

Provision		Section of the Payless License Agreement	Summary
r.	Non-competition covenants after the franchise is terminated or expires	11.9, 12.6, and Nondisclosure and Noncompetition Agreement	No competing business for one year in licensed territory or within five miles of licensed territory.
s.	Modification of the agreement	14.2(c)	Must be reduced to writing and signed by you and Payless. However, the Manual and Standards are subject to change.
t.	Integration/merger clause	14.2(a)	Only terms of license agreement, its exhibits, its schedules, the Standards and Transfer Requirements are enforceable. Any representations or promises outside of the disclosure document and license agreement may not be enforceable. Notwithstanding the foregoing, nothing in this or any related agreement is intended to disclaim the express representations made in the Franchise Disclosure Document, its exhibits and amendments.
u.	Dispute resolution by arbitration or mediation	None	
v.	Choice of forum	14.9	Subject to state law, you agree to the jurisdiction of New Jersey courts.
w.	Choice of law	14.8	Subject to state law, New Jersey law applies.

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

ITEM 18

PUBLIC FIGURES

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

ITEM 19

FINANCIAL PERFORMANCE REPRESENTATIONS

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

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

ITEM 20

OUTLETS AND FRANCHISEE INFORMATION

Table 1
SYSTEMWIDE OUTLET SUMMARY
For Years 2022 – 2024

Outlet Type	Year	Outlets at the Start of the Year	Outlets at the End of the Year	Net Change
Franchised	2022	25	24	-1
	2023	24	12	-12
	2024	12	12	0
Company-owned	2022	80	85	+5
	2023	85	106	+21
	2024	106	97	-9
Total	2022	105	109	+4
	2023	109	118	+9
	2024	118	109	-9

Table 2

**TRANSFERS OF OUTLETS FROM FRANCHISEES
TO NEW OWNERS (OTHER THAN THE FRANCHISOR)**
For Years 2022 – 2024

State	Year	Number of Transfers
New Jersey	2022	11
	2023	0
	2024	0
Pennsylvania	2022	0
	2023	0
	2024	0
Total	2022	11
	2023	0
	2024	0