

## Cost Proposal Narrative

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While the last three years have produced a considerable amount of change within the marketplace, Enterprise and National remain the single largest vehicle rental company in the industry. Together our two brands are able to deliver industry-leading value to our customers through new business processes, which were created following an intensive corporate reengineering, and by perfecting our operations and minimizing overhead costs.

Our direction for the future is to continue to find ways in which we are able to make the car rental process more efficient for time-sensitive travelers and ways in which we can keep our fleet in motion.

When determining rates we closely examine the specific needs and uses of each customer in an effort to address the unique aspects of its travel patterns. Supplier status, top rental cities, insurance/damage waiver requirements, length of rental, and desired car classes are all important factors.

The end result is a very competitive pricing model, which in conjunction with industry leading services allows Enterprise and National to meet our customer expectations with real value.

### Taxes and Fees

At many locations, state or local governments impose certain taxes, airport fees, airport facility fees, or other surcharges upon vehicle rentals. Some taxes are general sales taxes, while others are special taxes, many of which are specifically levied upon car rental transactions or car rental companies. The amount charged for each of these items depends on the laws governing the fee, but generally are either a percentage of the rental charges, or a simple flat rate.

Concession Recovery Fees, as an industry standard, are collected to recover the fees a car rental company pays an airport for the right to provide services on airport property. In addition, many airports require that car rental companies collect a Customer Facility Charge to offset the costs the airport incurs for facility or transportation system construction, maintenance or debt. Finally, Vehicle License Fee Recovery charges are a recovery of the costs incurred when registering rental vehicles in each state. Each of these taxes and fees is noted on the rental receipt as a separate line item charge and is in addition to your negotiated rate.