

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

**ITEM 6
OTHER FEES ⁽¹⁾**

Name of Fee	Amount	Due Date	Remarks
Fees Under Budget License Agreement			
License Fees	7.5% of the Gross Revenue ⁽²⁾ of your Budget Franchise for the preceding month	10 th of each month	
Monthly Marketing Fee	Currently, \$0	Not currently being collected	If we begin collecting this fee, this fee would cover the costs of producing, contesting, and paying the composite statement (which is also referred to as LSS – Licensee Settlement Statement). <u>The fee will not exceed 4% of the Gross Revenue of your Budget Franchise.</u>
Costs for Directory Listings	Budget’s costs and expenses for obtaining and maintaining listings	As incurred	Budget may (at its option) obtain “yellow pages” and “white pages” listings identifying your Budget Franchise and charge you for the costs and expenses Budget incurs.

Name of Fee	Amount	Due Date	Remarks
b. Automated Reservation Fee GDS fee 2.75 Priceline 3.50 Southwest 4.90 Sabre 5.17 Galileo & Worldspan 5.18 Amadeus	\$2.75–\$5.18 per reservation	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	This fee covers the transmission fee for reservations generated by airline or other automated reservation systems, and processed through the reservation system, for your Budget Franchise. The amount of the fee depends on which automated reservation system generated the reservation and is subject to change annually. <u>Any adjustment to the fee will not exceed 200% of the amount in effect during the preceding year.</u>
c. International Phone Reservation Fee	\$11.50 per international reservation made by phone	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	This fee covers expenses for reservations made by international phone sources.
d. Joint Resolution Program Payment ⁽⁵⁾	Up to \$150 per resolution of complaint without prior approval from you	45 days from the date of the Licensee Settlement Statement also referred to as Composite Statement	Amounts that Budget pays during the prior month to resolve any customer complaint involving your Budget Franchise. The amount is subject to change, but Budget is currently authorized to pay up to \$150 without prior approval from you. Adjustments greater than \$150 require contact and approval by you <u>Any adjustment to the fee will not exceed 200% of the amount in effect during the preceding year.</u>
e. Current Budget Centralized Commission	The Commission Reimbursement Payment equals	Upon demand	BCCS pays commissions to travel sources worldwide for referral of

Name of Fee	Amount	Due Date	Remarks
Corporate Rate Association Affinity Program Fees			You must participate in the National Accounts portion of the Corporate Rate Association Affinity Program.
a. Rebates for Various Corporate Rate Association Affinity Program Customers	Varies depending on agreement with account, typically 3% to 12% of Net Time and Mileage Revenue from transaction	Monthly	Budget periodically collects rebates from all Budget Franchises who rented to a particular Corporate Rate Association Affinity customer and pays the rebate to the customer.
Payment Processing:			These fees are imposed when a Budget Franchise accepts charge cards and other forms of payment according to Budget's standards of performance in the Manual. Budget imposes and collects these fees through the Payment Program (paragraph 6.4 of the Budget License Agreement).
a. Accounts Receivable Processing Fee	Our then-current charge. Currently it is 2%–7% of charges incurred.	When transaction is processed	Variable rate by business segment. Central billing is currently 3.0% for Budget Licensees who process reservations via Wizard only and 4.5% for Budget Licensees who do not use Wizard as their front end rental processing system. The direct bill charge card fee is up to 7%. These fees are subject to change. <u>Any adjustment to the fee will not exceed a total of 15% of charges incurred.</u>

Name of Fee	Amount	Due Date	Remarks
b. Voucher Processing Fee	Our then-current charge. Currently it is 0.5%-4.5% of charges incurred net of tour operator commissions.	When transaction is processed	The payment processing fee for voucher processing is 3.0% for Budget Licensees who process reservations via Wizard only and 4.5% for Budget Licensees who do not use Wizard as their front end rental processing system. <u>Any adjustment to the fee will not exceed a total of 10% of charges incurred.</u>

Notes:

1. Unless otherwise stated, all fees are non-refundable and are uniformly imposed and collected by, and payable to, Budget. Budget may require you to pay by electronic funds transfer (“EFT”), in which case you must sign and deliver the documents necessary for Budget to implement this system and make the required funds available for withdrawal on or before the designated due date.
2. The Budget License Agreement defines “**Gross Revenue**” as “any and all sums of every nature and character (whether in cash, credit, or otherwise) payable (collected or uncollected) under closed rental agreements, vehicle lease agreements, sublicense agreements, or otherwise, in Licensee’s operation of its Rental Business including time, mileage, damage or loss waiver, insurance products, service fees, surcharges, and any other charges for any ancillary goods or services provided directly or indirectly in connection with Licensee’s Rental Business, including baby seats, navigational devices, portable XM radios and/or DVD players, tire chains, locks, ropes, hitches, pads, boxes, portable lifts, and other products and services associated with loading, unloading, securing contents and packing trucks and cars, and specifically excluding only the following: (a) any national, state/province, or local sales or other similar taxes separately stated, collected from customers and paid by Licensee to the applicable airport authority; (b) any amounts received as insurance proceeds or otherwise for damage to vehicles or other property of Licensee, or for loss, conversion, or abandonment of such vehicles; (c) revenue derived from the sale of fuel furnished at the time of rental; and (d) customer facility fees (“CFC”), collected from customers and paid by Licensee to the applicable governmental authority.”
3. The Reservation System Fees are imposed under the Rental System Agreement, which you must sign along with the Budget License Agreement. These fees are due for all reservations which are made for your Budget Franchise by customers, airlines, tour agencies, travel agents, Internet or e-commerce users, or otherwise through the reservation system during the preceding month. These fees are incurred on all reservations, including reservations that ABCR attempts to send to you but you fail to accept for any reason. You must pay these fees without any setoff or deduction of any kind. Budget collects all fees that the Rental System Agreement (and its exhibits) imposes.

Franchise. Your security deposit may vary, depending on your monthly rent payments and local custom. Security deposits usually are refundable if you comply with the lease during its term.

7. Your vehicle insurance premiums will vary based on your initial fleet size, your vehicle mix, the state in which you insure your vehicles, and whether or not your insurance is issued as part of an assigned risk pool. Your premiums will also vary if you chose to retain the risk of loss for damage to and theft of your vehicles, if you qualify as a duly authorized self-insurer, and if you chose to self-insure for third-party liability, with Budget's consent. Budget used an estimated cost of \$2000 to \$5000 per vehicle per annum to calculate these figures for the cost of obtaining insurance coverage for vehicle damage, theft, and third-party liability from vehicle accidents based on payment of your annual or semi-annual premiums in monthly installments for your first three months of operation.
8. This item covers miscellaneous opening costs and expenses such as utility installation and deposits, business licenses and certificates, and professional fees.
9. This item reflects the estimated range of payments, less interest, you would make based on estimated acquisition cost for your 30-car rental fleet during the first three months that your Budget Franchise operates. This estimate cannot take into account your cost of financing your fleet as interest rates vary. This estimate also cannot take into account the initial fleet mix you may need to serve the anticipated needs of your customers. Therefore, the extremes of this estimate represent a fleet solely composed of one class of vehicle at the extreme ends of the cost range. The purchase price of your fleet, using an estimated cost of \$15,000 per vehicle (for an economy car) to \$43,000 per vehicle (for a luxury car), would be \$450,000 to \$1,290,000 for a 30-vehicle fleet composed solely of economy or luxury cars. Budget expects franchisees to finance 100% of the purchase price of their fleet, and expects that you will provide security for this financing using the fleet, your (or your owners') personal guarantee, and, perhaps, certain of your (or your owners') personal assets. If you finance the fleet, you will make finance payments to financial institutions you select to provide the financing. Budget expects that your monthly fleet expenses will increase after your first three months of operation as your fleet size increases.
10. Budget provides web-based training and seminars, manuals, on-the-job instruction, and other programs and materials appropriate for you, your General Manager, and other employees Budget approves. Budget offers web based training through Workday Learning allowing you and your approved employees to complete training on any device that allows web access. You and your approved employees must complete the program to Budget's satisfaction (to that extent that they must actively participate in and timely complete all web-based sessions). The estimate covers training for you, your General Manager and your approved employees.
11. Budget does not offer financing (directly or indirectly) for any part of the initial investment.
12. This is only an estimate of the range of initial operating expenses you may incur (other than items identified separately in the table). These amounts are the minimum recommended levels to cover your operating expenses for 3 months and may vary

depending on actual performance and cost structure. The disclosure laws require us to include this estimate of all costs and expenses to operate your franchise during the “initial phase” of your business, which is defined as 3 months or a longer period if “reasonable for the industry.” We are not aware of any established longer “reasonable period,” so our disclosures cover a 3 month period. The operating expenses may include, without limitation, employee wages and payroll-related costs, utilities, routine maintenance, office and administrative expenses, and professional fees. The range provided is based on Avis’s experience with similarly sized franchise operations (e.g., ~30-car fleet) and reflects variability in factors such as local labor costs, market conditions, and operator-specific expense management. You should review these figures carefully with a business advisor before making any decision to purchase the franchise.

ITEM 8 RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

Standards.

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

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

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

Designated and Approved Suppliers.

Your Budget Franchise must participate in Wizard, according to the Rental System Agreement. ABCR administers the Wizard System and is the only supplier of reservation and rental system services to Budget Franchises. ABCR also provides reservation and rental processing services using Wizard for Avis and the Avis Rent A Car business network. All of the fees and other revenues that ABCR currently receives from Budget Franchises for providing Wizard services are described in Item 6. During 2025, Wizard Services, Inc. received approximately \$2,325,229.17 from providing reservation services to the Network (based on Wizard Service, Inc.’s internal unaudited financial records) which represents 1.24%

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

The table of contents of our Manual is attached as ~~exhibit~~Exhibit L. Our ~~annual~~Manual has a total of 538 pages and is divided into 20 sections with approximately 27 pages dedicated to each subject in the Manual.

Training.

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

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

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

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

TRAINING PROGRAM

Course	Duration in Minutes	Location
Vehicle Manufacturer Recall Process and Policy Acknowledgment	7	Workday Learning - Online Training
Introducing Compass	5	Workday Learning - Online Training
Adding Information to FNOL 2025 Recert	5	Workday Learning - Online Training
Documenting Vehicle Damage at Check-In Using MDMS 2025 Recert	7	Workday Learning - Online Training
Conducting a 14-Point Check 2025 Recert	10	Workday Learning - Online Training

Provision	Section of the Budget License Agreement	Summary
p. Your death or disability	12.4	Any transfer must occur within six months to a third party Budget approves. Budget is authorized to immediately appoint a manager to maintain the operation, until an approved Assignee is able to assume the management and operation of the RAC business.
q. Non-competition during the term of the franchise	1.6 and Nondisclosure and Noncompetition Agreement	No involvement in other vehicle rental business or system in the United States, subject to applicable law .
r. Non-competition covenants after the franchise is terminated or expires	11.9, 12.6, and Nondisclosure and Noncompetition Agreement	No competing business for one year in licensed territory or within five miles of licensed territory, subject to applicable law .
s. Modification of the agreement	14.2(c)	Must be reduced to writing and signed by you and Budget. However, the Manual and Standards are subject to change.
t. Integration/merger clause	14.2(a)	Only terms of license agreement, its exhibits, its schedules, the Standards and Transfer Requirements are enforceable. Any representations or promises outside of the disclosure document and license agreement may not be enforceable. Notwithstanding the foregoing, nothing in this or any related agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u. Dispute resolution by arbitration or mediation	None	
v. Choice of forum	14.9	Subject to state law, you agree to the jurisdiction of New Jersey courts.
w. Choice of law	14.8	Subject to state law, New Jersey law applies.

**ITEM 18
PUBLIC FIGURES**

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

**ITEM 19
FINANCIAL PERFORMANCE REPRESENTATIONS**

The FTC’s Franchise Rule permits a franchisor to provide information about the actual or potential financial performance of its franchised and/or franchisor-owned outlets, if there is a reasonable basis for the information, and if the information is included in the disclosure document. Financial performance information that differs from that included in Item 19 may be given only if: (1) a franchisor

State Effective Dates

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the state, or be exempt from registration: California, Hawaii, Illinois, Indiana, Maryland, Michigan, Minnesota, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered or exempt from registration, as of the Effective Date stated below:

State	Effective Date
California	Pending See Separate FDD
Hawaii	Not Registered
Illinois	Not Registered
Indiana	Pending See Separate FDD
Maryland	Not Registered
Michigan	May 20, 2026 See Separate FDD
Minnesota	Pending
New York	Not Registered
North Dakota	Pending See Separate FDD
Rhode Island	Not Registered
South Dakota	April 29, 2026 See Separate FDD
Virginia	Not Registered
Washington	See Separate FDD May 20, 2026
Wisconsin	April 29, 2026 See Separate FDD

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.

enforce these provisions in the Budget License Agreement to the maximum extent the law allows.

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

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

THESE FRANCHISES HAVE BEEN REGISTERED UNDER THE MINNESOTA FRANCHISE ACT. REGISTRATION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE COMMISSIONER OF COMMERCE OF MINNESOTA OR A FINDING BY THE COMMISSIONER THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE AND NOT MISLEADING.

THE MINNESOTA FRANCHISE ACT MAKES IT UNLAWFUL TO OFFER OR SELL ANY FRANCHISE IN THIS STATE WHICH IS SUBJECT TO REGISTRATION WITHOUT FIRST PROVIDING TO THE PROSPECTIVE FRANCHISEE, AT LEAST 7 DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST 7 DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION, BY THE FRANCHISEE, WHICHEVER OCCURS FIRST, A COPY OF THIS PUBLIC OFFERING STATEMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE FRANCHISE. THIS PUBLIC OFFERING STATEMENT CONTAINS A SUMMARY ONLY OF CERTAIN MATERIAL PROVISIONS OF THE FRANCHISE AGREEMENT. THE CONTRACT OR AGREEMENT SHOULD BE REFERRED TO FOR AN UNDERSTANDING OF ALL RIGHTS AND OBLIGATIONS OF BOTH THE FRANCHISOR AND THE FRANCHISEE.

NEW YORK

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

“SPECIAL RISK FACTORS:

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