UNITED STATES OF AMERICA FEDERAL TRADE COMMISSION

COMMISSIONERS: Deborah Platt Majoras, Chairman

Pamela Jones Harbour

Jon Leibowitz William E. Kovacic J. Thomas Rosch

DOCKET NO. C-4212

COMPLAINT

The Federal Trade Commission, having reason to believe that Budget Rent-A-Car, Inc., a corporation ("Budget" or "Respondent"), has violated the provisions of the Federal Trade Commission Act, and it appearing to the Commission that this proceeding is in the public

renters' options and obligations with respect to refueling the vehicle. These disclosures contain the following statements:

A. [BUDGET.COM]

"Common Questions

. . .

Will any other fees apply?

... On budget.com, all additional charges are quoted as part of your total online rate so there aren't any surprises when you get to the rental counter. . . . The rate you reserve is the rate you pay!

. . .

Does the cost of the rental include the fuel?

Our prices do not include the cost of fuel. Your rental location will discuss the various fuel options available to you at time of rental. You will have the option to purchase a tank of gas at a discounted rate, or simply return the vehicle with a full tank of gas to avoid additional charges.

. . .

What is your fuel policy?

You have three options:

- 1. Pay in advance for the fuel . . .
- 2. If you aren't sure how far you'll be driving, but plan to stop for gas, don't pay Budget in advance for fuel. Simply bring the car back full to avoid any refueling service charge.
- 3. If you won't be using a full tank, and don't have time to stop for gas, pay us only for the fuel you use, based on the renting location's per-gallon refueling service charge. Budget customer service representatives can tell you what the renting location's refueling service charge is when you pick up the car."

(Exhibit A).

B. [POINT-OF-SALE SIGN]

"YOUR FUEL OPTIONS

ONE: PAY US NOW... BRING IT BACK EMPTY

New! Save Money And Time!

Pay us for your fuel at the time of rental.

•••

ADVANCE FUEL RATE \$2.70

per gallon

TWO: DON'T PAY US FOR GAS...BRING IT BACK FULL.

Save Money! Don't pay us for any fuel! Start with a full tank. If you have the time, and want to save on refueling charges, refill the car before returning it. No fuel charge will be added to your contract.

LOCAL AVG FUEL RATE

\$2.85

per gallon

THREE: PAY US TO FILL IT UP WHEN YOU'RE THROUGH.

Save time! Pay us only for

- (2) IF YOU DO NOT PURCHASE FUEL FROM BUDGET AT THE BEGINNING OF YOUR RENTAL AND YOU RETURN THE CAR WITH LESS FUEL THAN WAS IN IT WHEN YOU RECEIVED IT, Budget will charge you a Fuel and Service Charge at the applicable per mile or per gallon rate specified in the Rental Document. . . .
- (3) IF YOU CHOOSE TO PURCHASE FUEL FROM BUDGET AT THE BEGINNING OF YOUR RENTAL BY SELECTING THE GAS SERVICE OPTION, YOU WILL BE CHARGED AS SHOWN ON THE RENTAL DOCUMENT FOR THAT PURCHASE. . . . "

(Exhibit D).

- 15. Through the means described in Paragraph 14, including but not limited to the representations in Exhibits A-D, Respondent has represented, expressly or by implication, that, if consumers return their rental vehicle with a full gas tank, they will not have to pay any fuel-related charge, fee, or cost.
- 16. In truth and in fact, in numerous instances, if consumers return their rental vehicle with a full gas tank, they will have to pay a fuel-related charge, fee, or cost. Consumers who drive their rental vehicle fewer than 75 miles will have to pay the EZ Fuel fee, regardless of whether they return the vehicle with a full gas tank, unless they present a gas receipt. Therefore, the representations set forth in Paragraph 14 were, and are, false or misleading.
- 17. In connection with the renting of vehicles, Respondent has represented that consumers can avoid paying any fuel or fuel-related service fee by returning their rental vehicle with a full gas tank. Respondent has failed to disclose, or failed to disclose adequately, that consumers who drive their rental vehicle fewer than 75 miles and refuel will have to pay the EZ Fuel fee unless they present a fuel receipt. In addition, Respondent failed to disclose that, prior to March of 2006, consumers without corporate accounts who drove their rental vehicle fewer than 75 miles and refueled would have to pay the EZ Fuel fee unless they presented their fuel receipt inside at the rental counter after returning their rental vehicle and checking out on the return lot. These facts would be material to consumers in their rental transaction. The failure to disclose, or failure to disclose adequately, the existence and the terms and conditions of the EZ Fuel program, in light of the representations made, was, and is, a deceptive practice.

18. The acts and practices of Respondent as alleged in this Complaint constitute unfair or deceptive acts or practices, in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

THEREFORE, the Federal Trade Commission this second day of January, 2008, has issued this complaint against Respondent.

By the Commission.

Donald S. Clark Secretary

SEAL: