

AVIS BUDGET GROUP, INC.  
Form 8-K  
December 20, 2006

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

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**FORM 8-K**  
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**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): **December 20, 2006 (December 15, 2006)**

\_\_\_\_\_  
**Avis Budget Group, Inc.**  
(Exact Name of Registrant as Specified in its Charter)  
\_\_\_\_\_

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**1-10308**  
(Commission File  
Number)

**06-0918165**  
(IRS Employer  
Identification No.)

**6 Sylvan Way**  
**Parsippany, NJ**  
(Address of Principal Executive Offices)

**07054**  
(Zip Code)

**(973) 496-4700**  
(Registrant's telephone number, including area code)

**N/A**  
(Former name or former address if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)  
 Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

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Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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**Item 1.01. Entry into a Material Definitive Agreement.**

On December 15, 2006, two of our Canadian subsidiaries amended and extended our Canadian rental car fleet securitization program by entering into the third amendment to the Fourth Amended and Restated Limited Partnership Agreement (the "Partnership Agreement") with BNY Trust Company of Canada, in its capacity as trustee of STARS Trust and Montreal Trust Company of Canada, in its capacity as trustee of Bay Street Funding Trust, as limited partners. This amendment extended the termination date of the Partnership Agreement to at least December 31, 2010. Such subsidiaries had previously entered into two earlier amendments to the Partnership Agreement with such parties. A copy of the first, second and third amendments to the Partnership Agreement are attached hereto as Exhibits 10.1, 10.2 and 10.3, respectively, and are incorporated by reference herein.

In connection with the third amendment to the Partnership Agreement, Avis Budget Car Rental, LLC, the parent company of our vehicle rental operations, agreed to guarantee certain performance obligations of our subsidiaries that are party to the Partnership Agreement. Such obligations were formerly guaranteed by Avis Budget Group, Inc. A copy of such guaranty is attached hereto as Exhibit 10.4 and is incorporated by reference herein.

On December 20, 2006, an issuance of three-year 4.281% bonds under our Canadian securitization program in the aggregate principal amount of Cdn.\$ 275 million was completed.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

The following exhibits are filed as part of this report:

| <b>Exhibit No.</b> | <b>Description</b>   |
|--------------------|--|
| 10.1               | Amending Agreement No. 1 to the Fourth Amended and Restated Limited Partnership Agreement among Aviscar, Inc. and Budgetcar, Inc., as general partners and BNY Trust Company of Canada, in its capacity as trustee of STARS Trust and Montreal Trust Company of Canada, in its capacity as trustee of Bay Street Funding Trust, as limited partners. |
| 10.2               | Amending Agreement No. 2 to the Fourth Amended and Restated Limited Partnership Agreement among Aviscar, Inc. and Budgetcar, Inc., as general partners and BNY Trust Company of Canada, in its capacity as trustee of  |

STARS Trust and Montreal Trust  
Company of Canada, in its capacity as  
trustee of Bay Street Funding Trust, as  
limited partners.

- 10.3 Amending Agreement No. 3 to the Fourth  
Amended and Restated Limited  
Partnership Agreement among Aviscar,  
Inc. and Budgetcar, Inc., as general  
partners and BNY Trust Company of  
Canada, in its capacity as trustee of  
STARS Trust and Montreal Trust  
Company of Canada, in its capacity as  
trustee of Bay Street Funding Trust, as  
limited partners.
- 10.4 Parent Guarantee of Avis Budget Car  
Rental, LLC to BNY Trust Company of  
Canada, in its capacity as trustee of  
STARS Trust and Montreal Trust  
Company of Canada, in its capacity as  
trustee of Bay Street Funding Trust, as  
limited partners.
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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**AVIS BUDGET GROUP, INC.**

By: /s/ Jean M. Sera  
Jean M. Sera  
Senior Vice President and Secretary

Date: December 20, 2006

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**EXHIBIT INDEX**

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