password or user id or any other known or suspected breach of security and (ii) report to Licensor immediately and use reasonable efforts to stop any unauthorized use of the SaaS Services that is known or suspected by Subscriber or any Authorized User.

4.4 Subscriber Input.

Subscriber is solely responsible for collecting, inputting and updating all Subscriber Content stored on the SaaS Services, and for ensuring that the Subscriber Content does not (i) include anything that actually or potentially infringes or misappropriates the copyright, trade secret, trademark or other intellectual property right of any third party, or (ii) contain anything that is obscene, defamatory, harassing, offensive or malicious. For the avoidance of doubt, Subscriber is solely responsible for the information and terms contained within its consumer agreements and Licensor shall have no responsibility or liability in connection with the same, including without limitation in connection with counter products, upgrades, or surcharges applied with respect to any consumer transaction.

4.5 Subscriber Content.

Subscriber acknowledges and agrees that as between Subscriber and Licensor, Licensor shall own all rights, title, and interest in and to the Subscriber Content. The Parties agree that Licensor may use Subscriber Content for any and all internal or commercial purposes. Subscriber Content may be combined and analyzed with other subscribers' data and learnings by Licensor or a third party as described in Section 12.14.

4.6 Licensor Technology

Subscriber acknowledges and agrees that as between Licensor and Subscriber, all right, title and interest in and to the SaaS Services (including the software, data, information, text, images, designs, sound, music, videos, marks, logos, compilations (meaning the collection, arrangement and assembly of information) and other content on or made available through the SaaS Services, Documentation, the Licensor Technology and all improvements and derivatives of the foregoing (including all trade secrets and other intellectual property and proprietary rights embodied therein or associated therewith) are and shall remain owned by Licensor or its licensors or other providers, and the Agreement in no way conveys any right, title or interest in the Licensor Technology other than a limited right to use the SaaS Services in accordance with the terms and conditions herein. No right or license is granted hereunder to Subscriber under any trademarks, service marks, trade names or logos.

4.7 Third-Party Technology

Third-party technology that may be appropriate or necessary for use with some Licensor programs is specified in the program Documentation or Order as applicable (i.e., Credit card processing software). Subscriber's right to use such third-party technology is governed by the terms of the applicable third-party technology license agreement (i.e., WorldPay or Stripe Payment Processing).

4.8 Suggestions.

Licensor shall have a royalty-free, worldwide, irrevocable, transferable, perpetual license to use and incorporate into the SaaS Services any suggestions, enhancement requests, recommendation or other feedback provided by Subscriber, including Authorized Users, relating to the operation of the SaaS Services.

4.9 Training and Support

Licensor will provide training and ongoing technical support services to ensure Subscriber's effective utilization of the SaaS Services. Training includes scheduled online training classes specifically designed for customer service personnel, with the initial training class for Rental Counter operations consisting of one five-hour comprehensive session and 2 ½ hours of "on-the job" training. Technical support services are available through multiple channels, including WhatsApp and telephone support during designated "Support Business Hours." As of the Order Date, Support Business Hours are Monday through Friday from 8:00 AM Eastern Time to 7:00 PM Eastern Time, and Saturday from 9:00 AM

Eastern time to 3:00 PM Eastern Time. Support services are not available on Sunday or United States national holidays.

All training and technical support services are designed to maximize user proficiency and ensure smooth operation of the SaaS Services. Initial training and regularly scheduled training classes are provided at no additional costs. In addition, Subscriber will be entitled to a designated of additional training and technical support services, which varies based on the Subscription Plan: (a) the Basic Plan includes up to 2 hours of additional training and technical support time per quarter; (b) the Professional Plan includes up to 1.5 hours of additional training and technical support time per month; and (c) the Complete Plan includes up to 2 hours of additional training and technical support time per month. Additional hours of training and technical support time in excess of the included amount are available on an as-needed basis for a fee of \$120 per hour during the Support Business Hours. After-hours technical support is available for a fee of \$180 per hour (even if Subscriber has not exceeded the included number of hours of additional training and technical support) when requested and scheduled at least 24 hours' in advance.

5. ORDERS AND PAYMENT

5.1 Subscription Monthly Fees.

In consideration of the limited right granted herein, Subscriber shall pay Licensor, without offset or deduction, the fees and expenses set forth in the applicable Order. Licensor reserves the right to increase the fees once per year during the Subscription Term.

5.2 Invoicing and Payment.

Unless otherwise provided in the Order, all fees will be deducted from receipts of payments collected through the ASAP Rates and/or ASAP Rent SaaS Services. Receipts collected through the SaaS Services will be remitted to Subscriber monthly, within thirty (30) calendar days after the close of the applicable calendar month. With each remittance, Licensor will provide Subscriber a statement of all payments received via the SaaS Services, along with an itemized summary of all fees and taxes deducted. If receipts in any month are insufficient to cover the fees due, Subscriber shall promptly pay the outstanding balance directly to Licensor within fifteen (15) calendar days of receiving the monthly statement. Except as expressly provided otherwise, all fees are non-cancellable and non-refundable.

5.3 Taxes.

Licensor may list applicable taxes as a separate line item on each monthly invoice, statement or report. Subscriber shall be responsible for payment of all sales and use taxes, value added taxes (VAT), or similar charges relating to Subscriber's purchase and/or use of the SaaS Services. Subscriber shall not be liable for taxes based on Licensor's net income, capital or corporate business operations.

6. TERM AND TERMINATION

6.1 Term of Agreement.

The term of the Agreement (“**Subscription Term**”) will begin on the Launch Date and will continue for a minimum of twelve (12) months, after which the Agreement will continue unless and until either Party provides the other Party at least 180 days’ advance written notice of its desire to terminate this Agreement.

6.2 Termination.

Either Party may terminate this Agreement immediately by written notice to the other Party, if the other Party materially breaches the Agreement (including any non-payment of fees) and the other Party fails to cure such breach within thirty (30) days after receipt of notice of such breach.

6.3 Suspension for Non-Payment.

Licensor reserves the right to suspend delivery of the SaaS Services if Subscriber fails to timely pay any undisputed amounts due to Licensor under the Agreement, but only after Licensor notifies Subscriber of such failure and Subscriber fails to pay the owed fees within fifteen (15) days of the notice. Suspension of the SaaS Services shall not release Subscriber of its payment obligations under the Agreement. Subscriber agrees that Licensor shall not be liable to Subscriber or to any third party for any liabilities, claims or expenses arising from or relating to suspension of the SaaS Services resulting from Subscriber’s nonpayment. Nothing in this Section 6.3 will limit Licensor’s rights under Section 6.5 below.

6.4 Suspension for Ongoing Harm.

Licensor may suspend delivery of the SaaS Services if it reasonably determines that Subscriber or any Authorized Named User’s use of the SaaS Services is causing, or is likely to cause, immediate or ongoing harm to Licensor or others. Such harm may include, without limitation, adverse impact on customers, subscribers, third-party platform service providers (tolls, tickets, reservations etc.), and credit card merchant processors. Any suspected fraudulent activity, misrepresentation, or interference and/or non-cooperation with an investigation may also result in a suspension. In the extraordinary case that Licensor must suspend delivery of the SaaS Services under this Section 6.4, Licensor shall immediately notify Subscriber of the suspension, and the Parties shall diligently attempt to resolve the issue. Licensor shall not be liable to Subscriber or to any third party for any liabilities, claims or expenses arising from or relating to any suspension of the SaaS Services in accordance with this Section 6.4. Nothing in this Section 6.4 will limit Licensor’s rights under Section 6.5 below.

6.5 Effect of Termination.

(i) Upon termination of the Agreement or expiration of the Subscription Term, Licensor shall immediately cease providing the SaaS Services and all usage rights granted under the Agreement shall terminate.

(ii) If Licensor terminates the Agreement due to a breach by Subscriber, then Subscriber shall immediately pay to Licensor all amounts then due under the Agreement and to become due during the remaining term of the Agreement, but for such termination. If Subscriber terminates the Agreement due to a breach by Licensor, then Licensor shall immediately repay to Subscriber all pre-paid, unused subscription fees.

(iii) Upon termination of the Agreement and upon subsequent written request by the disclosing party, the receiving party of Confidential Information shall immediately return such information or destroy such information and provide written certification of such destruction, provided that the receiving party may permit its legal counsel to retain one archival copy of such information in the event of a subsequent dispute between the Parties.

7. SERVICE LEVEL AGREEMENT

The Service Level SaaS Agreement (“**SLA**”) for the SaaS Services is set forth in Schedule A hereto. The SLA sets forth Subscriber’s sole remedies for availability or quality of the SaaS Services including any failure to meet any guarantee set forth in the SLA.

8. WARRANTIES

8.1 Mutual Warranties.

Each Party represents and warrants to the other that: (i) the Agreement has been duly authorized, executed, and delivered and constitutes a valid and binding agreement enforceable against such Party in accordance with its terms, (ii) no authorization or approval from any third party is required in connection with such Party’s execution, delivery or performance of the Agreement, and (iii) the execution, delivery and performance of the Agreement does not violate the terms or conditions of any other agreement to which it is a party or by which it is otherwise bound.

8.2 Limited Warranty.

Licensor represents and warrants that it will provide the Other Services and/or Maintenance Services in a professional manner consistent with general industry standards and that the SaaS Services will perform substantially in accordance with the Documentation. Subscriber’s sole and exclusive remedy and Licensor’s entire liability for a breach of this warranty shall be for Licensor to use commercially reasonable efforts to modify the SaaS Services to conform to the functionality described in the Documentation. If Licensor is unable to restore such functionality, Subscriber shall be entitled to terminate the Agreement and receive a pro-rata refund of the unused fees pre-paid by Subscriber for the applicable Subscription Term. The warranties set forth herein are made to and for the benefit of Subscriber only.

8.3 Disclaimer.

THE LICENSOR TECHNOLOGY IS PROVIDED "AS IS" AND LICENSOR MAKES NO REPRESENTATIONS OR WARRANTIES, ORAL OR WRITTEN, EXPRESS OR IMPLIED, ARISING FROM COURSE OF DEALING, COURSE OF PERFORMANCE, USAGE OR TRADE, OR OTHERWISE, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, NON-INTERFERENCE, OR NON-INFRINGEMENT. LICENSOR DOES NOT GUARANTEE THAT THE LICENSOR TECHNOLOGY WILL PERFORM ERROR-FREE OR UNINTERRUPTED, OR THAT LICENSOR WILL CORRECT ALL ERRORS. SUBSCRIBER ACKNOWLEDGES THAT LICENSOR DOES NOT CONTROL THE TRANSFER OF DATA OVER COMMUNICATIONS FACILITIES, INCLUDING THE INTERNET, AND THAT THE LICENSOR TECHNOLOGY MAY BE SUBJECT TO LIMITATIONS, DELAYS, AND OTHER PROBLEMS INHERENT IN THE USE OF SUCH COMMUNICATIONS FACILITIES. THIS SECTION SETS FORTH THE SOLE AND EXCLUSIVE WARRANTY GIVEN BY LICENSOR (EXPRESS OR IMPLIED) WITH RESPECT TO THE SUBJECT MATTER OF THE AGREEMENT. NEITHER LICENSOR OR ANY OF ITS SERVICE PROVIDERS SHALL BE LIABLE FOR UNAUTHORIZED ALTERATION, THEFT OR DESTRUCTION OF SUBSCRIBER'S OR ANY USER'S DATA, FILES, OR PROGRAMS.

9. LIMITATIONS OF LIABILITY

TO THE FULLEST EXTENT PERMISSIBLE BY LAW AND EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION 9, NEITHER PARTY (NOR LICENSOR'S LICENSORS OR OTHER SUPPLIERS) SHALL BE LIABLE FOR INDIRECT, INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOST BUSINESS, PROFITS, DATA OR USE OF ANY SERVICE, INCURRED BY EITHER PARTY OR ANY THIRD PARTY IN CONNECTION WITH THE AGREEMENT OR LICENSOR TECHNOLOGY, REGARDLESS IF THE DAMAGES ARISE IN CONTRACT OR TORT (INCLUDING NEGLIGENCE), EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NEITHER PARTY'S AGGREGATE LIABILITY FOR DAMAGES UNDER THE AGREEMENT OR RELATED TO THE LICENSOR TECHNOLOGY, REGARDLESS IF THE DAMAGES ARISE IN CONTRACT OR TORT (INCLUDING NEGLIGENCE), SHALL EXCEED THE FEES PAID BY SUBSCRIBER UNDER THE AGREEMENT DURING THE TWELVE (12) MONTHS PRECEDING THE DATE THE CLAIM AROSE. THE FOREGOING LIMITATIONS SHALL NOT APPLY TO EITHER PARTY'S WILLFUL MISCONDUCT, THE PARTIES' CONFIDENTIALITY AND INDEMNIFICATION OBLIGATIONS, SUBSCRIBER'S (OR AN AUTHORIZED USER'S) BREACH OF SECTION 3, OR SUBSCRIBER'S (OR AN AUTHORIZED USER'S) VIOLATION OF LICENSOR'S INTELLECTUAL PROPERTY RIGHTS.

10. INDEMNIFICATION

10.1 Indemnification by Licensor.

If a third party makes a claim against Subscriber that the SaaS Services infringes any patent, copyright or trademark, or misappropriates any trade secret, Licensor shall defend Subscriber and its directors, officers and employees against the claim at Licensor's expense and Licensor shall pay all losses, damages and expenses (including reasonable attorneys' fees) finally awarded against such parties or agreed to in a written settlement agreement signed by Licensor, to the extent arising from the claim. Licensor shall have no liability for any claim based on (i) the Subscriber Content, (ii) modification of the SaaS Services not authorized by Licensor, or (iii) use of the SaaS Services other than in accordance with

the Documentation and the Agreement. Licensor may, at its sole option and expense, procure for Subscriber the right to continue use of the SaaS Services, modify the SaaS Services in a manner that does not materially impair the functionality, or terminate the Subscription Term and repay to Subscriber any unused amount pre-paid by Subscriber with respect to the applicable Subscription Term following the termination date.

10.2 Indemnification by Subscriber.

If a third party makes a claim against Licensor related to: (i) the Subscriber Content, (ii) Subscriber's or an Authorized User's unauthorized use or disclosure of the Licensor Technology or Licensor's Confidential Information, (iii) Subscriber's violation of applicable laws or regulations, (iv) the rental or sale of any vehicle, including without limitation any vehicular accidents, maintenance, charges, or other claim relating to any use, rental or sale of any vehicle, or (v) Subscriber's gross negligence or willful misconduct, Subscriber shall defend Licensor and its directors, officers and employees against the claim at Subscriber's expense and Subscriber shall pay all losses, damages and expenses (including reasonable attorneys' fees) finally awarded against such parties or agreed to in a written settlement agreement signed by Subscriber.

10.3 Conditions for Indemnification.

A Party seeking indemnification under this section shall (i) promptly notify the other Party of the claim, (ii) give the other Party control of the defense of the claim, and (iii) provide, at the other Party's expense for out-of-pocket expenses, the assistance, information and authority reasonably requested by the other Party in the defense and settlement of the claim. Notwithstanding the foregoing, the indemnitor shall have no right to settle any claim arising under this Section 10 without the prior written consent from the indemnitee.

11. CONFIDENTIALITY

11.1 Definition.

"Confidential Information" means any information disclosed by a Party to the other Party, directly or indirectly, which, (i) if in written, graphic, machine-readable or other tangible form, is marked as "confidential" or "proprietary," (ii) if disclosed orally or by demonstration, is identified at the time of initial disclosure as confidential and is confirmed in writing to the receiving Party to be "confidential" or "proprietary" within thirty (30) days of such disclosure, (iii) is specifically deemed to be confidential by the terms of this Agreement, or (iv) reasonably appears to be confidential or proprietary because of the circumstances of disclosure and the nature of the information itself. Confidential Information will also include information disclosed by third parties to a disclosing Party under an obligation of confidentiality. Subject to the display of Subscriber Content as contemplated by this Agreement, Subscriber Content is deemed Confidential Information of Subscriber. Licensor software and Documentation are deemed Confidential Information of Licensor.

11.2 Confidentiality.

During the term of this Agreement and for five (5) years thereafter (perpetually in the case of software), each Party shall treat as confidential all Confidential Information of the other Party, shall not use such Confidential Information except to exercise its rights and perform its obligations under this Agreement, and shall not disclose such Confidential Information to any third party. Without limiting the foregoing, each Party shall use at least the same degree of care, but not less than a reasonable degree of care, it uses to prevent the disclosure of its own confidential information to prevent the disclosure of Confidential Information of the other Party. Each Party shall promptly notify the other Party of any actual or suspected misuse or unauthorized disclosure of the other Party's Confidential Information. Neither Party shall reverse engineer, disassemble or decompile any prototypes, software or other tangible objects which embody the other Party's Confidential Information and which are provided to the Party hereunder. Each party may disclose Confidential Information of the other Party on a need-to-know basis to its contractors who are subject to confidentiality agreements requiring them to maintain such information in confidence and use it only to facilitate the performance of their services on behalf of the receiving Party.

11.3 Exceptions.

Confidential Information excludes information that: (i) is known publicly at the time of the disclosure or becomes known publicly after disclosure through no fault of the receiving Party, (ii) is known to the receiving Party, without restriction, at the time of disclosure or becomes known to the receiving Party, without restriction, from a source other than the disclosing Party not bound by confidentiality obligations to the disclosing Party, or (iii) is independently developed by the receiving Party without use of the Confidential Information as demonstrated by the written records of the receiving Party. The receiving Party may disclose Confidential Information of the other Party to the extent such disclosure is required by law or order of a court or other governmental authority, provided that the receiving Party shall use reasonable efforts to promptly notify the other Party prior to such disclosure to enable the disclosing Party to seek a protective order or otherwise prevent or restrict such disclosure. Each Party may disclose the existence of this Agreement and the relationship of the Parties, but agrees that the specific terms of this Agreement will be treated as Confidential Information; provided, however, that each Party may disclose the terms of this Agreement to those with a need to know and under a duty of confidentiality such as accountants, lawyers, bankers and investors.

12. GENERAL PROVISIONS

12.1 Non-Exclusive Service.

Subscriber acknowledges that the SaaS Services are provided on a non-exclusive basis. Nothing shall be deemed to prevent or restrict Licensor's ability to provide the SaaS Services or other technology, including any features or functionality first developed for Subscriber, to other parties.

12.2 Personal Data.

Subscriber hereby acknowledges and agrees that Licensor's performance of this Agreement may require Licensor to process Personal Information on behalf of Subscriber. Licensor shall process such Personal Information only to the extent necessary for, and for the sole purpose of, performance of its

obligations under this Agreement; provided, however, that nothing set forth in this Agreement shall limit or restrict Licensor's rights to any such Personal Information under any applicable Franchise Agreement. Notwithstanding any provision in this Agreement or any applicable Franchise Agreement to the contrary, Subscriber shall be responsible for providing all notices, and obtaining all consents, required in connection with Licensor's processing of Personal Data in connection with its provision of the SaaS Services, and Subscriber shall have sole responsibility for the accuracy, quality, integrity, legality, reliability, and appropriateness of all such Personal Information. For purposes of this Agreement, "Personal Information" means any information from which an individual or household may be identified.

12.3 Assignment.

Neither Party may assign the Agreement or any right under the Agreement, without the consent of the other Party, which consent shall not be unreasonably withheld or delayed; provided however, that either Party may assign the Agreement to an acquirer of all or substantially all of the business of such Party to which the Agreement relates, whether by merger, asset sale or otherwise. The Agreement shall be binding upon and inure to the benefit of the Parties' successors and permitted assigns. Either Party may employ subcontractors in performing its duties under the Agreement, provided, however, that such Party shall not be relieved of any obligation under the Agreement.

12.4 Notices.

Except as otherwise permitted in the Agreement, notices under the Agreement shall be in writing and shall be deemed to have been given (i) five (5) business days after mailing if sent by registered or certified U.S. mail, (ii) when transmitted if sent by facsimile, email or SMS text provided that a copy of the notice is promptly sent by another means specified in this section, or (iii) when delivered if delivered personally or sent by express courier service. All notices shall be sent to the other Party at the address set forth on the order pages of the Agreement.

12.5 Force Majeure.

Each Party will be excused from performance for any period during which, and to the extent that, such Party or any subcontractor is prevented from performing any obligation or service, in whole or in part, as a result of causes beyond its reasonable control, and without its fault or negligence, including without limitation, acts of God, strikes, lockouts, riots, acts of terrorism or war, epidemics, communication line failures, and power failures.

12.6 Waiver.

No waiver shall be effective unless it is in writing and signed by the waiving Party. A waiver by either Party of any breach of the Agreement shall not constitute a waiver of any other or subsequent breach.

12.7 Severability.

If any term of the Agreement is held to be invalid or unenforceable, that term shall be reformed to achieve as nearly as possible the same effect as the original term, and the remainder of the Agreement shall remain in full force.

12.8 Entire Agreement.

The Agreement contains the entire agreement of the Parties and supersedes all previous oral and written communications by the Parties, concerning the subject matter of the Agreement. In the event of a conflict between the Agreement and the terms of the applicable Franchisee Agreement, this Agreement shall control but only with respect to its subject matter. This Agreement may be amended solely in a writing signed by both Parties.

12.9 Survival.

Sections 3, 6, and 8 through 12 of the Agreement shall survive the expiration or termination of the Agreement for any reason.

12.10 Publicity.

Licensor may include Subscriber's name and logo in its Subscriber lists and on its website. Upon signing, Licensor may issue a high-level press release announcing the relationship and the manner in which Subscriber will use the SaaS Services. Licensor shall coordinate its efforts with appropriate communications personnel in Subscriber's organization to secure approval of the press release if necessary.

12.11 Export Regulations.

Export laws and regulations of the United States and any other relevant local export laws and regulations apply to the SaaS Services. Subscriber agrees that such export control laws govern its use of the SaaS Services (including technical data) and any services deliverables provided under the Agreement, and Subscriber agrees to comply with all such export laws and regulations. Subscriber agrees that no data, information, software programs and/or materials resulting from services (or direct product thereof) will be exported, directly or indirectly, in violation of these laws.

12.12 No Third-Party Beneficiaries.

The Agreement is an agreement between the Parties, and confers no rights upon either Party's employees, agents, contractors, partners of Subscribers or upon any other person or entity.

12.13 Independent Contractor.

The Parties have the status of independent contractors, and nothing in the Agreement nor the conduct of the parties will be deemed to place the parties in any other relationship. Except as provided in this

Agreement, neither party shall be responsible for the acts or omissions of the other party or the other party's personnel.

12.14 Statistical Information.

Licensor may aggregate and anonymize any data or information relating to Subscriber Content ("**De-Identified Data**") to monitor, improve, or expand the SaaS Services or Licensor's commercial offerings. De-Identified Data may be combined and analyzed with other Subscriber's data and learnings by Licensor.

12.15 Governing Law.

The laws of the United States and the State of Maryland, without reference to conflicts of laws principles that would require the application of the laws of any other state, govern all matters arising out of or relating to the Agreement and all of the transactions it contemplates, including its validity, interpretation, construction, performance, and enforcement. The United Nations Convention on Contracts for the International Sale of Goods shall not apply. Any claims arising out of or related to this agreement shall be heard exclusively in the courts of Frederick County, Maryland.

12.16 Dispute Resolution.

Subscriber's satisfaction is an important objective to Licensor in performing its obligations under the Agreement. Except with respect to intellectual property rights, if a dispute arises between the Parties relating to the interpretation or performance of the Agreement or the grounds for the termination hereof, the Parties agree to hold a face to face meeting within fifteen (15) days of written request by either Party, attended by individuals with decision-making authority, regarding the dispute, to attempt in good faith to negotiate a resolution of the dispute prior to pursuing other available remedies. If, within 15 days after such meeting, the Parties have not succeeded in resolving the dispute, either Party may protect its interests by any lawful means available to it.

SCHEDULE A - SERVICE LEVEL AGREEMENT (SLA)

- 1. System Availability Definition.** “System Availability” means the number of minutes in a year that the key components of the SaaS Services are operational as a percentage of the total number of minutes in such year, excluding downtime resulting from (a) scheduled maintenance, (b) events of Force Majeure, (c) malicious attacks on the system, (d) issues associated with the Subscriber’s computing devices, local area networks or internet service provider connections, or (e) inability to deliver services because of acts or omissions of Subscriber or any Authorized User.
- 2. Applicable Levels.** Licensor shall provide the SaaS Services to Subscriber with a System Availability of at least 98% during each calendar year of the Subscription Term following initial implementation completion, excluding any scheduled maintenance.
- 3. Scheduled Maintenance.** Licensor reserves the right to take the SaaS Service offline for scheduled maintenance for which Subscriber has been provided reasonable notice and Licensor reserves the right to change its maintenance window upon prior notice to Subscriber. Time used during scheduled maintenance periods will be excluded from the System Availability calculation.
- 4. Remedies.** If Licensor fails to meet the System Availability in a calendar year, upon written request by Subscriber within 30 days after the end of the agreement year, and subject to Licensor’s verification of the claim, Licensor will issue a credit in Subscriber’s next invoice in an amount equal to 1% of the yearly fee for the affected SaaS Services for each 1% loss of System Availability per SaaS Services, up to a maximum of the Subscriber’s fee for the affected SaaS Services. Subscriber shall, in connection with such written request, include all information necessary for Licensor to validate the claim, such as (a) a detailed description of the incident, (b) information regarding the time and duration of the incident, (c) the number and location(s) of affected Authorized Users (if applicable), and (d) descriptions of Subscriber’s attempts to resolve the incident at the time of occurrence when it occurred. All claims are subject to review and verification by License prior to any credits being granted. The remedy stated in this paragraph is Subscriber’s sole and exclusive remedy for interruption of SaaS Services and Licensor’s failure to meet System Availability.

RECEIPTS

STATE EFFECTIVE DATES

The following states 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:

California	Pending
Hawaii:	Pending
Illinois:	Pending
Indiana:	Pending
Maryland:	Pending
Michigan:	Pending
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

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 NPR Auto Group, LLC offers you a franchise, it must provide this Disclosure Document to you 14 days before you sign a binding agreement with, or make a payment to, NPR Auto Group, LLC or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement and the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Iowa requires that we give you this disclosure document at the earlier of the first personal meeting or 14 calendar days before the execution of the franchise or other agreement and the payment of any consideration that relates to the franchise relationship.

If NPR Auto Group, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed in Exhibit D.

Franchise Seller Information:

Names: Michael DeLorenzo, Jason Manelli, Penny Sottile, Jon Dill, and Andres Lezcano
Address: 13900 Laurel Lakes Avenue, Suite 100, Laurel, Maryland 20707
Telephone Number: 240-455-0672

Date of Issuance: October 31, 2025

NPR Auto Group, LLC authorizes the respective state agencies identified on Exhibit D to receive service of process for it in the particular state.

I received a Disclosure Document dated October 31, 2025 that included the following Exhibits:

- | | |
|--|--|
| A. Franchise Agreement, State Riders, and Brand Share Incentive Addendum | F. Operating Manual Table of Contents |
| B. Financial Statements | G. Sample Master Lease Agreement |
| C. General Release | H. List of Current Franchisees |
| D. List of State Agencies/Agents for Service of Process | I. List of Former Franchisees e |
| E. Collision Damage Waiver Indemnification and Fee Agreement | J. Reservation System Participation Agreement |
| | K. ASAP Rental Management System Order Form and Software as a Service Terms Receipts |

Date Received

Print Your Name (Prospective Franchisee)

Your Signature (Prospective Franchisee)

Please sign this copy of the receipt, date your signature, and return it to NPR Auto Group, LLC, at 13900 Laurel Lakes Avenue, Suite 100, Laurel, Maryland 20707. This Disclosure Document is also available via email from our website www.Rent-A-Wreckcarrental.com.

RECEIPT

This Disclosure Document summarizes certain provisions of the franchise agreement and other information in plain language. Read this Disclosure Document and all agreements carefully. If NPR Auto Group, LLC offers you a franchise, it must provide this Disclosure Document to you 14 days before you sign a binding agreement with, or make a payment to, NPR Auto Group, LLC or an affiliate in connection with the proposed franchise sale.

New York requires that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise and other agreement or the payment of any consideration that relates to the franchise relationship. Michigan requires that we give you this disclosure document at least 10 business days before the execution of any binding franchise or other agreement or the payment of any consideration, whichever occurs first. Iowa requires that we give you this disclosure document at the earlier of the first personal meeting or 14 calendar days before the execution of the franchise or other agreement and the payment of any consideration that relates to the franchise relationship.

If NPR Auto Group, LLC does not deliver this Disclosure Document on time or if it contains a false or misleading statement, or a material omission, a violation of federal law and State law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the state agency listed in Exhibit D.

Franchise Seller Information:

Names: Michael DeLorenzo, Jason Manelli, Penny Sottile, Jon Dill, and Andres Lezcano

Address: 13900 Laurel Lakes Avenue, Suite 100, Laurel, Maryland 20707

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