AVIS BUDGET GROUP, INC.
Form 11-K
June 30, 2008
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# UNITED STATES

# SECURITIES AND EXCHANGE COMMISSION

**WASHINGTON, D.C. 20549**

# Form 11-K

x **ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE**

**SECURITIES EXCHANGE ACT OF 1934**

**For the fiscal year ended December 31, 2007**

**OR**

.. **TRANSITION REPORT PURSUANT TO SECTION 15 (d) OF THE**

**SECURITIES EXCHANGE ACT OF 1934**

**For the transition period from ________ to ________**

**Commission File No. 1-10308**

A. Full title of the plan and address of the plan, if different from that of the issuer named below:

# Avis Voluntary Investment Savings Plan

# For Bargaining Hourly Employees

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

**Avis Budget Group, Inc.**

**6 Sylvan Way**

**Parsippany, NJ 07054**

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**AVIS VOLUNTARY INVESTMENT SAVINGS PLAN FOR BARGAINING HOURLY EMPLOYEES**

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All other schedules required by Section 2520.103-10 of the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Trustee and Participants of the

Avis Voluntary Investment Savings Plan for

Bargaining Hourly Employees:

We have audited the accompanying statements of net assets available for benefits of the Avis Voluntary Investment Savings Plan for Bargaining Hourly Employees (the Plan ) as of December 31, 2007 and 2006, and the related statement of changes in net assets available for benefits for the year ended December 31, 2007. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Plan is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2007 and 2006, and the changes in net assets available for benefits for the year ended December 31, 2007 in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 2 to the financial statements, the financial statements include investments valued at approximately $11.9 million (51% of assets) and $11.9 million (51% of assets) as of December 31, 2007 and 2006, respectively, whose fair values have been estimated by management in the absence of readily determinable fair values. Management s estimates are based on information provided by the fund managers.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules of (1) assets (held at end of year) as of December 31, 2007 and (2) delinquent participant contributions for the year ended December 31, 2007 are presented for the purpose of additional analysis and are not a required part of the basic financial statements, but are supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These schedules are the responsibility of the Plan s management. Such schedules have been subjected to the auditing procedures applied in our audit of the basic 2007 financial statements and, in our opinion, are fairly stated in all material respects when considered in relation to the basic financial statements taken as a whole.

/s/ Deloitte & Touche LLP

New York, New York

June 30, 2008

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**AVIS VOLUNTARY INVESTMENT SAVINGS PLAN FOR BARGAINING**

**HOURLY EMPLOYEES**

**STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS**

**AS OF DECEMBER 31, 2007 AND 2006**

| | 2007 | 2006 |
|---|---|---|
| ASSETS: | | |
| Participant-directed investments at fair value: | | |
| Cash and cash equivalents | $ 3,135 | $ 379 |
| Mutual funds | 8,663,838 | 8,881,685 |
| Common/collective trusts | 12,997,915 | 12,709,320 |
| Avis Budget Group, Inc. common stock | 28,752 | 25,257 |
| Other common stock | 8,276 | 35,393 |
| Loans to participants | 1,403,429 | 1,302,898 |
| Total investments | 23,105,345 | 22,954,932 |
| Receivables: | | |
| Participant contributions | 121,812 | 2,063 |
| Employer contributions | 1,966 | |
| Interest and dividends | 1,708 | 1,254 |
| Total receivables | 125,486 | 3,317 |
| NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE | 23,230,831 | 22,958,249 |
| Adjustments from fair value to contract value for fully benefit-responsive investment contracts | 109,732 | 224,558 |
| NET ASSETS AVAILABLE FOR BENEFITS | $ 23,340,563 | $ 23,182,807 |

The accompanying notes are an integral part of these financial statements.

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**AVIS VOLUNTARY INVESTMENT SAVINGS PLAN FOR BARGAINING**

**HOURLY EMPLOYEES**

**STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS**

**FOR THE YEAR ENDED DECEMBER 31, 2007**

| | |
|---|---|
| ADDITIONS TO NET ASSETS: | |
| Net investment income: | |
| Interest | $ 660,702 |
| Dividends | 634,356 |
| Net appreciation in fair value of investments | 202,386 |
| Net investment income | 1,497,444 |
| Contributions: | |
| Participants | 1,551,958 |
| Employer | 23,967 |
| Rollovers | 41,635 |
| Total contributions | 1,617,560 |
| Total additions | 3,115,004 |
| DEDUCTIONS FROM NET ASSETS: | |
| Benefits paid to participants | 2,500,318 |
| Transfers of participant account balances to affiliated plans | 451,145 |
| Administrative expenses | 5,785 |
| Total deductions | 2,957,248 |
| NET INCREASE IN ASSETS | 157,756 |
| NET ASSETS AVAILABLE FOR BENEFITS: | |
| BEGINNING OF YEAR | 23,182,807 |
| END OF YEAR | $ 23,340,563 |

The accompanying notes are an integral part of these financial statements.

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**AVIS VOLUNTARY INVESTMENT SAVINGS PLAN FOR BARGAINING**

**HOURLY EMPLOYEES**

**NOTES TO FINANCIAL STATEMENTS**

## 1. DESCRIPTION OF THE PLAN

The following description of the Avis Voluntary Investment Savings Plan for Bargaining Hourly Employees (the Plan ) provides only general information. Participants should refer to the Summary Plan Description or the Plan document which are available from Avis Rent A Car System, LLC. (the Company ) for a more complete description of the Plan s provisions. The Company is a wholly-owned subsidiary of Avis Budget Group, Inc. ( ABGI ).

The Plan is a defined contribution plan and provides Internal Revenue Code (the IRC ) section 401(k) employee salary deferral benefits for the Company s eligible employees. The Plan was adopted by the Company on October 1, 1997 for the benefit of all hourly paid employees of the Company who are members of the collective bargaining units covered by collective bargaining agreements between these units and the Company. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 ( ERISA ). Merrill Lynch Trust Company, FSB (the Trustee ) is the Plan s trustee.

Pursuant to certain resolutions of the Executive Committee of the Company s Board of Directors, the Plan was amended during 2006 to allow for the transfer of participants account balances between the Plan and other affiliated plans of ABGI.

On July 31, 2006, the Company s parent, ABGI, completed the spin-offs of Realogy Corporation ( Realogy ) and Wyndham Worldwide Corporation ( Wyndham ) and distributed one share each of Realogy and Wyndham common stock for every four and five shares, respectively, of the outstanding Cendant Corporation common stock held on July 21, 2006. On August 23, 2006, ABGI completed the sale of Travelport. On April 10, 2007, Realogy was acquired by an affiliate of Apollo Management VI, L.P.

Following the spin-offs of Realogy and Wyndham and the sale of Travelport, the parent company s stockholders approved a change in the parent company s name from Cendant Corporation to Avis Budget Group, Inc. On September 5, 2006, ABGI completed a 1-for-10 reverse stock split of ABGI s common stock. The following is a summary of certain Plan provisions:

*Eligibility* Employees who are members of the collective bargaining unit covered by a collective bargaining agreement between such unit and the Company are eligible to participate in the Plan upon attainment of age 21 and completion of one year of service.

*Participant Contributions* Participants may elect to make pre-tax contributions up to 16% of specified compensation in 1% increments up to the statutory maximum of $15,500 for 2007. In addition, employees participating in the Plan may make additional contributions from 1% to 10% of specified compensation on a current, after-tax basis, subject to certain limitations imposed by law. Certain eligible participants (age 50 and over) are permitted to contribute an additional $5,000 as a catch up contribution, resulting in a total pre-tax contribution of $20,500 for 2007.

*Employer Contributions* Effective June 30, 2005, the Plan permits employer and/or employer matching contributions in accordance with the terms of the collective bargaining agreements discussed above.

*Rollovers* All employees, upon commencement of employment, are provided the option of making a rollover contribution into the Plan in accordance with Internal Revenue Service ( IRS ) regulations.

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*Investments* Participants direct the investment of contributions to various investment options and may reallocate investments among the various funds. The fund reallocation must be in 1% increments, include both employee and employer contributions and is limited to one reallocation per day, subject to restrictions imposed by the mutual fund companies to curb short-term trading. Participants should refer to the Plan document regarding investments in Company and other common stock. Participants should refer to each fund s prospectus for a more complete description of the risks and restrictions associated with each fund.

*Vesting* Participants are fully vested at all times with respect to their contributions plus actual earnings thereon to the Plan. Employer contributions vest at a rate of 20% per year and are fully vested upon 5 years of service.

*Loan Provisions* Participants may borrow from their fund accounts up to the lesser of $50,000 or 50% of their account balance provided the account balance is at least $2,000. The loans are secured by the balance in the participant s account and bear interest at rates commensurate with local prevailing rates as determined quarterly by the Plan administrator. Principal and interest are paid ratably through payroll deductions.

*Participant Accounts* A separate account is maintained for each participant. Each participant s account is credited with the participant s contributions and an allocation of Plan earnings including interest, dividends and net realized and unrealized appreciation in fair value of investments. Each participant s account is also charged with an allocation of net realized and unrealized depreciation in fair value of investments, certain administrative expenses and withdrawals. Allocations are based on participant account balances, as defined in the Plan document. The benefit to which a participant is entitled is the benefit that can be provided from the participant s account.

*Payment of Benefits to Participants* Distribution of the participant s account may be made in a lump sum payment upon retirement, death or disability, or upon termination of employment. Participants are entitled to withdraw certain portions of their vested balance. Participants are permitted to process in-service withdrawals, in accordance with Plan provisions, upon attaining age 59 1/2 or for hardship in certain circumstances, as defined in the Plan document, before that age.

*Forfeited Accounts* Forfeited balances of terminated participants non-vested accounts are first used to pay Plan expenses, if any, and then to decrease employer contributions. As of December 31, 2007 and 2006, forfeited account balances amounted to $4,108 and $3,402, respectively. During 2007 and 2006 no forfeited non-vested accounts were used to reduce employer contributions.

*Administrative Expenses* Administrative expenses of the Plan may be paid by the Company; otherwise such expenses are paid by the Plan. Fees for participants distributions, withdrawals and loans and similar expenses are paid by the Plan.

*Transfers to Affiliated Plans* Net transfers of participants account balances to affiliated plans totaled $451,145 for the year ended December 31, 2007.

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Accounting* The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America ( U.S. GAAP ).

*Use of Estimates* The preparation of financial statements in conformity U.S. GAAP requires Management to make estimates and assumptions that affect the amounts reported and related disclosures. Actual results could differ from those estimates.

*Risks and Uncertainties* The Plan invests in various securities including mutual funds, common/collective trusts, Avis Budget Group, Inc. common stock and other common stock. Investment securities are exposed to

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various risks, such as interest rate and credit risks and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes would materially affect the amounts reported in the financial statements.

*Cash and Cash Equivalents* The Plan considers highly liquid investments with an original maturity of three months or less to be cash equivalents.

*Investment Contracts* As described in Financial Accounting Standards Board Staff Position, FSP AAG INV-1 and SOP 94-4-1, *Reporting of Fully Benefit-Responsive Contracts Held by Certain Investment Companies Subject to the AICPA Investment Company Guide and Defined-Contribution Health and Welfare and Pension Plans* (the FSP ), investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the plan. As required by the FSP, the Statements of Net Assets Available for Benefits presents investment contracts at fair value as well as an additional line item showing an adjustment of fully benefit-responsive investment contracts from fair value to contract value.

*Valuation of Investments and Income Recognition* The Plan s investments are stated at fair value. Securities traded on a national securities exchange are valued at the last reported sales price on the last business day of the Plan year. Mutual funds are valued at the quoted market price, which represents the net asset value of shares held by the Plan at year-end. Common/collective trusts are valued at the net asset value of the shares held by the Plan at year-end, which is based on the fair value of the underlying assets. Loans to participants are valued at outstanding loan balances, which approximate fair value. One of the Plan s common/collective trust investments is the Merrill Lynch Retirement Preservation Trust ( MLPT ). The MLPT invests primarily in synthetic guaranteed investment contracts that are primarily collateralized by graded debt securities and are valued at fair value of the underlying investments and then adjusted by the issuer to contract value. The fair value of the underlying debt securities are valued at the last available bid price in over the counter markets or on the basis of values obtained by independent valuation groups. The synthetic guaranteed investment wrapper contracts are valued by determining the difference between the present value of the replacement cost of the wrapper contract and the present value of the contractually obligated payments in the original wrapper contract. Participants may direct the withdrawal or transfer of all or a portion of their investment at contract value. Contract value represents contributions made to the fund, plus earnings, less participant withdrawals. The fair value recorded in the Plan s financial statements for such fund was $11,842,591 and $11,823,205 at December 31, 2007 and 2006, respectively.

Purchases and sales of securities are recorded on a trade-date basis. Dividends are recorded on the ex-dividend date and interest is recorded when earned. The accompanying Statement of Changes in Net Assets Available for Benefits presents net appreciation in fair value of investments, which includes unrealized gains and losses on investments held at December 31, 2007, realized gains and losses on investments sold during the year then ended and management and operating expenses associated with the Plan s investments in mutual funds and common/collective trusts.

Management fees and operating expenses charged to the Plan for investments in the mutual funds and common/collective trusts are deducted from income earned on a daily basis and are not separately reflected. Consequently, management fees and operating expenses are reflected as a reduction of investment return for such investments.

*Benefit Payments* Benefits to participants are recorded upon distribution. Amounts allocated to accounts of participants who have elected to withdraw from the Plan, but have not yet received payments from the Plan totaled $2,910 and $9,902 at December 31, 2007 and 2006, respectively.

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**New Accounting Pronouncements**

*Fair Value Measurements*. In September 2006, the Financial Accounting Standards Board ( FASB ) issued Statement on Financial Accounting Standards No. 157, Fair Value Measurements ( SFAS No. 157 ). SFAS No. 157 defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurement. SFAS No. 157 is effective for financial statements issued for fiscal years beginning after November 17, 2007. The Plan adopted SFAS No. 157 on January 1, 2008, as required. The Plan Administrator has not completed the process of evaluating the impact that will result from adopting SFAS No. 157. The Plan Administrator is therefore unable to disclose the impact that adopting SFAS No. 157 will have on its assets available for benefits and changes in assets available for benefits for when such statement is adopted.

*Fair Value Option*. In February 2007, the FASB issued SFAS No. 159, The Fair Value Options for Financial Assets and Financial Liabilities, including an amendment of FASB Statement No. 115 ( SFAS No. 159 ). SFAS No. 159 permits entities to choose to measure many financial instruments at fair value that are not currently required to be measured at fair value. It also establishes presentation and disclosure requirements designed to facilitate comparisons between entities that choose different measurement attributes for similar types of assets and liabilities. The Plan adopted SFAS No. 159 on January 1, 2008, as required, and has elected not to apply the option to measure any assets at the time of adoption.

**3. INVESTMENTS**

The following table presents investments at fair value that represent five percent or more of the Plan s net assets available for benefits as of December 31,

| | | 2007 |
|---|---|---|
| * | Merrill Lynch Retirement Preservation Trust ** | $ 11,842,591 |
| | Allianz CCM Capital Appreciation Fund | 1,416,087 |
| | Davis NY Venture Fund | 1,168,838 |
| | | **2006** |
| * | Merrill Lynch Retirement Preservation Trust ** | $ 11,823,205 |
| | Allianz CCM Capital Appreciation Fund | 1,416,551 |

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(*) Permitted party-in-interest

(**) The contract value of the Merrill Lynch Retirement Preservation Trust was $11,952,323 and $12,047,763 at December 31, 2007 and 2006, respectively.

During 2007, the Plan s investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated (depreciated) in fair value, as follows:

| | 2007 |
|---|---|
| Mutual funds | $ 15,883 |
| Common/collective trusts | 211,019 |
| Common stock (*) | (24,516) |
| | $ 202,386 |

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(*) Includes the common stock of Avis Budget Group, Inc. and Wyndham Worldwide Corp. (see Note 1 Description of the Plan for more information).

**4. FEDERAL INCOME TAX STATUS**

The IRS determined and informed the Company by letter dated October 25, 2002 that the Plan and related trust are designed in accordance with applicable sections of the IRC. The Plan has been amended since receiving this determination letter. However, the plan administrator and the Plan s tax counsel believe that the

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Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and that the Plan and related trust continue to be tax-exempt. Therefore, no provision for income taxes has been included in the Plan s financial statements.

**5. EXEMPT PARTY-IN-INTEREST TRANSACTIONS**

A portion of the Plan s investments represents shares in funds managed by Merrill Lynch Trust Company, FSB, the trustee of the Plan. Therefore, these transactions qualify as exempt party-in-interest transactions.

At December 31, 2007 and 2006, the Plan held 2,212 and 1,164 shares of Avis Budget Group, Inc. common stock with a cost basis of $62,996 and $41,379 respectively. During 2007, the Plan did not receive any dividends from ABGI, which is the parent of the sponsoring employer of the Plan.

**6. PLAN TERMINATION**

Although the Company has not expressed any intention to do so, the Company reserves the right to modify, suspend, amend or terminate the Plan in whole or in part at any time subject to the provisions of ERISA. If the Plan is terminated, the amounts credited to the employer contribution accounts of all participants become fully vested.

**7. RECONCILIATION TO FORM 5500**

The following is a reconciliation of net assets available for benefits per the financial statements to Form 5500 as of December 31:

| | **2007** | **2006** |
|---|---|---|
| Net assets available for benefits per the financial statements | $ 23,340,563 | $ 23,182,807 |
| Adjustment from contract value to fair value for fully benefit-responsive investment contracts | (109,732) | (224,558) |
| Net assets available for benefits per Form 5500 | $ 23,230,831 | $ 22,958,249 |

The following is a reconciliation of change in net assets available for benefits per the financial statements for the year ended December 31, 2007, to the net income per Form 5500:

| | | |
|---|---|---|
| Increase in net assets available for benefits per the financial statements | | $ 157,756 |
| Less: | December 31, 2007 Adjustment for contract value to fair value for fully benefit-responsive investment contracts | (109,732) |
| Add: | December 31, 2006 adjustments for contract value to fair value for fully benefit-responsive investment contracts | 224,558 |
| | Transfer of assets from the Plan (Reflected in Line L Transfer of assets of Form 5500) | 451,145 |
| Net income per Form 5500 | | $ 723,727 |

**8. PROHIBITED TRANSACTIONS**

During the plan year ending December 31, 2007, the Company was delinquent in to remitting to the Trustee certain employee contributions totaling $1,471,305 within the time period set forth in the Department of Labor s ( DOL ) plan asset regulation at 2510.3-102. As of January 31, 2008 all such delinquent participants contributions have been remitted to the Plan. In addition, participants will be credited with the amount of investment that would have been earned had the participant contributions been remitted on a timely basis.

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Plan Number: 005

EIN: 11-1998661

**AVIS VOLUNTARY INVESTMENT SAVINGS PLAN FOR BARGAINING HOURLY EMPLOYEES**

**FORM 5500, SCHEDULE H, PART IV, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**

**AS OF DECEMBER 31, 2007**

| Identity of Issue, Borrower, Current Lessor or Similar Party | Description of Investment | Number of Shares, Units or Par Value | Cost*** | Current Value**** |
|---|---|---|---|---|
| * Avis Budget Group, Inc. | Common stock fund | 2,212 | | $ 28,752 |
| Wyndham Worldwide Corporation | Common stock fund | 351 | | 8,276 |
| * Merrill Lynch Retirement Preservation Trust | Common/collective trust | 11,952,323 | | 11,842,591 |
| * Merrill Lynch Equity Index Trust Fund | Common/collective trust | 12,446 | | 218,681 |
| Oppenheimer Emerging Markets Equity Trust | Common/collective trust | 23,394 | | 761,467 |
| Oppenheimer International Growth Trust | Common/collective trust | 10,780 | | 175,176 |
| Allianz CCM Capital Appreciation Fund | Registered investment fund | 68,642 | | 1,416,087 |
| Allianz Capital Renaissance Fund | Registered investment fund | 8,027 | | 145,931 |
| Davis NY Venture Fund | Registered investment fund | 28,896 | | 1,168,838 |
| Harbor Small Capital Value Fund | Registered investment fund | 33,152 | | 659,726 |
| ING International Value Fund | Registered investment fund | 60,635 | | 1,126,606 |
| Lord Abbett Bond Debenture Fund | Registered investment fund | 16,374 | | 129,352 |
| MASS Investment Growth Stock Fund | Registered investment fund | 11,410 | | 175,945 |
| MFS Mid-Cap Growth Fund | Registered investment fund | 12,013 | | 123,611 |
| MFS Value Fund | Registered investment fund | 38,809 | | 1,030,372 |
| Oppenheimer Capital Appreciation Fund | Registered investment fund | 20,360 | | 1,080,107 |
| Oppenheimer Quest Balanced Value Fund | Registered investment fund | 9,547 | | 150,170 |
| PIMCO Total Return Fund | Registered investment fund | 92,625 | | 990,163 |
| Scudder RREEF Real Estate Fund | Registered investment fund | 9,528 | | 181,886 |
| The Oakmark Equity and Income Fund | Registered investment fund | 9,362 | | 251,654 |
| Vanguard Explorer Admiral Fund | Registered investment fund | 504 | | 33,390 |
| * Various participants | Participant loans ** | | | 1,403,429 |
| Cash and cash equivalents | | | | 3,135 |
| Total | | | | $ 23,105,345 |

* Represents a permitted party-in-interest.

** Maturity dates range from January 2008 to August 2016 at interest rates of 4.75% to 10%.

***Cost information is not required for participant-directed investments.

**** Form 5500 instructions require reporting of Common/collective trusts at fair value on this schedule.

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Plan Number: 005

EIN: 11-1998661

**AVIS VOLUNTARY INVESTMENT SAVINGS PLAN FOR BARGAINING HOURLY EMPLOYEES**

**FORM 5500, SCHEDULE H, PART IV, LINE 4A SCHEDULE OF ASSETS DELINQUENT PARTICIPANT CONTRIBUTIONS YEAR ENDED DECEMBER 31, 2007**

| Participant contributions Transferred Late to Plan | Contributions Not Corrected | Contributions Corrected Outside of VFCP | Contributions Pending Correction in VFCP | Total Full Corrected Under VFCP and PTE 2002-51 |
|---|---|---|---|---|
| $1,471,305 | | $1,471,305 | | $1,471,305 |

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## SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

Avis Voluntary Investment Savings Plan

For Bargaining Hourly Employees

By: /s/ Mark Servodidio
Mark Servodidio

Executive Vice President and

Chief Human Resource Officer

Avis Budget Group, Inc.

Date: June 30, 2008