

AVIS BUDGET GROUP, INC.

Form S-4

November 19, 2010

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Subject to completion, as filed with the Securities and Exchange Commission on November 19, 2010

Registration No. 333-

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

**FORM S-4**  
**REGISTRATION STATEMENT**

*UNDER*

*THE SECURITIES ACT OF 1933*

**AVIS BUDGET CAR RENTAL, LLC**  
**AVIS BUDGET FINANCE, INC.**

(Exact Name of Each Registrant as Specified in Its Charter)

Delaware

1-10308

22-3475741

Delaware  
(State or Other Jurisdiction of

1-10308

20-4542671  
(I.R.S. employer

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Incorporation or Organization)

(Primary Standard Industrial  
Classification Code Number)  
6 Sylvan Way

identification number)

Parsippany, New Jersey 07054

(973) 496-4700

(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

David B. Wyshner

Executive Vice President and Chief Financial Officer

Avis Budget Group, Inc.

6 Sylvan Way

Parsippany, NJ 07054

(973) 496-4700

(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

*Copy to:*

Joshua N. Korff, Esq.

Christopher A. Kitchen, Esq.

Kirkland & Ellis LLP

601 Lexington Avenue

New York, New York 10022

(212) 446-4800

**APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC:** As soon as reasonably practicable after this registration statement becomes effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. "

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If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act of 1933, as amended (the Securities Act ), check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a smaller reporting company. See definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Securities Exchange Act of 1934 (Check One):

Large accelerated filer:  Accelerated filer:   
 Non-accelerated filer (Do not check if a smaller reporting company):  Smaller reporting company:   
 If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer):

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer):

### CALCULATION OF REGISTRATION FEE

	<b>Proposed</b>	
	<b>Maximum</b>	
<b>Title of Each Class of</b>	<b>Aggregate</b>	<b>Amount of</b>
<b>Securities to Be Registered(1)</b>	<b>Offering Price</b>	<b>Registration Fee</b>
8.25% Senior Notes due 2019	\$600,000,000	\$42,780
Guarantees related to the 8.25% Senior Notes due 2019(2)	N/A	N/A
<b>Total</b>	<b>\$600,000,000</b>	<b>\$42,780</b>

- (1) Estimated solely for the purpose of calculating the registration fee in accordance with Rule 457(o) promulgated under the Securities Act.  
 (2) No separate consideration will be received for the guarantees, and no separate fee is payable, pursuant to Rule 457(n) under the Securities Act.

**THE REGISTRANTS HEREBY AMEND THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANTS SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933, AS AMENDED, OR UNTIL THIS REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE SECURITIES EXCHANGE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.**



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<b>Name of Additional Registrant*</b>	<b>State or Other Jurisdiction of Incorporation or Formation</b>	<b>Primary Standard Industrial Classification Code Number</b>	<b>I.R.S. Employer Identification No.</b>
AB Car Rental Services, Inc. (f/k/a Cendant Car Rental Operations Support, Inc.)	DE	7510	20-0447089
ARACS LLC	DE	7510	22-3834931
Avis Asia and Pacific, Limited	DE	7510	11-2850373
Avis Budget Group, Inc.	DE	7510	06-0918165
Avis Budget Holdings, LLC	DE	7510	20-4542614
Avis Car Rental Group, LLC	DE	7510	22-2732926
Avis Caribbean, Limited	DE	7510	11-2850374
Avis Enterprises, Inc.	DE	7510	11-2631886
Avis Group Holdings, LLC	DE	7510	11-3347585
Avis International, Ltd.	DE	7510	11-2411667
Avis Operations, LLC	DE	7510	22-3846340
Avis Rent A Car System, LLC	DE	7510	11-1998661
BGI Leasing, Inc.	DE	7510	68-0515335
Budget Rent A Car System, Inc.	DE	7510	42-1553246
Budget Truck Rental LLC	DE	7510	20-3251037
PF Claims Management, Ltd.	DE	7510	11-2850723
PR Holdco, Inc.	DE	7510	26-1705577
Runabout, LLC	DE	7510	26-1961156
Wizard Co., Inc.	DE	7510	11-2814383
Wizard Services, Inc.	DE	7510	26-0317240

\* Address and telephone numbers of principal executive offices are the same as those of Avis Budget Car Rental, LLC.

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**The information in this prospectus is not complete and may be changed. We may not offer these securities until the registration statement filed with the Securities and Exchange Commission is effective. The prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer is not permitted.**

**Subject to Completion, dated November 19, 2010**

**Preliminary Prospectus**

**\$600,000,000**

**Avis Budget Car Rental, LLC**

**Avis Budget Finance, Inc.**

**Exchange Offer for**

**8.25% Senior Notes due 2019**

Offer for outstanding 8.25% Senior Notes due 2019, in the aggregate principal amount of \$600,000,000 (which we refer to as the Old Notes ) in exchange for up to \$600,000,000 in aggregate principal amount of 8.25% Senior Notes due 2019 which have been registered under the Securities Act of 1933, as amended (which we refer to as the Exchange Notes and, together with the Old Notes, the notes ).

**Terms of the Exchange Offer:**

Expires 5:00 p.m., New York City time, , 2010, unless extended.

You may withdraw tendered outstanding Old Notes any time before the expiration or termination of the exchange offer.

Not subject to any condition other than that the exchange offer does not violate applicable law or any interpretation of the staff of the Securities and Exchange Commission.

We can amend or terminate the exchange offer.

We will not receive any proceeds from the exchange offer.

The exchange of Old Notes for the Exchange Notes should not be a taxable exchange for United States federal income tax purposes. See Certain United States federal income tax considerations.

**Terms of the Exchange Notes:**

The Exchange Notes will be our senior unsecured obligations, will rank equally with all our existing and future senior unsecured debt and will be senior to all our existing and future subordinated debt. Most of our other debt is secured, including our senior credit

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facilities, and, as such, holders of our secured indebtedness will have a priority claim on our assets that secure our secured indebtedness. In addition, the Exchange Notes will be effectively subordinated in right of payment to all of our and the guarantors existing and future secured indebtedness to the extent of the value of the collateral securing such indebtedness and will be structurally subordinated in right of payment to all of our non-guarantor subsidiaries existing and future indebtedness and other liabilities. See Description of Exchange Notes.

The Exchange Notes will mature on January 15, 2019. The Exchange Notes will bear interest semi-annually in cash in arrears on January 15 and July 15 of each year, beginning on January 15, 2011.

We may redeem the Exchange Notes in whole or in part from time to time. See Description of Exchange Notes.

Upon a change of control, we may be required to offer to repurchase the Exchange Notes.

The terms of the Exchange Notes are substantially identical to those of the outstanding Old Notes, except the transfer restrictions, registration rights and additional interest provisions relating to the Old Notes do not apply to the Exchange Notes.

**For a discussion of the specific risks that you should consider before tendering your outstanding Old Notes in the exchange offer, see Risk factors beginning on page 8 of this prospectus.**

There is no established trading market for the Old Notes or the Exchange Notes.

Each broker-dealer that receives Exchange Notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Notes. A broker dealer who acquired Old Notes as a result of market making or other trading activities may use this exchange offer prospectus, as supplemented or amended from time to time, in connection with any resales of the Exchange Notes.

**Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the Exchange Notes or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.**

The date of this prospectus is \_\_\_\_\_, 2010

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Each broker-dealer that receives Exchange Notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such Exchange Notes. By so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act. A broker dealer who acquired Old Notes as a result of market making or other trading activities may use this prospectus, as supplemented or amended from time to time, in connection with any resales of the Exchange Notes. We have agreed that, for a period of up to 180 days after the closing of the exchange offer, we will make this prospectus available for use in connection with any such resale. See Plan of distribution .

You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with information different from that contained in this prospectus. This prospectus does not constitute an offer to sell or a solicitation of an offer to buy securities other than those specifically offered hereby or an offer to sell any securities offered hereby in any jurisdiction where, or to any person whom, it is unlawful to make such offer or solicitation. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of our 8.25% Senior Notes due 2019.

This prospectus incorporates important business and financial information about Avis Budget Group that is not included or delivered with this prospectus. You may obtain copies of documents that Avis Budget Group files with the Securities Exchange Commission and incorporates by reference into this prospectus free of charge in writing or by telephone from:

Avis Budget Group, Inc.

6 Sylvan Way

Parsippany, NJ 07054

Attention: Investor Relations

(973) 496-4700

To obtain timely delivery of this information, you must request the information no later than \_\_\_\_\_, 2010.

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Avis Budget Car Rental, LLC is a Delaware limited liability company ( ABCR ) and an indirect subsidiary of Avis Budget Group, Inc., a Delaware corporation ( Avis Budget Group ). Avis Budget Finance, Inc. is a Delaware corporation ( Avis Finance ) and a wholly-owned subsidiary of ABCR. In this prospectus, unless otherwise indicated or the context otherwise requires, issuer refers to each of ABCR and Avis Finance, collectively the issuers , and not to any of their other subsidiaries; we, us, our and Avis Budget Group refer to Avis Budget Group, Inc. and its subsidiaries; Avis and Budget refer to our Avis and Budget operations, respectively, and do not include the operations of Avis Europe Holdings, Limited ( Avis Europe ) and its affiliates, as further discussed below; and initial purchasers refers to Banc of America Securities LLC, Barclays Capital Inc., Citigroup Global Markets Inc., Deutsche Bank Securities Inc., J.P. Morgan Securities Inc., Wells Fargo Securities LLC, Credit Agricole Securities (USA) Inc., RBS Securities Inc. and Scotia Capital (USA) Inc., the initial purchasers of the Old Notes.

Our principal executive offices are located at 6 Sylvan Way, Parsippany, New Jersey 07054, and our main telephone number at that address is (973) 496-4700. Our website is located at <http://www.avisbudgetgroup.com>. The information contained on our website or that can be accessed through our website is not part of this prospectus and you should not rely on that information. The foregoing Internet websites are inactive textual references only, meaning that the information contained on the websites is not a part of this prospectus and is not incorporated in this prospectus by reference.

### **MARKET, RANKING AND OTHER INDUSTRY DATA**

This prospectus includes industry share and industry data and forecasts that we obtained from industry publications and surveys and internal company sources. Industry publications and surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but there can be no assurance as to the accuracy or completeness of included information. We have not independently verified any of the data from third-party sources nor have we ascertained the underlying economic assumptions relied upon therein and cannot guarantee the accuracy or completeness of any such data or the related forecasts contained in this prospectus. Statements as to our industry position are based on data currently available to us. Information with respect to our brand loyalty was provided by Brand Keys, a third-party research firm specializing in brand loyalty measurement.

While we are not aware of any misstatements regarding our industry data presented herein, our estimates involve risks and uncertainties and are subject to change based on various factors, including those discussed under the headings Special note regarding forward-looking statements and Risk factors in this prospectus.

### **TRADEMARKS, SERVICE MARKS AND TRADE NAMES**

We own the trademarks, service marks and trade names that we use in connection with the operation of our business. The service marks Avis and Budget , related marks incorporating the words Avis or Budget , and related logos and marks such as We try harder are material to our operations. Our subsidiaries, licensees and franchisees actively use these marks. All of the material marks used in our business are registered (or have applications pending for registration) with the United States Patent and Trademark Office as well as major countries worldwide where our subsidiaries and franchisees are in operation. Our subsidiaries own the marks used in our business.

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**INCORPORATION OF CERTAIN DOCUMENTS**

This prospectus incorporates by reference the documents and reports listed below, which have been filed with the SEC (other than portions of these documents that are furnished under Item 2.02 or Item 7.01 of a Current Report on Form 8-K, unless otherwise indicated herein):

our definitive proxy statement under Regulation 14A in connection with our Annual Meeting of Stockholders (filed with the SEC on April 1, 2010);

our Annual Report on Form 10-K for the year ended December 31, 2009, filed with the SEC on February 24, 2010 (the 2009 10-K );

our Quarterly Reports on Form 10-Q for the quarterly period ended March 31, 2010, filed with the SEC on May 6, 2010 (the 2010 First Quarter 10-Q ), for the quarterly period ended June 30, 2010, filed with the SEC on August 6, 2010 (the 2010 Second Quarter 10-Q ) and for the quarterly period ended September 30, 2010 filed with the SEC on November 5, 2010 (the 2010 Third Quarter 10-Q ); and

our Current Reports on Form 8-K filed with the SEC on March 8, 2010, March 11, 2010, March 23, 2010, May 27, 2010, July 1, 2010, July 27, 2010, August 13, 2010, August 30, 2010, October 12, 2010, October 18, 2010, October 28, 2010, November 9, 2010 and November 18, 2010.

We also incorporate by reference the information contained in all other documents we file with the SEC pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act (other than portions of these documents that are furnished under Item 2.02 or Item 7.01 of a Current Report on Form 8-K, unless otherwise indicated therein) after the date of this prospectus and prior to the termination of the exchange offer. The information contained in any such document will be considered part of this prospectus from the date the document is filed with the SEC. You may request free copies of these filings by writing or telephoning us at the following address or telephone number, as applicable, attention Investor Relations:

Avis Budget Group, Inc.

6 Sylvan Way

Parsippany, New Jersey 07054

(973) 496-4700

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**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

The forward-looking statements contained herein are subject to known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. These forward-looking statements are based on various facts and were derived utilizing numerous important assumptions and other important factors that could cause actual results to differ materially from those in the forward-looking statements. Forward-looking statements include the information concerning our future financial performance, business strategy, projected plans and objectives. Statements preceded by, followed by or that otherwise include the words believes, expects, anticipates, intends, projects, estimates, plans, may increase and similar expressions or future or conditional verbs such as will, should, would, may and could are forward-looking in nature and not historical facts. We derive many of our forward-looking statements from our operating budgets and forecasts, which are based upon many detailed assumptions. While we believe that our assumptions are reasonable, it is very difficult to predict the impact of known factors and, of course, it is impossible to anticipate all factors that could affect our actual results. You should understand that the following important factors and assumptions could affect our future results and could cause actual results to differ materially from those expressed in such forward-looking statements:

the high level of competition in the vehicle rental industry and the impact such competition may have on pricing and rental volume;

an increase in our fleet costs as a result of an increase in the cost of new vehicles and/or a decrease in the price at which we dispose of used vehicles either in the used vehicle market or under repurchase or guaranteed depreciation programs;

the results of operations or financial condition of the manufacturers of our cars, which could impact their ability to perform their payment obligations under repurchase and/or guaranteed depreciation arrangements they have with us, and/or their willingness or ability to make cars available to us or the rental car industry as a whole on commercially reasonable terms or at all;

travel demand, including airline passenger traffic in the United States and in the other international locations in which we operate;

the effects of economic conditions, including in the housing market, and the impact such conditions may have on us, particularly during our peak season or in key market segments;

our ability to obtain financing for our operations, including the funding of our vehicle fleet via the asset-backed securities and lending market consistent with current costs, and the financial condition of financial-guaranty firms that have insured a portion of our outstanding vehicle-backed debt;

an occurrence or threat of terrorism, pandemic disease, natural disasters or military conflict in the locations in which we operate;

our dependence on third-party distribution channels;

our ability to control costs through our cost-savings and efficiency improvement initiatives or otherwise and successfully implement our business strategy;

our ability to utilize derivative instruments and the impact of derivative instruments we currently utilize, which can be affected by fluctuations in interest rates, changes in government regulations and other factors;

our ability to accurately estimate our future results;

a major disruption in our communication or centralized information networks;

our exposure to uninsured claims in excess of historical levels;

our failure or inability to comply with regulations or contractual obligations or any changes in regulations or contractual obligations, including with respect to personally identifiable information;

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any impact on us from the actions of our licensees, dealers and independent contractors;

substantial increases in the cost, or decreases in the supply, of fuel, vehicle parts, energy or other resources on which we depend to operate our business;

risks related to our indebtedness, including our substantial amount of debt and our ability to incur substantially more debt;

our ability to meet the financial and other covenants contained in the agreements governing our indebtedness;

the terms of agreements among us and the former real estate, hospitality and travel distribution businesses following the separation of those businesses from us during third quarter of 2006, when we were known as Cendant Corporation ( Cendant ), particularly with respect to the allocation of assets and liabilities, including contingent liabilities and guarantees, commercial arrangements, the ability of each of the separated companies to perform its obligations, including its indemnification obligations, under these agreements, and the former real estate business' right to control the process for resolving disputes related to contingent liabilities and assets;

risks associated with litigation involving Avis Budget Group;

risks related to tax obligations and the effect of potential changes in accounting standards;

risks related to the proposed acquisition (the Proposed DTG Acquisition ) of Dollar Thrifty Automotive Group, Inc. ( DTG ), including the timing to consummate the Proposed DTG Acquisition, the ability and timing to obtain required regulatory approvals and financing (and any conditions thereto) and our ability to promptly and effectively integrate the businesses of DTG and Avis Budget Group;

our exposure to fluctuations in foreign exchange rates; and

other business, economic, competitive, governmental, regulatory, political or technological factors affecting our operations, pricing or services.

Other factors and assumptions not identified above, including those described in the section of this prospectus titled Risk factors, as well as those incorporated by reference to the 2009 10-K, the 2010 First Quarter 10-Q, the 2010 Second Quarter 10-Q and the 2010 Third Quarter 10-Q, were also involved in the derivation of these forward looking statements, and the failure of such assumptions to be realized, as well as other factors, may also cause actual results of operations, financial condition and liquidity to differ materially from those projected. Most of these factors are difficult to predict accurately and are generally beyond our control. In addition, even if our results of operations, financial condition and liquidity, and the development of the industry in which we operate are consistent with the forward-looking statements contained in this prospectus, those results or developments may not be indicative of results or developments in subsequent periods.

Given these risks and uncertainties, you are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statements, which we make in this prospectus, speak only as of the date of such statement, and except to the extent of our obligations under the federal securities laws, we undertake no obligation to update such statements or to publicly announce the results of any revisions to any such statements to reflect future events or developments unless required by law. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data. For any forward-looking statements contained in any document, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.



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**PROSPECTUS SUMMARY**

This summary highlights material information about our business and about this offering of notes. This is a summary of material information contained elsewhere in this prospectus and incorporated by reference and is not complete and does not contain all of the information that may be important to you. For a more complete understanding of our business and this offering, you should read this entire prospectus, including the section entitled "Risk factors," as well as the consolidated financial statements, the related notes thereto and the other information incorporated by reference into this prospectus.

**Company Overview**

We operate two of the most recognized brands in the global vehicle rental industry through Avis and Budget. Avis is a leading rental car supplier to the premium commercial and leisure segments of the travel industry and Budget is a leading rental car supplier to the value-conscious segments of the industry. We are a leading vehicle rental operator in North America, Australia, New Zealand and certain other regions we serve, based on published airport statistics. We maintain a leading share of airport car rental revenue and operate one of the leading consumer truck rental businesses in the United States.

Our car rental business enjoys significant benefits from operating two distinct brands that target different industry segments but share the same fleet, maintenance facilities, systems, technology and administrative infrastructure. We believe that Avis and Budget both enjoy complementary demand patterns with mid-week commercial demand balanced by weekend leisure demand. For the year ended December 31, 2009, we generated total revenues of \$5,131 million. The Avis, Budget and Budget Truck brands accounted for approximately 61%, 32% and 7% of our revenue, respectively, in 2009.

Our operations have an extended global reach that includes approximately 6,500 car and truck rental locations in the United States, Canada, Australia, New Zealand, Latin America, the Caribbean and parts of Asia. On average, our global rental fleet totaled more than 350,000 vehicles, and we completed more than 23 million vehicle rental transactions worldwide in 2009. Domestically, in 2009, we derived approximately 81% of our nearly \$4.0 billion in total car rental revenue from on-airport locations and approximately 19% of our domestic car rental revenue from off-airport locations, which we refer to as our local market business. We rent our fleet of approximately 29,000 Budget trucks through a network of approximately 2,300 dealer-operated and 250 company-operated locations throughout the continental United States. We also license the use of the Avis and Budget trademarks to multiple licensees in areas in which we do not operate. The Avis and/or Budget vehicle rental systems in Europe, Africa, the Middle East and parts of Asia are operated at approximately 3,800 locations by subsidiaries and sub-licensees of an independent third party primarily under royalty-free trademark license agreements.

In 2009, our business continued to be impacted by the economic recession. As a result, we continued the implementation of our five-point cost-reduction and efficiency-improvement plan, which we introduced in November 2008, and our Performance Excellence process improvement initiative to reduce annual expenses. The five-point plan enabled us to realize cost savings in 2009 through:

reductions in operating and selling, general and administrative expenses including the elimination of 3,000 positions in late 2008 and 2,250 additional positions in 2009, the majority of which were trimmed from fixed and semi-fixed overhead;

a review of station, segment and customer profitability to identify and respond appropriately to unprofitable aspects of our businesses, which positively impacted our profit per transaction and our overall profitability but negatively impacted volume;

targeted price increases and changes to our sales, marketing and affinity programs in order to improve revenue per day and overall profitability;

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further consolidation of purchasing programs; and

further consolidation of customer-facing and back-office functions and locations across our operations, including closing approximately 125 local business locations in 2009.

In 2009, we not only completed more than 23 million rental transactions worldwide, but also made significant progress toward our strategic objectives. We retained approximately 99% of our commercial contracts and maintained or expanded our marketing alliances with key marketing partners. In 2009, Avis was also named North America's Leading Car Hire for the fourth consecutive year and World's Leading Business Car Rental Company by the World Travel Awards. Budget was named Car Rental Supplier of the Year by Travel Leaders, one of the world's largest leisure and corporate managed business travel agency networks. We are an approved or preferred provider for customers of a majority of the largest auto insurance companies in the United States. In 2009, as a result of our heightened focus on car class upgrades, sales of ancillary products and services, we increased the revenues per rental day that we generate from upgrades, *where2* GPS navigation system units, loss damage waivers and insurance products, and other ancillary services.

In 2009, we diversified our fleet purchases, reduced our overall fleet size and implemented strategic price increases to offset lower demand for travel services. We continue to utilize sophisticated yield-management technology to optimize our pricing and fleet planning, and we continue to analyze and streamline our operations to gain efficiencies. In addition, our more than 21,000 employees continue to provide reliable, high-quality vehicle rental services that foster customer satisfaction and customer loyalty.

We categorize our operations in three operating segments: Domestic Car Rental, consisting of our Avis and Budget U.S. car rental operations; International Car Rental, consisting of our international Avis and Budget vehicle rental operations; and Truck Rental, consisting of our Budget truck rental operations in the United States. In 2009:

*Domestic Car Rental.* Our domestic car rental segment generated approximately 73 million rental days and average time and mileage revenue per day of \$42.22 with an average rental fleet of approximately 270,200 vehicles;

*International Car Rental.* Our international car rental segment generated approximately 13 million rental days and average time and mileage revenue per day of \$42.36 with an average rental fleet of approximately 51,100 vehicles; and

*Truck Rental.* Our truck rental segment generated approximately 4 million rental days and average time and mileage revenue per day of \$73.08 with an average rental fleet of approximately 29,000 trucks.

**Company History**

ABCR is a Delaware limited liability company and an indirect, wholly-owned subsidiary of Avis Budget Group. Avis Finance is a direct, wholly-owned subsidiary of ABCR and functions solely as the co-issuer of the 2010 Notes, the 2006 Notes (each as defined and described in Description of certain indebtedness ) and the notes.

Avis Budget Group was created through a merger with HFS Incorporated in December 1997 with the resultant corporation being renamed Cendant Corporation. On August 23, 2006, Cendant completed a separation into the following four separate companies (the Cendant Separation ): Realogy Corporation ( Realogy ) for its former Real Estate Services businesses; Wyndham Worldwide Corporation ( Wyndham Worldwide ) for its former Hospitality Services businesses; Travelport Inc. ( Travelport ) for its former Travel Distribution Services businesses; and Cendant (now Avis Budget Group) for its Vehicle Rental businesses. Following completion of the Cendant Separation, Cendant changed its name to Avis Budget Group, Inc. and Avis Budget Group's common stock, par value \$0.01 per share (the Common Stock ), began to trade on the New York Stock Exchange under the symbol CAR . For additional information regarding the Cendant Separation, see Risk Factors Risks Related to the Cendant Separation in the 2009 10-K.



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**Exchange Offer**

On October 15, 2010, we sold, through a private placement exempt from the registration requirements of the Securities Act, \$400,000,000 of our 8.25% Senior Notes due 2019 and on November 18, 2010, we sold through a private placement exempt from the registration requirements of the Securities Act, \$200,000,000 of our 8.25% Senior Notes due 2019, all of which are eligible to be exchanged for Exchange Notes. We refer to these notes as Old Notes in this prospectus.

Simultaneously with the private placement, we entered into a registration rights agreement with the initial purchasers of the Old Notes (the Registration Rights Agreement). Under the Registration Rights Agreement, as amended, we are required to use our reasonable best efforts to cause a registration statement for substantially identical Notes, which will be issued in exchange for the Old Notes, to be filed with the United States Securities and Exchange Commission (the SEC) and to complete the exchange offer within 45 days after the date such registration statement is declared effective. We refer to the notes to be registered under this exchange offer registration statement as Exchange Notes and collectively with the Old Notes, we refer to them as the notes in this prospectus. You may exchange your Old Notes for Exchange Notes in this exchange offer. You should read the discussion under the headings Summary of Exchange Offer, Exchange Offer and Description of Exchange Notes for further information regarding the Exchange Notes.

**Securities offered** \$600,000,000 aggregate principal amount of 8.25% Senior Notes due 2019.

**Exchange offer** We are offering to exchange the Old Notes for a like principal amount at maturity of the Exchange Notes. Old Notes may be exchanged only in integral principal multiples of \$1,000. The exchange offer is being made pursuant to the Registration Rights Agreement which grants the initial purchasers and any subsequent holders of the Old Notes certain exchange and registration rights. This exchange offer is intended to satisfy those exchange and registration rights with respect to the Old Notes. After the exchange offer is complete, you will no longer be entitled to any exchange or registration rights with respect to your Old Notes.

**Expiration date; withdrawal of tender** The exchange offer will expire 5:00 p.m., New York City time, on \_\_\_\_\_, 2010, or a later time if we choose to extend this exchange offer in our sole and absolute discretion. You may withdraw your tender of Old Notes at any time prior to the expiration date. All outstanding Old Notes that are validly tendered and not validly withdrawn will be exchanged. Any Old Notes not accepted by us for exchange for any reason will be returned to you at our expense as promptly as possible after the expiration or termination of the exchange offer.

**Resales** We believe that you can offer for resale, resell and otherwise transfer the Exchange Notes without complying with the registration and prospectus delivery requirements of the Securities Act so long as:

you acquire the Exchange Notes in the ordinary course of business;

you are not participating, do not intend to participate, and have no arrangement or understanding with any person to participate, in the distribution of the Exchange Notes;



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you are not an affiliate of ours; and

you are not a broker-dealer.

If any of these conditions is not satisfied and you transfer any Exchange Notes without delivering a proper prospectus or without qualifying for a registration exemption, you may incur liability under the Securities Act. We do not assume, or indemnify you against, any such liability.

**Broker-dealer**

Each broker-dealer acquiring Exchange Notes issued for its own account in exchange for Old Notes, which it acquired through market-making activities or other trading activities, must acknowledge that it will deliver a proper prospectus when any Exchange Notes issued in the exchange offer are transferred. A broker-dealer may use this prospectus for an offer to resell, a resale or other retransfer of the Exchange Notes issued in the exchange offer.

**Conditions to the exchange offer**

Our obligation to accept for exchange, or to issue the Exchange Notes in exchange for, any Old Notes is subject to certain customary conditions, including our determination that the exchange offer does not violate any law, statute, rule, regulation or interpretation by the Staff of the SEC or any regulatory authority or other foreign, federal, state or local government agency or court of competent jurisdiction, some of which may be waived by us. We currently expect that each of the conditions will be satisfied and that no waivers will be necessary. See Exchange Offer Conditions to the exchange offer.

**Procedures for tendering Old Notes held in the form of book-entry interests**

The Old Notes were issued as global securities and were deposited upon issuance with The Bank of Nova Scotia Trust Company of New York which issued uncertificated depositary interests in those outstanding Old Notes, which represent a 100% interest in those Old Notes, to The Depository Trust Company ( DTC ).

Beneficial interests in the outstanding Old Notes, which are held by direct or indirect participants in DTC, are shown on, and transfers of the Old Notes can only be made through, records maintained in book-entry form by DTC.

You may tender your outstanding Old Notes by instructing your broker or bank where you keep the Old Notes to tender them for you. In some cases you may be asked to submit the letter of transmittal that may accompany this prospectus. By tendering your Old Notes you will be deemed to have acknowledged and agreed to be bound by the terms set forth under Exchange Offer. Your outstanding Old Notes must be tendered in multiples of \$1,000.

In order for your tender to be considered valid, the exchange agent must receive a confirmation of book-entry transfer of your outstanding Old

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Notes into the exchange agent's account at DTC, under the procedure described in this prospectus under the heading "Exchange Offer," on or before 5:00 p.m., New York City time, on the expiration date of the exchange offer.

**United States federal income tax considerations**      The exchange offer should not result in any income, gain or loss to the holders of Old Notes or to us for United States federal income tax purposes. See "Certain United States federal income tax considerations."

**Use of proceeds**      We will not receive any proceeds from the issuance of the Exchange Notes in the exchange offer.

**Exchange agent**      The Bank of Nova Scotia Trust Company of New York is serving as the exchange agent for the exchange offer.

**Shelf registration statement**      In limited circumstances, holders of Old Notes may require us to register their Old Notes under a shelf registration statement.

**Consequences of Not Exchanging Old Notes**

If you do not exchange your Old Notes in the exchange offer, your Old Notes will continue to be subject to the restrictions on transfer currently applicable to the Old Notes. In general, you may offer or sell your Old Notes only:

if they are registered under the Securities Act and applicable state securities laws;

if they are offered or sold under an exemption from registration under the Securities Act and applicable state securities laws; or

if they are offered or sold in a transaction not subject to the Securities Act and applicable state securities laws.

We do not currently intend to register the Old Notes under the Securities Act. Under some circumstances, however, holders of the Old Notes, including holders who are not permitted to participate in the exchange offer or who may not freely resell Exchange Notes received in the exchange offer, may require us to file, and to cause to become effective, a shelf registration statement covering resales of Old Notes by these holders. For more information regarding the consequences of not tendering your Old Notes and our obligation to file a shelf registration statement, see "Exchange Offer" "Consequences of exchanging or failing to exchange Old Notes" and "Description of Exchange Notes" "Registration rights."

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