SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

(Mark One)

[x] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the year ended December 31, 2000, or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from __________ to ___________
Commission file number 0-19133

FIRST CASH FINANCIAL SERVICES, INC.
(Exact name of registrant as specified in its charter)

Delaware	75-2237318
(state or other jurisdiction of incorporation or organization)	(IRS Employer Identification No.)

690 East Lamar Blvd., Suite 400 Arlington, Texas	76011
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (817) 460-3947

Securities registered pursuant to Section 12(b) of the Act:

None

Securities registered pursuant to Section 12(g) of the Act:
Common Stock, par value $.01 per share

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes [X] No [ ]

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [ ]

The aggregate market value of the voting stock held by non-affiliates of the registrant, based upon the last reported sales price on the Nasdaq National Market on March 26, 2001 is $24,148,740. As of March 26, 2001, there were 8,666,687 shares of Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

The Company's Proxy Statement in connection with its Annual Meeting of Stockholders to be held on June 27, 2001 is incorporated by reference in Part III, Items 10, 11, 12 and 13.

FIRST CASH FINANCIAL SERVICES, INC.
FORM 10-K

For the Year Ended December 31, 2000

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PART I

Item 1. Business

General

First Cash Financial Services, Inc. (the "Company") is the nation's third largest publicly traded pawnshop operator and currently owns 116 pawn stores in Texas, Oklahoma, Washington, D.C., Maryland, Missouri, South Carolina, Virginia and Mexico. The Company's pawn stores engage in both consumer finance and retail sales activities. The Company's pawn stores provide a convenient source for consumer loans, lending money against pledged tangible personal property such as jewelry, electronic equipment, tools, sporting goods and musical equipment. These pawn stores also function as retailers of previously-owned merchandise acquired in forfeited pawn transactions and over-the-counter purchases from customers. The Company's pawn stores also offer short-term, secured advances ("payday advances"). The Company's primary business plan is to significantly expand its payday advance operations by opening new stores in Texas and other states, by accelerating the growth of its joint venture, Cash & Go, Ltd, which operates payday advance and check cashing kiosks inside convenience stores, and by expanding its payday advance operations in its existing pawn stores.

The Company also currently owns 33 check cashing and payday advance stores in California, Washington, Oregon, Illinois, and Washington, D.C. These stores provide a broad range of consumer financial services, including check cashing, money order sales, wire transfers, bill payment services and payday advances. The Company also owns Answers, etc., a company which provides computer hardware and software to third party check cashing and payday advance operators throughout the country, as well as ongoing technical support. In addition, the Company is a 50% partner in Cash & Go, Ltd., a joint venture, which currently owns and operates 36 financial services kiosks located inside convenience stores. For the year ended December 31, 2000, the Company's revenues were derived 52% from retail activities, 44% from lending activities, and 4% from other sources, including check-cashing fees.

Management believes the pawnshop industry is highly fragmented with approximately 15,000 stores in the United States. The four publicly traded pawnshop companies currently operate approximately 975, or less than 7%, of the pawnshops in the United States. Management believes significant economies of scale, increased operating efficiencies, and revenue growth are achievable by increasing the number of stores under operation and introducing modern merchandising techniques, point-of-sale systems, improved inventory management and store remodeling. In addition, management believes that revenues and operating income of its existing pawn stores can be enhanced by continuing to add consumer financial services, such as payday advances, which will attract new customers to its pawn stores, and provide a broader array of services to its existing customer base. During the years ended December 31, 2000 and 1999, the five months ended December 31, 1998, and the year ended July 31, 1998 , the Company added 2, 10, 20 and 29 pawn stores to its network, respectively.

The Company made its initial entry into the check cashing and payday advance business during the twelve months ended July 31, 1998, with the purchase of 11 stores in California and Washington. Management estimates there are approximately 7,000 such check cashing and payday advance locations throughout the United States. The check cashing and payday advance industry is experiencing rapid growth. During the years ended December 31, 2000 and 1999, the five months ended December 31, 1998, and the year ended July 31, 1998, the Company added 2, 4, 16 and 11 check cashing and payday advance stores to its network, respectively.

The Company was formed as a Texas corporation in July 1988 and in April 1991 the Company reincorporated as a Delaware corporation. Except as otherwise indicated, the term "Company" includes its wholly owned subsidiaries, American Loan & Jewelry, Inc., Famous Pawn, Inc., JB Pawn, Inc., Miraglia, Inc., One Iron Ventures, Inc., Capital Pawnbrokers, Inc., Silver Hill Pawn, Inc., Elegant Floors, Inc. and First Cash, S.A. De C.V., First Cash, Ltd., First Cash Corp, First Cash Management, LLC, and First Cash, Inc. The Company's principal executive offices are located at 690 East Lamar Blvd., Suite 400, Arlington, Texas 76011, and its telephone number is (817)460-3947.

Industry

The pawnshop industry in the United States is an established industry, with the highest concentration of pawnshops being in the Southeast and Southwest. The operation of pawnshops is governed primarily by state laws, and accordingly, states that maintain pawn laws most conducive to profitable operations have historically seen the greatest development of pawnshops. The Company believes that the majority of pawnshops are owned by individuals operating one to three locations. Management further believes that the highly fragmented nature of the industry is due in part to the lack of qualified management personnel, the difficulty of developing adequate financial controls and reporting systems, and the lack of financial resources.

The check cashing and payday advance industry is a relatively new industry, and management estimates that there are approximately 7,000 check cashing and payday advance locations throughout the United States. Some states have enacted formal check cashing laws which regulate the amount of fees that operators may charge for cashing checks, and in some cases states have regulated the amount of service charges that may be charged on small consumer advances, commonly referred to as "payday advances". Management believes that at least half of the check cashing locations in the United States are operated by individuals owning from one to ten locations. Management further believes that this fragmented nature of the industry is due among other factors to the lack of qualified management personnel, the difficulty of developing adequate financial controls and reporting systems, and the lack of financial resources.

Business Strategy

The Company's primary business plan is to significantly expand its payday advance operations by opening new stores in Texas and other states, by accelerating the growth of its joint venture, Cash & Go, Ltd, which operates payday advance and check cashing kiosks inside convenience stores, and by expanding its payday advance operations in its existing pawn stores. Secondarily, the Company also plans to open new pawn stores in selective markets, including Mexico, and to selectively acquire check cashing and payday advance stores.

New Store Openings

The Company has opened 18 new pawn stores and 8 new check cashing/payday advance stores since its inception and currently intends to open additional check cashing and payday advance stores in locations where management believes appropriate demand and other favorable conditions exist. In addition, the Company's joint venture, Cash & Go, Ltd., has opened 36 financial services kiosks inside convenience stores since its inception in August 1999. Management seeks to locate new stores where demographics are favorable and competition is limited. It is the Company's experience that after a suitable location has been identified and a lease and licenses are obtained, a new store can be ready for business within six weeks. The investment required to open a new pawn store includes inventory, funds available for pawn loans, store fixtures, security systems, computer equipment, and start-up losses. Although the total investment varies and is difficult to predict for each location, it has been the Company's experience that between $200,000 and $300,000 is required to fund a new pawn store for the first six months of operation. Because existing pawn stores already have an established customer base, loan portfolio, and retail-sales business, acquisitions generally contribute more quickly to revenues than do start-up stores. The Company estimates that approximately $100,000 to $150,000 is required to fund a new check cashing/payday advance store for the first six months of operation, which includes investments for leasehold improvements, equipment, loan portfolio, store operating cash, and start-up losses.

Acquisitions

Because of the highly fragmented nature of both the pawn industry and the check cashing/payday advance industry, as well as the availability of "mom & pop" sole proprietors willing to sell their stores, the Company believes that acquisition opportunities as well as favorable new store locations exist.

The timing of any future acquisitions is based on identifying suitable stores and purchasing them on terms that are viewed as favorable to the Company. Before making an acquisition, management typically studies a demographic analysis of the surrounding area, considers the number and size of competing stores, and researches regulatory issues. Specific pawn store acquisition criteria include an evaluation of the volume of annual loan transactions, outstanding loan balances, historical redemption rates, the quality and quantity of inventory on hand, and location and condition of the facility, including lease terms. Factors involved in evaluating the acquisition of check cashing/payday advance stores include the annual volume of transactions, location and condition of facilities, and a demographic evaluation of the surrounding area to determine the potential for the Company's payday advance product.

Store Clusters

Whether acquiring an existing store or opening a new store, the Company seeks to establish clusters of several stores in a specific geographic area in order to achieve certain economies of scale relative to supervision, purchasing and marketing. In Texas, such clusters have been established in the Dallas/Fort Worth metroplex, the Rio Grande Valley area, the Corpus Christi area, and the El Paso area. Store clusters have also been established in the St. Louis, Missouri area, the Oklahoma City, Oklahoma area, in Washington D.C. and its surrounding Maryland suburbs, in Baltimore, Maryland, in Northern California, in the Chicago, Illinois area, in South Carolina, and in the Pacific Northwest. The Company currently plans to continue its expansion in existing markets in Texas, Northern California, the Pacific Northwest and Mexico, and to enter new markets in other states with favorable demographics and regulatory environments.

Enhance Productivity of Existing and Acquired Stores

The primary factors affecting the profitability of the Company's existing store base are the level of loans outstanding, the volume of retail sales and gross profit on retail sales, the volume of check cashing and related consumer financial services, and the control of store expenses. To increase customer traffic, which management believes is a key determinant to increasing its stores' profitability, the Company has taken several steps to distinguish its stores from traditional pawn and check cashing/payday advance stores and to make customers feel more comfortable. In addition to well-lit parking facilities, several of the stores' exteriors display an attractive and distinctive awning similar to those used by contemporary convenience and video rental stores. The Company also has upgraded or refurbished the interior of certain of its stores and improved merchandise presentation by categorizing items into departments, improving the lighting and installing better in-store signage.

Operating Controls

The Company has an organizational structure that it believes is capable of supporting a larger, multi-state store base. Moreover, the Company has installed an employee training program for both store and corporate-level personnel that stresses productivity and professionalism. Each store is monitored on a daily basis from corporate headquarters via an online, real-time computer network, and the Company has strengthened its operating and financial controls by increasing its internal audit staff as well as the frequency of store audit visits. Management believes that the current operating and financial controls and systems are adequate for the Company's existing store base and can accommodate reasonably foreseeable growth in the near-term.

Pawn Lending Activities

The Company's pawn stores loan money against the security of pledged goods. The pledged goods are tangible personal property generally consisting of jewelry, electronic equipment, tools, sporting goods and musical equipment. The pledged goods provide security to the Company for the repayment of the loan, as pawn loans cannot be made with personal liability to the borrower. Therefore, the Company does not investigate the creditworthiness of the borrower, relying instead on the marketability and sale value of pledged goods as a basis for its credit decision. The Company contracts for a pawn service charge in lieu of interest to compensate it for the loan. The statutory service charges on loans at its Texas stores range from 12% to 240% on an annualized basis depending on the size of the loan, and from 36% to 240% on an annualized basis at the Company's Oklahoma stores. Loans made in the Maryland stores bear service charges of 144% to 240% on an annualized basis, while loans in Virginia earn 120% to 180% annually. In Washington, D.C., a flat $2 charge per month applies to all loans of up to $40, and a 48% to 60% annualized service charge applies to loans of greater than $40. In Missouri, loans bear a total service and storage charge of 240% on an annualized basis, and South Carolina rates range from 60% to 300%. As of December 31, 2000, the Company's average loan per pawn ticket was approximately $86. Service charges from pawn loans during the years ended December 31, 2000 and 1999, the five months ended December 31, 1998, and the year ended July 31, 1998 accounted for approximately 19%, 27%, 29%, and 33%, respectively, of the Company's total revenues.

At the time a pawn transaction is entered into, a pawn loan agreement, commonly referred to as a pawn ticket, is delivered to the borrower that sets forth, among other items, the name and address of the pawnshop, borrower's name, borrower's identification number from his/her driver's license or other identification, date, identification and description of the pledged goods, including applicable serial numbers, amount financed, pawn service charge, maturity date, total amount that must be paid to redeem the pledged goods on the maturity date, and the annual percentage rate.

The amount the Company is willing to finance typically is based on a percentage of the estimated sale value of the collateral. There are no minimum or maximum loan to fair market value restrictions in connection with the Company's lending activities. The basis for the Company's determination of the sale value includes such sources as catalogs, blue books, and newspapers. The Company also utilizes its computer network to recall recent selling prices of similar merchandise in its own stores. These sources, together with the employees' experience in selling similar items of merchandise in particular stores, influence the determination of the estimated sale value of such items. The Company does not utilize a standard or mandated percentage of estimated sale value in determining the amount to be financed. Rather, the employee has the authority to set the percentage for a particular item and to determine the ratio of loan amount to estimated sale value with the expectation that, if the item is forfeited to the pawnshop, its subsequent sale should yield a gross profit margin consistent with the Company's historical experience. It is the Company's policy to value merchandise on a conservative basis to avoid the risks associated with over-valuation. The pledged property is held through the term of the loan, which is 30 days in Texas, South Carolina, Missouri, Virginia, Oklahoma and Maryland, with an automatic extension period of 15 to 60 days depending on state laws, unless the loan is earlier paid or renewed. In Washington, D.C., pledged property is held for 30 days. In the event the borrower does not pay or renew a loan within 90 days in Texas, South Carolina and Missouri, 60 days in Oklahoma, 45 days in Maryland and Virginia, and 30 days in Washington, D.C., the unredeemed collateral is forfeited to the Company and becomes inventory available for general liquidation or sale in one of the Company's stores. The Company does not record loan losses or charge-offs because if the loan is not paid, the principal amount loaned becomes the carrying cost of the forfeited collateral ("inventory") that is recovered by sale.

The recovery of the principal and realization of gross profit on sales of inventory is dependent on the Company's initial assessment of the property's estimated sale value. Improper assessment of the sale value of the collateral in the lending function can result in reduced marketability of the property and sale of the property for an amount less than the principal amount loaned. For the years ended December 31, 2000 and 1999, the five months ended December 31, 1998, and the year ended July 31, 1998, the Company's annualized yield on average pawn loan balance was 127%, 145%, 142%, and 136%, respectively.

Payday Advance Activities

The Company's check cashing/payday advance stores make secured, short-term advances in which the customer writes the store a personal check in exchange for cash, net of a transaction fee. Fees for payday advances may be regulated by state law and are generally 15% to 18% of the amount advanced per transaction. The term of these advances is thirty days or less. Service charges from payday advances during the years ended December 31, 2000 and 1999, the five months ended December 31, 1998, and the year ended July 31, 1998 accounted for approximately 25%, 15%, 7%, and 1%, respectively, of the Company's total revenues.

To qualify for a payday advance, customers generally must have proof of steady income, a checking account with a minimum of returned items within a specified period, and valid identification. Upon completing an application and subsequent approval, the customer writes a check on their personal checking account for the amount of the advance, plus applicable fees. At maturity, the customer may either return to the store and pay off the advance with cash, in which case the check is returned to the customer, or the store can deposit the check into its checking account. A significant amount of payday advance checks deposited by the Company are returned by the bank; however, a large percentage of these bad debts are subsequently collected by the Company through various means. The profitability of the Company's check cashing stores is dependent upon adequate collection of these returned items.

Retail Activities

The Company acquires merchandise inventory primarily through forfeited pawn loans and purchases of used goods from the general public. Sales of inventory during the years ended December 31, 2000 and 1999, the five months ended December 31, 1998, and the year ended July 31, 1998, accounted for approximately 52%, 54%, 60%, and 64%, respectively, of the Company's total revenues for these periods. For the years ended December 31, 2000 and 1999, the five months ended December 31, 1998, and the year ended July 31, 1998, the Company realized gross profit margins on merchandise sales of 36%, 32%, 36%, and 33%, respectively.

By operating multiple stores, the Company is able to transfer inventory between stores to best meet consumer demand. The Company has established the necessary internal financial controls to implement such inter-store transfers.

Merchandise acquired by the Company through defaulted pawn loans is carried in inventory at the amount of the related pawn loan. Management believes that this practice lessens the likelihood that the Company will incur significant, unexpected inventory devaluations.

The Company does not provide financing to purchasers of its merchandise nor does it give the prospective buyer any warranties on the merchandise purchased. Nevertheless, the Company may, at its discretion, refund purchases if merchandise is returned because it was damaged or not in good working order when purchased. The Company permits its customers to purchase inventory on a "layaway" plan. Should the customer fail to make a required payment, the item is returned to inventory and previous payments are forfeited to the Company.

Pawnshop Operations

The typical Company store is a free-standing building or part of a small retail strip shopping center with adequate, well-lit parking. Management has established a standard store design intended to distinguish the Company's stores from the competition. The design consists of a well-illuminated exterior with a distinctive awning and a layout similar to a contemporary convenience store or video rental store. The Company's stores are typically open six to seven days a week from 9:00 a.m. to between 6:00 p.m. and 9:00 p.m.

The Company's computer system permits a store manager or clerk to recall rapidly the cost of an item in inventory, the date it was purchased as well as the prior transaction history of a particular customer. It also facilitates the timely valuation of goods by showing values assigned to similar goods in the past. The Company has networked its stores to permit the Company's headquarters to more efficiently monitor each store's operations, including sales, interest income, loans written and redeemed, and changes in inventory.

The Company attempts to attract retail shoppers seeking bargain prices through the use of seasonal promotions, special discounts for regular customers, prominent display of impulse purchase items such as jewelry and tools, tent sales and sidewalk sales, and a layaway purchasing plan. The Company attempts to attract and retain pawn loan customers by lending a competitively large percentage of the estimated sale value of items presented for pledge and by providing quick loan, renewal and redemption service in an appealing atmosphere.

As of March 26, 2001, the Company operated pawn stores in the following markets:

	Number of Locations
Texas:	
Dallas/Fort Worth metropolitan area	27
Corpus Christi	8
South Texas	17
El Paso	6
	58
Missouri:	
St. Louis metropolitan area	3
	3
Oklahoma:	
Oklahoma City	5
	5
South Carolina:	
South Carolina	13
	13
Mexico:	
Mexico	5
	5
Mid Atlantic:	
Baltimore, Maryland	7
Washington, D.C. and surrounding Maryland suburbs	23
Virginia	2
	32
Total	116

Each pawnshop employs a manager, one or two assistant managers, and between one and eight sales personnel, depending upon the size, sales volume and location of the store. The store manager is responsible for supervising personnel and assuring that the store is managed in accordance with Company guidelines and established policies and procedures. Each manager reports to an area supervisor who typically oversees four to seven store managers. Each area supervisor reports to one of four regional vice-presidents.

The Company believes that profitability of its pawnshops is dependent, among other factors, upon its employees' ability to make loans that achieve optimum redemption rates, to be effective sales people and to provide prompt and courteous service. Therefore, the Company trains its employees through direct instruction and on-the-job loan and sales experience. The new employee is introduced to the business through an orientation and training program that includes on-the-job training in lending practices, layaways, merchandise valuation and general administration of store operations. Certain experienced employees receive training and an introduction to the fundamentals of management to acquire the skills necessary to advance into management positions within the organization. Management training typically involves exposure to income maximization, recruitment, inventory control and cost efficiency. The Company maintains a performance-based compensation plan for all store employees, based, among other factors, on sales, gross profits and special promotional contests.

Check Cashing/Payday Advance Operations

The Company's check cashing/payday advance locations are typically part of a small retail strip shopping center with adequate, well-lit parking. Management has established a standard store design intended to distinguish the Company's stores from the competition. The design consists of a well-illuminated exterior with a lighted sign, and distinctive, conservative window signage. The interiors usually feature an ample lobby, separated from employee work areas by floor-to-ceiling teller windows. The Company's stores are typically open six to seven days a week from 9:00 a.m. to between 6:00 p.m. and 9:00 p.m.

Computer operating systems in the Company's check cashing/payday advance stores allow a store manager or clerk to recall rapidly customer check cashing histories, payday advance histories, and other vital information. The Company attempts to attract customers primarily through television advertisements and yellow page advertisements.

As of March 26, 2001, the Company operated check cashing/payday advance stores in the following markets:

	Number of Locations
Chicago, Illinois	10
Washington, D.C	3
Oregon	2
Northern California	15
Washington	3
	33

Each check cashing store employs a manager, an assistant manager, and between three and eight tellers, depending upon the size, sales volume and location of the store. The store manager is responsible for supervising personnel and assuring that the store is managed in accordance with Company guidelines and established policies and procedures. Each manager reports to a district manager who typically oversees two to five store managers.

Competition

The Company encounters significant competition in connection with all aspects of its business operations. These competitive conditions may adversely affect the Company's revenues, profitability and ability to expand.

The Company competes primarily with other pawn store operators and check cashing/payday advance operators. Both the pawnshop and check cashing/payday advance industries are characterized by a large number of independent owner-operators, some of whom own and operate multiple locations. The Company believes that the primary elements of competition in these businesses are store location, the ability to lend competitive amounts on both pawn loans and payday advances, customer service, and management of store employees. In addition, the Company competes with financial institutions, such as consumer finance companies, which generally lend on an unsecured as well as on a secured basis. Other lenders may and do lend money on terms more favorable than those offered by the Company. Many of these competitors have greater financial resources than the Company.

In its retail operations, the Company's competitors include numerous retail and wholesale stores, including jewelry stores, gun stores, discount retail stores, consumer electronics stores and other pawnshops. Competitive factors in the Company's retail operations include the ability to provide the customer with a variety of merchandise items at attractive prices. Many retailers have significantly greater financial resources than the Company.

In addition, the Company faces competition in its acquisition program. There are several other publicly held pawnshop and check cashing companies, including Cash America International, Inc., ACE Cash Express, Inc. and EZCORP, Inc., that have announced active expansion and acquisition programs as well. Management believes that the increased competition for attractive acquisition candidates may increase acquisition costs.

Regulation

General

The Company is subject to extensive regulation in several jurisdictions in which it operates, including jurisdictions that regulate pawn lending, payday advance fees and check cashing fees. The Company is also subject to federal and state regulation relating to the reporting and recording of certain currency transactions. There can be no assurance that additional state or federal statutes or regulations will not be enacted at some future date which could inhibit the ability of the Company to expand, significantly decrease the service charges for lending money, or prohibit or more stringently regulate the sale of certain goods, any of which could cause a significant adverse effect on the Company's future prospects.

State Regulations

The Company operates in seven states that have licensing and/or fee regulations on pawn loans, including Texas, Oklahoma, Maryland, Virginia, South Carolina, Washington, D.C., and Missouri. The Company is licensed in each of the states in which a license is currently required for it to operate as a pawn lender. The Company's fee structures are at or below the applicable rate ceilings adopted by each of these states. In addition, the Company is in compliance with the net asset requirements in states where it is required to maintain certain levels of liquid assets for each pawn store it operates in the applicable state.

The Company also operates in states which have licensing and/or fee regulations on check cashing and payday advances, including California, Washington, Missouri, South Carolina, Oregon, Illinois and Washington, D.C. The Company is licensed in each of the states in which a license is currently required for it to operate as a check casher and/or payday lender. In addition, in some jurisdictions, check cashing companies or money transmission agents are required to meet minimum bonding or capital requirements and are subject to record-keeping requirements.

Federal Regulations

Under the Bank Secrecy Act regulations of the U.S. Department of the Treasury (the "Treasury Department"), transactions involving currency in an amount greater than $10,000 or the purchase of monetary instruments for cash in amounts from $3,000 to $10,000 must be recorded. In general, every financial institution, including the Company, must report each deposit, withdrawal, exchange of currency or other payment or transfer, whether by, through or to the financial institution, that involves currency in an amount greater than $10,000. In addition, multiple currency transactions must be treated as single transactions if the financial institution has knowledge that the transactions are by, or on behalf of, any person and result in either cash in or cash out totaling more than $10,000 during any one business day.

Other

In jurisdictions that do not have favorable payday lending laws, the Company has entered into agreements with out-of-state federally insured financial institutions to act as a loan servicer for such banks in that jurisdiction. The Company receives a fee from the financial institution for acting as that institution's loan servicer.

With respect to firearms and ammunition sales, each pawn store must comply with the regulations promulgated by the Department of the Treasury-Bureau of Alcohol, Tobacco and Firearms, which requires each pawn store dealing in firearms to maintain a permanent written record of all firearms received or disposed of and a similar record for all ammunition sales. The Company does not currently sell handguns to the public.

Under some municipal ordinances, pawn stores must provide the police department having jurisdiction copies of all daily transactions involving pawn loans and over-the-counter purchases. These daily transaction reports are designed to provide the local police with a detailed description of the goods involved including serial numbers, if any, and the name and address of the owner obtained from a valid identification card. If these ordinances are applicable, a copy of the transaction ticket is provided to local law enforcement agencies for processing by the National Crime Investigative Computer to determine rightful ownership. Goods held to secure pawn loans or goods purchased which are determined to belong to an owner other than the borrower or seller are subject to recovery by the rightful owners.

In connection with pawnshops operated by the Company, there is a risk that acquired merchandise may be subject to claims of rightful owners. Historically, the Company has not found these claims to have a material adverse effect upon results of operations. The Company does not maintain insurance to cover the costs of returning merchandise to its rightful owners.

The Company's pawnshop and payday advance operations are subject to, and must comply with, extensive regulation, supervision and licensing from various federal, state and local statutes, ordinances and regulations. These statutes prescribed, among other things, service charges and interest rates that may be charged. These regulatory agencies have broad discretionary authority. There can be no assurance that additional local, state or federal legislation will not be enacted or that existing laws and regulations will not be amended which could have an adverse impact on the Company's operations and financial condition.

Employees

The Company had approximately 1,090 employees as of March 18, 2001, including approximately 53 persons employed in executive, administrative and accounting functions. None of the Company's employees are covered by collective bargaining agreements. The Company considers its employee relations to be satisfactory.

Insurance

The Company maintains fire, casualty, theft and public liability insurance for each of its pawn stores and check cashing/payday advance locations in amounts management believes to be adequate. The Company maintains workers' compensation insurance in Maryland, Missouri, California, Virginia, Washington, Oregon, South Carolina, Illinois, Washington, D.C. and Oklahoma, as well as excess employer's indemnification insurance in Texas. The Company is a non-subscriber under the Texas Workers' Compensation Act and does not maintain other business risk insurance.

Item 2. Properties

The Company currently owns the real estate and buildings for three of its pawn stores and leases 146 pawn stores and check cashing/payday advance locations. Leased facilities are generally leased for a term of two to ten years with one or more options to renew. The Company's existing leases expire on dates ranging between 2001 and 2016. All current leases provide for specified periodic rental payments ranging from approximately $500 to $9,100 per month. Most leases require the Company to maintain the property and pay the cost of insurance and property taxes. The Company believes that termination of any particular lease would not have a material adverse effect on the Company's operations. The Company's strategy is generally to lease, rather than purchase, space for its pawnshop and check cashing locations unless the Company finds what it believes is a superior location at an attractive price. The Company believes that the facilities currently owned and leased by it as pawn stores and check cashing/payday advance locations are suitable for such purpose. The Company considers its equipment, furniture and fixtures to be in good condition.

The Company currently leases approximately 17,000 square feet in Arlington, Texas for its executive offices. The lease, which expires December 31, 2001, currently provides for monthly rental payments of approximately $25,000.

Item 3. Legal Proceedings

The Company was sued by three plaintiffs, who alleged that the Company engaged in deferred presentment transactions which violate the Federal Racketeering Influenced and Corrupt Organizations Act, the Federal Truth and Lending Act, common law and various state statutes and regulations. Class certification has been requested, but not yet been obtained. The Company intends to vigorously defend this claim. Since discovery has not yet commenced, nor the scope of the case been determined, management can provide no assurance as to the outcome of such litigation.

Additionally, the Company is from time to time a defendant (actual or threatened) in certain other lawsuits encountered in the ordinary course of its business, the resolution of which, in the opinion of management, should not have a material adverse effect on the Company's financial position, results of operations, or cash flows.

Item 4. Submission of Matters to a Vote of Security Holders

No matter was submitted to a vote of the Company's security holders during the fourth quarter of fiscal 2000.

PART II

Item 5. Market for Registrant's Common Equity and Related Stockholder Matters

The Company's Common Stock is quoted on the Nasdaq National Market under the symbol "FCFS". The following table sets forth the quarterly high and low closing sales prices per share for the Common Stock, as reported by the Nasdaq National Market.

	Common Stock Price Range	
	High	Low
Year Ended December 31, 1999		
Quarter Ended March 31, 1999..........	$14.38	$9.13
Quarter Ended June 30, 1999...........	11.63	9.00
Quarter Ended September 30, 1999......	12.75	9.75
Quarter Ended December 31, 1999.......	11.00	7.00
Year Ended December 31, 2000		
Quarter Ended March 31, 2000..........	$ 8.38	$6.13
Quarter Ended June 30, 2000...........	6.38	3.00
Quarter Ended September 30, 2000......	3.20	2.00
Quarter Ended December 31, 2000.......	2.88	1.66

On March 26, 2001, the closing sales price for the Common Stock as reported by the Nasdaq National Market was $4.94 per share. On March 26, 2001, there were approximately 83 stockholders of record of the Common Stock.

No cash dividends have been paid by the Company on its Common Stock, and the Company does not currently intend to pay cash dividends on its Common Stock. The current policy of the Company's Board of Directors is to retain earnings, if any, to provide funds for operation and expansion of the Company's business. Such policy will be reviewed by the Board of Directors of the Company from time to time in light of, among other things, the Company's earnings and financial position and limitations imposed by its revolving line of credit with its syndicate of commercial lenders (the "Credit Facility"). Pursuant to the terms of its agreement with its lenders, the Company is prohibited from paying any dividends until payment in full of its obligations under the Credit Facility.

Item 6. Selected Financial Data

The information below should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations included in Item 7 and the Company's Consolidated Financial Statements and related notes thereto required by Item 8.

	Year Ended December 31,		Five Months Ended December 31,	Year Ended July 31,		
	2000	1999	1998	1998	1997	1996
	(in thousands, except per share amounts and certain operating data)					
Income Statement Data:						
Revenues:						
Merchandise sales	$ 54,797	$ 52,977	$ 20,418	$ 37,998	$ 32,628	$ 24,823
Service charges	46,597	40,630	12,434	20,332	16,517	13,149
Check cashing fees	2,216	2,184	754	255	-	-
Other	2,248	1,960	472	419	286	51
	105,858	97,751	34,078	59,004	49,431	38,023
Cost of goods sold and expenses:						
Cost of goods sold	35,140	36,260	13,157	25,463	22,502	16,714
Operating expenses	47,082	39,243	12,335	19,608	15,774	12,573
Interest expense	2,859	2,602	1,122	2,031	2,340	2,124
Depreciation	2,765	1,590	475	922	717	540
Amortization	1,718	1,500	563	783	636	565
Administrative expenses..	8,387	6,867	2,249	4,134	3,831	3,150
	97,951	88,062	29,901	52,941	45,800	35,666
Income before income taxes	7,907	9,689	4,177	6,063	3,631	2,357
Provision for income taxes	3,005	3,211	1,608	2,265	1,337	917
Income before cumulative effect of change in accounting principle....	4,902	6,478	2,569	3,798	2,294	1,440
Cumulative effect of change in accounting principle..	(2,287)	-	-	-	-	-
Net income................	$ 2,615	$ 6,478	$ 2,569	$ 3,798	$ 2,294	$ 1,440

Net income per share:						
Basic						
Income before cumulative effect of change in accounting principle...	$ .56	$ .75	$ .32	$ .74	$ .60	$ .39
Cumulative effect of change in accounting principle	(.26)	-	-	-	-	-
Net income	$ .30	$ .75	$ .32	$ .74	$ .60	$ .39
Diluted						
Income before cumulative effect of change in accounting principle...	$ .55	$ .70	$ .29	$ .59	$ .46	$ .35
Cumulative effect of change in accounting principle	(.26)	-	-	-	-	-
Net income	$ .29	$ .70	$ .29	$ .59	$ .46	$ .35
Unaudited pro forma amounts assuming retroactive application of change in accounting principle:						
Revenues	$ 105,858	$ 93,028	$ 32,351	$ 55,621	$ 46,702	$ 35,792
Net income	4,902	5,850	2,267	3,218	2,144	1,207
Basic earnings per share	.56	.68	.28	.63	.56	.33
Diluted earning per share	.55	.63	.26	.51	.44	.31
Operating Data:						
Locations in operation:						
Beginning of the period..	147	133	97	57	50	43
Acquisitions	2	4	34	38	7	7
Opened	2	10	2	2	-	1
Consolidated/closed	(3)	-	-	-	-	(1)
End of the period	148	147	133	97	57	50
Receivables..............	$ 22,043	$ 23,568	$ 20,392	$ 17,054	$ 12,877	$ 11,701
Average receivables balance per store..............	$ 149	$ 160	$ 153	$ 176	$ 226	$ 234
Average inventory per pawn store..................	$ 148	$ 182	$ 164	$ 154	$ 176	$ 175
Annualized inventory turnover................	1.8x	1.9x	2.1x	2.2x	2.4x	2.1x
Gross profit percentage on merchandise sales	35.9%	31.6%	35.6%	33.0%	31.0%	32.7%
Balance Sheet Data:						
Working capital..........	$ 41,835	$ 54,333	$ 39,421	$ 31,987	$ 23,616	$ 21,098
Total assets.............	119,118	128,847	131,325	91,128	56,677	51,945
Long-term liabilities.....	44,833	55,560	42,699	34,533	26,892	28,655
Total liabilities.........	53,464	62,324	52,617	39,611	30,398	31,362
Stockholders' equity.....	65,654	66,523	60,708	51,517	26,279	20,583

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

General

The Company's pawn store revenues are derived primarily from service charges on pawn loans, service charges from short term, secured advances ("payday advances"), and the sale of unredeemed goods, or "merchandise sales." Pawn loans are made for a 30-day term with an automatic extension of 60 days in Texas, South Carolina and Missouri, 30 days in Oklahoma and 15 days in Maryland and Virginia. Pawn loans made in Washington, D.C. are made for a 120 day term with no automatic extension. All pawn loans are collateralized by tangible personal property placed in the custody of the Company. The annualized service charge rates on pawn loans are set by state laws and range between 12% and 240% in Texas and 36% and 240% in Oklahoma, depending on the size of the loan. Service charge rates are 144% to 240% on an annualized basis in Maryland, with a $6 monthly minimum charge. In Washington, D.C., loans up to $40 bear a flat $2 charge per month, while loans over $40 bear a 48% to 60% annualized rate. Missouri pawn loans bear service and storage charges totaling 240% per year, and in Virginia rates range from 120% to 180% annually. Annualized rates in South Carolina range from 60% to 300%. The Company now accrues pawn service charge revenue on a constant yield basis over the life of the loan for all pawn loans that the Company deems collection to be probable based on historical loan redemption statistics. If a loan is not repaid prior to the expiration of the automatic extension period, if applicable, the property is forfeited to the Company and transferred to inventory at a value equal to the loan principal. Service charges from payday advances, which range from 15% to 18% of the amount advanced, are recognized on a constant-yield basis over the life of the advance, which is generally 30 days or less.

Effective January 1, 2000, the Company changed its method of income recognition on pawn loans. The Company now accrues pawn service charge revenue on a constant yield basis over the life of the loan for all pawn loans that the Company deems collection to be probable based on historical loan redemption statistics. For loans not repaid, the cost of the forfeited collateral (inventory) is the cash amount originally loaned. Prior to 2000, the Company recognized service charge income on a constant yield basis over the initial loan period for all pawn loans written. Service charges applicable to the extension periods or additional loan periods were not recognized as income until the loan was repaid or renewed. If the loan was not repaid, the carrying value of the forfeited collateral (inventory) was stated at the lower of cost (the principal amount loaned plus accrued service charges) or market. The Company believes the accounting change provides a more timely matching of revenues and expenses with which to measure the results of operations. The cumulative effect of the accounting method change on all periods since inception through December 31, 1999 is $2,287,000 (after an income tax benefit of $1,373,000) and is included as a one-time reduction of net income for the year ended December 31, 2000.

Revenues at the Company's check cashing and payday advance stores are derived primarily from check cashing fees, fees on payday advances, and fees from the sale of money orders and wire transfers. Payday advances carry a 15% to 18% service charge. The Company recognizes service charge income on payday advances on a constant-yield basis over the life of the advance, which is generally 30 days or less. The Company charges operating expense for the estimated net potential losses on returned checks in the same period in which revenues from the payday advances are recognized.

Although the Company has had significant increases in revenues due primarily to acquisitions and secondarily to new store openings, the Company has also incurred increases in operating expenses attributable to the additional stores and increases in administrative expenses attributable to building a management team and the support personnel required by the Company's growth. Operating expenses consist of all items directly related to the operation of the Company's stores, including salaries and related payroll costs, rent, utilities, equipment depreciation, advertising, property taxes, licenses, supplies, security and net returned checks (bad debts). Administrative expenses consist of items relating to the operation of the corporate office, including the salaries of corporate officers, area supervisors and other management, accounting and administrative costs, liability and casualty insurance, outside legal and accounting fees and stockholder-related expenses.

Presented below are selected consolidated data for the Company. The following table, as well as the discussion following, should be read in conjunction with Selected Financial Data included in Item 6 and the Consolidated Financial Statements and notes thereto of the Company required by Item 8.

	Year Ended December 31, 2000	Year Ended December 31, 1999	Five Months Ended December 31, 1998	Year Ended July 31, 1998
Income statement items as a percent of total revenues:				
Revenues:				
Merchandise sales	51.8%	54.2%	59.9%	64.4%
Service charges	44.0	41.6	36.5	34.5
Check cashing fees	2.1	2.2	2.2	.4
Other	2.1	2.0	1.4	.7
Expenses:				
Operating expenses	44.5	40.1	36.2	33.2
Interest expense	2.7	2.7	3.3	3.4
Depreciation	2.6	1.6	1.4	1.6
Amortization	1.6	1.5	1.7	1.3
Administrative expenses	7.9	7.0	6.6	7.0
Gross profit as a percent of merchandise sales...........	35.9	31.6	35.6	33.0

The Company has three primary operating segments: pawn lending stores, check cashing and payday advance stores, and a software and hardware provider. The Company's pawn stores offer non-recourse loans on the collateral of pledged tangible personal property. The Company's pawn stores also offer short-term secured consumer loans commonly referred to as payroll advances. The Company's check cashing and payday advance stores provide check cashing services, short-term secured consumer loans, bill payment services, money transfer services and money order sales. The Company's computer software subsidiary, Answers, etc., provides turnkey point of sale operating systems to other check cashing and payday advance operators unaffiliated with the Company. Information concerning the segments is set forth below (in thousands):

	Pawn Stores	Check Cashing/ Payday Advance Stores	Software	Consolidated
Year Ended December 31, 2000				
Total revenues	$ 87,145	$ 16,582	$ 2,131	$ 105,858
Depreciation and amortization	3,501	804	178	4,483
Income before interest and income taxes	7,420	4,582	(1,236)	10,766
Total assets at December 31, 2000	89,208	27,093	2,817	119,118
Capital expenditures	1,523	349	183	2,055
Year Ended December 31, 1999				
Total revenues	79,470	14,573	3,708	97,751
Depreciation and amortization	2,293	709	88	3,090
Income before interest and income taxes	8,019	3,927	345	12,291
Total assets at December 31, 1999	91,516	34,800	2,531	128,847
Capital expenditures	2,539	431	312	3,282
Five Months Ended December 31, 1998				
Total revenues	29,140	3,484	1,454	34,078
Depreciation and amortization	804	221	13	1,038
Income before interest and income taxes	4,051	1,036	212	5,299
Total assets at December 31, 1998	80,586	30,495	2,244	113,325
Capital expenditures	806	145	46	997
Year Ended July 31, 1998				
Total revenues	57,082	1,133	789	59,004
Depreciation and amortization	1,627	74	4	1,705
Income before interest and income taxes	7,700	272	122	8,094
Total assets at July 31, 1998	68,143	21,411	1,574	91,128
Capital expenditures	999	11	11	1,021

Results of Operations

Twelve Months Ended December 31, 2000 Compared to Twelve Months Ended December 31, 1999

Total revenues increased 8% to $105,858,000 for the fiscal year ended December 31, 2000 ("Fiscal 2000") as compared to $97,751,000 for the fiscal year ended December 31, 1999 ("Fiscal 1999"). The change resulted from an increase in revenues of $663,000 generated by the 18 pawn and check cashing/payday advance stores which were opened or acquired during Fiscal 1999 and Fiscal 2000, and an increase of $7,444,000, at the 130 stores which were in operation during all of Fiscal 1999 and Fiscal 2000. Of the $8,107,000 increase in total revenues, 22%, or $1,820,000, was attributable to increased merchandise sales, 74%, or $5,967,000 was attributable to increased service charges on pawn loans and payday advances, $32,000 was attributable to increased check cashing fees, and the remaining increase of $288,000, or 4% was attributable to the increase in other income. As a percentage of total revenues, merchandise sales decreased from 54% to 52% during Fiscal 2000 as compared to Fiscal 1999, service charges increased from 42% to 44%, check cashing fees and other income remained at 4%.

The aggregate receivables balance decreased 6% from $23,568,000 at December 31, 1999 to $22,043,000 at December 31, 2000. Of the $1,525,000 decrease, an increase of $1,594,000 was attributable to growth at the 18 pawn and check cashing/payday advance stores opened or acquired during Fiscal 1999 and Fiscal 2000, while a $3,119,000 decrease was attributable to the 130 pawn stores and check cashing/payday advance stores which were in operation during all of Fiscal 1999 and Fiscal 2000. The annualized yield on the average aggregate receivables balance was 204% during Fiscal 2000 compared to 183% during Fiscal 1999. The Company's average receivables balance per store decreased from $160,000 as of December 31, 1999 to $149,000 as of December 31, 2000, primarily due to our lowering of our loan to value ratio on pawn loans during 2000; as well as a higher ratio of payday advance stores in the Company's store count as of December 31, 2000, which generally have lower per-store receivables balances than the Company's pawn stores.

Gross profit as a percentage of merchandise sales increased from 32% during Fiscal 1999 to 36% during Fiscal 2000. This increase in the Company's gross profit margin was primarily the result of the change in accounting principle in Fiscal 2000. The 1999 pro forma gross profit as a percentage of merchandise sales was 39%. Sales of scrap gold had a negative effect on gross profit margins during Fiscal 1999 and Fiscal 2000. Factoring out the negative impact of scrap sales, pro forma margins would have been 41% and 39% during Fiscal 1999 and Fiscal 2000, respectively.

Operating expenses increased 20% to $47,082,000 during Fiscal 2000 compared to $39,243,000 during Fiscal 1999, primarily as a result of the addition of 18 pawn stores and check cashing/payday advance stores in Fiscal 1999 and Fiscal 2000, and increases in net bad debt expense in 2000 due to increases in the volume of payday advances in the pawnshops. During the fourth quarter of 2000 the Company recorded a one-time non-cash pretax charge in the amount of $765,000 to write-off fixed assets and goodwill relating to approximately nine stores. These stores are primarily located in the Company's East Coast market, and continue to be unprofitable or under performing locations. This one-time store closing charge had a $0.05 per share impact on the Company's earnings per share. The Company will continue to evaluate and aggressively address any stores that do not measure up to the Company's earnings expectations. Administrative expenses increased 22% to $8,387,000 during Fiscal 2000 compared to $6,867,000 during Fiscal 1999 due primarily to the addition of personnel to supervise store operations. Interest expense increased to $2,859,000 in Fiscal 2000 compared to $2,602,000 in Fiscal 1999 as a result of higher average outstanding debt balances and higher average interest rates during Fiscal 2000.

For Fiscal 2000 and 1999, the Company's effective federal income tax rates of 38% and 33%, respectively, differed from the statutory tax rate of 34% primarily as a result of state income taxes, utilization of tax net operating loss carryforwards from acquisitions, and amortization of non-deductible intangible assets.

Twelve Months Ended December 31, 1999 Compared to Twelve Months Ended July 31, 1998

Total revenues increased 66% to $97,751,000 for the fiscal year ended December 31, 1999 ("Fiscal 1999") as compared to $59,004,000 for the fiscal year ended July 31, 1998 ("Fiscal 1998"). The change resulted from an increase in revenues of $37,948,000 generated by the 90 pawn and check cashing/payday advance stores which were opened or acquired during Fiscal 1998, the five months ended December 31, 1998 and Fiscal 1999, and an increase of $799,000, or 2%, at the 57 stores which were in operation during all of Fiscal 1998 and Fiscal 1999. Of the $38,747,000 increase in total revenues, 39%, or $14,979,000, was attributable to increased merchandise sales, 52%, or $20,298,000 was attributable to increased service charges on pawn loans and payday advances, 5%, or $1,929,000 was attributable to increased check cashing fees, and the remaining increase of $1,541,000, or 4% was attributable to the increase in other income. As a percentage of total revenues, merchandise sales decreased from 64% to 54% during Fiscal 1999 as compared to Fiscal 1998, service charges increased from 35% to 42%, check cashing fees increased from 0% to 2%, and other income increased from 1% to 2%, respectively.

The aggregate receivables balance increased 38% from $17,054,000 at July 31, 1998 to $23,568,000 at December 31, 1999. Of the $6,514,000 increase, $2,668,000 was attributable to growth at the 97 pawn and check cashing/payday advance stores in operation at July 31, 1998 and December 31, 1999, while $3,846,000 was attributable to the addition of 50 pawn stores and check cashing/payday advance stores since August 1, 1998. The annualized yield on the average aggregate receivables balance was 183% during Fiscal 1999 compared to 136% during Fiscal 1998. The Company's average receivables balance per store decreased from $176,000 as of July 31, 1998 to $160,000 as of December 31, 1999, primarily due to a higher ratio of payday advance stores in the Company's store count as of December 31, 1999, which generally have lower per-store receivables balances than the Company's pawn stores.

Gross profit as a percentage of merchandise sales decreased from 33% during Fiscal 1998 to 32% during Fiscal 1999. This decrease in the Company's gross profit margin was primarily the result of lower gold prices during Fiscal 1999 compared to Fiscal 1998, which yielded lower margins on scrap jewelry sales during Fiscal 1999.

Operating expenses increased 100% to $39,243,000 during Fiscal 1999 compared to $19,608,000 during Fiscal 1998, primarily as a result of the addition of 90 pawn stores and check cashing/payday advance stores in Fiscal 1998, the five months ended December 31, 1998 and Fiscal 1999, and the addition of personnel viewed as necessary to support the increased number of store level transactions. Administrative expenses increased 66% to $6,867,000 during Fiscal 1999 compared to $4,134,000 during Fiscal 1998 due primarily to the addition of personnel to supervise store operations. Interest expense increased to $2,602,000 in Fiscal 1999 compared to $2,031,000 in Fiscal 1998 as a result of higher average outstanding debt balances during Fiscal 1999.

For Fiscal 1999 and 1998, the Company's effective federal income tax rates of 33% and 37%, respectively, differed from the statutory tax rate of 34% primarily as a result of state income taxes, utilization of tax net operating loss carryforwards from acquisitions, and amortization of non-deductible intangible assets.

Liquidity and Capital Resources

The Company's operations and acquisitions have been financed with funds generated from operations, bank and other borrowings, and the issuance of the Company's securities.

The Company currently maintains a $50,000,000 long-term line of credit with a group of commercial lenders (the "Credit Facility"). At December 31, 2000, $39,000,000 was outstanding under this Credit Facility and an additional $9,327,000 was available to the Company pursuant to the available borrowing base. The Credit Facility bears interest at the prevailing LIBOR rate (which was approximately 6.6% at December 31, 2000) plus one percent, and matures on September 1, 2002. Amounts available under the Credit Facility are limited to 325% of the Company's earnings before income taxes, interest, depreciation and amortization for the trailing twelve months. Under the terms of the Credit Facility, the Company is required to maintain certain financial ratios and comply with certain technical covenants. The Company was in compliance with these requirements and covenants during the year ended December 31, 2000 and as of March 26, 2001. The Company is required to pay an annual commitment fee of 1/8 of 1% on the average daily unused portion of the Credit Facility commitment. The Company is prohibited from paying dividends to its stockholders. Substantially all of the unencumbered assets of the Company have been pledged as collateral against indebtedness under the Credit Facility.

In December 2000, the Company acquired the assets of one pawn store in LaFeria, Texas and one pawn store in Laredo, Texas. The aggregate purchase price for these two acquisitions was $1,200,000. The Company financed substantially all of the cash purchase price for its Fiscal 2000 acquisitions through its Credit Facility. The purchase price for these acquisitions was determined based upon the volume of annual loan and sales transactions, outstanding receivable balances, inventory on hand, location and condition of the facilities, and projected future operating results.

In February 1999, the Company acquired the assets of two pawn stores in El Paso, Texas. In September 1999, the Company acquired the assets of one pawn store in Arlington, Virginia, and in October 1999, the Company acquired the assets of one pawn store in Palm View, Texas. The aggregate purchase price for these four acquisitions was $2,019,000, including legal, consulting, assumed liabilities and other costs incidental to the acquisitions. The Company financed substantially all of the cash purchase price for its fiscal 1999 acquisitions through its Credit Facility. The purchase price for these acquisitions was determined based upon the volume of annual loan and sales transactions, outstanding receivable balances, inventory on hand, location and condition of the facilities, and projected future operating results.

The Company acquired the assets of one pawn store in Alice, Texas in September 1998, five pawn stores in El Paso, Texas in October 1998, one pawn store in Dallas, Texas in October 1998, and twelve pawn stores in South Carolina in November 1998. In addition, the Company acquired the assets of three check cashing and payday advance stores in California in August 1998, and one check cashing and payday advance store in San Francisco, California in December 1998. The aggregate purchase price for these 23 stores acquired during the five months ended December 31, 1998 was $8,175,000, including legal, consulting, assumed liabilities and other costs incidental to the acquisitions. In December 1998, the Company also acquired 100% of the outstanding common stock of One Iron Ventures, Inc., which operates eleven payday advance stores in the Chicago, Illinois area, for a total purchase price of $5,704,000 consisting of 430,000 shares of First Cash Financial Services, Inc. common stock valued at $4,623,000, or $10.75 per share, assumed liabilities of $904,000, and legal, consulting and assumed liabilities totaling $177,000. The Company financed substantially all of the cash purchase price for acquisitions made during the five months ended December 31, 1998 through its Credit Facility. The purchase price for these acquisitions was determined based upon the volume of annual loan and sales transactions, outstanding receivable balances, inventory on hand, location and condition of the facilities, and projected future operating results.

As of December 31, 2000, the Company's primary sources of liquidity were $6,611,000 in cash and cash equivalents, $2,707,000 in service charges receivable, $22,043,000 in receivables, $17,221,000 in inventories and $9,327,000 of available and unused funds under the Company's Credit Facility. The Company had working capital as of December 31, 2000 of $41,835,000 and a liabilities to equity ratio of 0.8 to 1.

Net cash provided by operating activities of the Company during the year ended December 31, 2000 was $14,628,000, consisting primarily of net income before non-cash depreciation and amortization and cumulative effect of change in accounting principle of $9,385,000, plus decreases in inventory and accrued service fees of $1,568,000 and $728,000 respectively. Net cash used for investing activities during the year ended December 31, 2000 was $4,998,000, which was primarily comprised of cash provided from decreasing receivables of $1,021,000, and cash paid for acquisitions, other fixed asset additions, and cash paid to fund the expansion of our Cash & Go, Ltd. joint venture of $6,019,000. Net cash used by financing activities was $13,736,000 during the year ended December 31, 2000, which primarily consisted of a net decrease in the Company's debt of $10,252,000 and an increase in common stock receivables from officers of $3,234,000.

The profitability and liquidity of the Company is affected by the amount of pawn loans outstanding, which is controlled in part by the Company's lending decisions. The Company is able to influence the frequency of loan redemption by increasing or decreasing the amount loaned in relation to the resale value of the pledged property. Tighter credit decisions generally result in smaller loans in relation to the estimated resale value of the pledged property and can thereby decrease the Company's aggregate loan balance and, consequently, decrease pawn service charges. Additionally, small loans in relation to the pledged property's estimated resale value tends to increase loan redemptions and improve the Company's liquidity. Conversely, providing larger loans in relation to the estimated resale value of the pledged property can result in an increase in the Company's pawn service charge income. Also, larger average loan balances can result in an increase in loan forfeitures, which increases the quantity of goods on hand and, unless the Company increases inventory turnover, reduces the Company's liquidity. The Company's renewal policy allows customers to renew pawn loans by repaying all accrued interest on such pawn loans, effectively creating a new loan transaction. In addition to these factors, the Company's liquidity is affected by merchandise sales and the pace of store expansions.

Management believes that the Credit Facility and cash generated from operations will be sufficient to accommodate the Company's current operations for fiscal 2001. The Company has no significant capital commitments. The Company currently has no written commitments for additional borrowings or future acquisitions; however, the Company intends to continue to grow and will likely seek additional capital to facilitate expansion. The Company will evaluate acquisitions, if any, based upon opportunities, acceptable financing, purchase price, strategic fit and qualified management personnel.

The Company currently intends to continue to engage in a plan of expansion through existing store acquisitions and new store openings. The Company currently plans to open between 10 and 15 check cashing/payday advance locations; as well as 25 to 30 check cashing/payday advance kiosks for Cash & Go, Ltd., the Company's 50% convenience store joint venture. These new locations will be funded through the Company's Credit Facility. While the Company continually looks for, and is presented with, potential acquisition candidates, the Company has no definitive plans or commitments for further acquisitions. The Company has no immediate plans to open any other new stores. If the Company encounters an attractive opportunity to acquire or open a new store in the near future, the Company will seek additional financing, the terms of which will be negotiated on a case-by-case basis. Between January 1, 2001 and March 26, 2001, the Company opened one new check cashing/payday advance location.

Forward Looking Information

This annual report contains certain statements that are "forward-looking statements" within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Forward-looking statements can be identified by the use of forward-looking terminology such as "believes," "expects," "may," "estimates," "will," "should," "plans," or "anticipates" or the negative thereof, or other variations thereon, or comparable terminology, or by discussions of strategy. Such statements include, but are not limited to, the discussions of the Company's operations, liquidity, and capital resources. Forward-looking statements are included in the "Liquidity and Capital Resources" section of this annual report. Although the Company believes that the expectations reflected in forward-looking statements are reasonable, there can be no assurances that such expectations will prove to be accurate. Generally, these statements relate to business plans, strategies, anticipated strategies, levels of capital expenditures, liquidity and anticipated capital funding needed to effect the business plan. All phases of the Company's operations are subject to a number of uncertainties, risks and other influences, many of which are outside the control of the Company and cannot be predicted with any degree of accuracy. Factors such as changes in regional or national economic conditions, changes in governmental regulations, unforeseen litigation, changes in interest rates or tax rates, significant changes in the prevailing market price of gold, future business decisions and other uncertainties may cause results to differ materially from those anticipated by some of the statements made in this report. In light of the significant uncertainties inherent in the forward-looking statements made in this report, the inclusion of such statements should not be regarded as a representation by the Company or any other person that the objectives and plans of the Company will be achieved. Security holders are cautioned that such forward-looking statements involve risks and uncertainties. The forward-looking statements contained in this report speak only as of the date of this report and the Company expressly disclaims any obligation or undertaking to release any updates or revisions to any such statement to reflect any change in the Company's expectations or any change in events, conditions or circumstance on which any such statement is based.

Inflation

The Company does not believe that inflation has had a material effect on the amount of loans and payday advances made or unredeemed goods sold by the Company or its results of operation.

Seasonality

The Company's retail business is seasonal in nature with its highest volume of sales of unredeemed goods occurring during the first and fourth calendar quarters of each year. The Company's lending and payday advance activities are also seasonal, with the highest volume of lending activity occurring during the second and third calendar quarters of each year.

New Accounting Pronouncements

Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities," is effective for all fiscal years beginning after June 15, 2000. SFAS 133, as amended, establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. Under SFAS 133, certain contracts that were not formerly considered derivatives may now meet the definition of a derivative. The Company adopted SFAS 133 effective January 1, 2001. The adoption of SFAS 133 did not have a significant impact on the financial position, results of operations, or cash flows of the Company.

In December 1999, the Securities and Exchange Commission ("SEC") issued Staff Accounting Bulletin No. 101 ("SAB101") "Revenue Recognition In Financial Statements." SAB 101 summarizes certain of the SEC's views in applying generally accepted accounting principles to revenue recognition in financial statements. The adoption of SAB 101 did not have a material effect on the Company's financial position or results of operations.

Item 7a. Quantitative and Qualitative Disclosures About Market Risk

The Company is exposed to market risk in the form of interest rate risk. At December 31, 2000, the Company had $39 million outstanding under its revolving line of credit. This revolving line is priced with a variable rate based on LIBOR or a base rate, plus one percent. See "Note 8 - Revolving Credit Facility". Based on the average outstanding indebtedness during the year ended December 31, 2000, a 10% increase in interest rates would have increased the Company's interest expense by approximately $310,000 for the year ended December 31, 2000.

Item 8. Financial Statements and Supplementary Data

The financial statements prepared in accordance with Regulation S-X are included in a separate section of this report. See the index to Financial Statements at Item 14(a)(1) and (2) of this report.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

There have been no disagreements concerning matters of accounting principles or financial statement disclosure between the Company and Deloitte & Touche LLP requiring disclosure hereunder.

PART III

In accordance with General Instruction G(3), a presentation of information required in response to Items 10, 11, 12, and 13 shall appear in the Company's definitive Proxy Statement to be filed pursuant to Regulation 14A within 120 days of the Company's year end and shall be incorporated herein by reference when filed.

PART IV

Item 14. Exhibits, Financial Statement Schedules and Reports on Form 8-K

(a) The following documents are filed as a part of this report:

(1) Consolidated Financial Statements: Page

	Page
Report of Independent Auditors	F-1
Consolidated Balance Sheets	F-2
Consolidated Statements of Income	F-3
Consolidated Statements of Cash Flows	F-4
Consolidated Statements of Changes in Stockholders' Equity	F-5
Notes to Consolidated Financial Statements	F-6

(b) During Fiscal 2000 the Company filed no reports on Form 8-K.

(c) Exhibits:

3.1(5)	Amended Certificate of Incorporation
3.2(6)	Amended Bylaws
4.2a(2)	Common Stock Specimen
10.3(1)	First Cash, Inc. 1990 Stock Option Plan
10.8(8)	Employment Agreement -- Rick Powell
10.15(8)	Employment Agreement -- Rick L. Wessel
10.59(4)	Acquisition Agreement - Miraglia, Inc.
10.60(3)	Audited Financial Statements of Miraglia, Inc. for the ten months ended May 31, 1998.
10.61(5)	Acquisition Agreement for Twelve Pawnshops in South Carolina
10.62(5)	Acquisition Agreement for One Iron Ventures, Inc.
10.63(5)	First Cash Financial Services, Inc. 1999 Stock Option Plan
18.1(7)	Letter re Change in Accounting Principle
21.0(8)	Subsidiaries
23.1(8)	Independent Auditors' Consent of Deloitte & Touche LLP
23.2(8)	Consent of Brewer & Pritchard, P.C.

(d) All schedules are omitted because they are not applicable or the required information is shown in the financial statements or notes thereto.

(1) Filed as an exhibit to the Company's Registration Statement on Form S-18 (No. 33-37760-FW) and incorporated herein by reference.
(2) Filed as an exhibit to the Company's Registration Statement on Form S-1 (No. 33-48436) and incorporated herein by reference.
(3) Filed as an exhibit to Form 8-K dated September 22, 1998.
(4) Filed as an exhibit to the Annual Report on Form 10-K for the fiscal year ended July 31, 1998 (File No. 0 - 19133) and incorporated herein by reference.
(5) Filed as an exhibit to the Company's Registration Statement on Form S-3 dated January 22, 1999 (File No. 333-71077) and incorporated herein by reference.
(6) Filed as an exhibit to the Annual Report on Form 10-K for the year ended December 31, 1999 (File No. 0 - 19133) and incorporated herein by reference.
(7) Filed as an exhibit to the quarterly report on Form 10-Q for the quarter ended March 31, 2000 (File No. 0 - 19133) and incorporated herein by reference.
(8) Filed herein.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

FIRST CASH FINANCIAL SERVICES, INC.

/S/ PHILLIP E. POWELL
Phillip E. Powell, Chief Executive Officer
March 26, 2001

/S/ RICK L. WESSEL
Rick L. Wessel, Principal Accounting Officer
March 26, 2001

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Capacity	Date
/S/ PHILLIP E. POWELL Phillip E. Powell	Chairman of the Board and Chief Executive Officer	March 26, 2001
/S/ RICK L. WESSEL Rick L. Wessel	President, Chief Financial Officer, Secretary and Treasurer	March 26, 2001
/S/ JOE R. LOVE Joe R. Love	Director	March 26, 2001
/S/ RICHARD T. BURKE Richard T. Burke	Director	March 26, 2001

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors and Stockholders of
First Cash Financial Services, Inc.

We have audited the accompanying consolidated balance sheets of First Cash Financial Services, Inc. and subsidiaries as of December 31, 2000 and 1999, and the related consolidated statements of income, stockholders' equity, and cash flows for each of the years ended December 31, 2000 and 1999, the five months ended December 31, 1998 and the year ended July 31, 1998. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 consolidated financial statements present fairly, in all material respects, the consolidated financial position of First Cash Financial Services, Inc. and subsidiaries at December 31, 2000 and 1999, and the consolidated results of its operations and its cash flows for each of the years ended December 31, 2000 and 1999, the five months ended December 31, 1998 and the year ended July 31, 1998 in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 3 to the financial statements, the Company changed its method of accounting for income recognition on pawn loans in 2000.

DELOITTE & TOUCHE LLP
Fort Worth, Texas
February 6, 2001

FIRST CASH FINANCIAL SERVICES, INC.
CONSOLIDATED BALANCE SHEETS

	December 31, 2000	December 31, 1999
	(in thousands, except share data)	
ASSETS		
Cash and cash equivalents	$ 6,611	$ 10,717
Service charges receivable	2,707	3,826
Receivables	22,043	23,568
Inventories	17,221	21,091
Prepaid expenses and other current assets	1,884	1,895
Total current assets	50,466	61,097
Property and equipment, net	10,378	10,954
Intangible assets, net of accumulated amortization of $7,136 and $5,418, respectively	53,508	54,600
Receivable from Cash & Go, Ltd	4,580	1,816
Other	186	380
	$119,118	$128,847
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current portion of long-term debt and notes payable	$ 1,643	$ 1,689
Accounts payable and accrued expenses	6,460	4,892
Income taxes payable	528	183
Total current liabilities	8,631	6,764
Revolving credit facility	39,000	47,000
Long-term debt and notes payable, net of current portion	3,019	5,020
Deferred income taxes	2,814	3,540
	53,464	62,324
Stockholders' equity:		
Preferred stock; $.01 par value; 10,000,000 shares authorized; no shares issued or outstanding	-	-
Common stock; $.01 par value; 20,000,000 shares authorized; 9,320,868 and 9,320,868 shares issued, respectively; 8,796,027 and 8,849,909 shares outstanding, respectively	93	93
Additional paid-in capital	50,953	50,953
Retained earnings	22,949	20,334
Common stock receivables from officers	(5,826)	(2,592)
Common stock held in treasury, at cost, 524,841 and 470,959 shares, respectively	(2,515)	(2,265)
	65,654	66,523
	$119,118	$128,847

Commitments and contingencies (see Note 11)

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

FIRST CASH FINANCIAL SERVICES, INC.
CONSOLIDATED STATEMENTS OF INCOME

	Year Ended December 31, 2000	Year Ended December 31, 1999	Five Months Ended December 31, 1998	Year Ended July 31, 1998
	(in thousands, except per share amounts)			
Revenues:				
Merchandise sales	$ 54,797	$ 52,977	$ 20,418	$ 37,998
Service charges	46,597	40,630	12,434	20,332
Check cashing fees	2,216	2,184	754	255
Other	2,248	1,960	472	419
	105,858	97,751	34,078	59,004
Cost of goods sold and expenses:				
Cost of goods sold	35,140	36,260	13,157	25,463
Operating expenses	47,082	39,243	12,335	19,608
Interest expense	2,859	2,602	1,122	2,031
Depreciation	2,765	1,590	475	922
Amortization	1,718	1,500	563	783
Administrative expenses	8,387	6,867	2,249	4,134
	97,951	88,062	29,901	52,941
Income before income taxes.....	7,907	9,689	4,177	6,063
Provision for income taxes.....	3,005	3,211	1,608	2,265
Income before cumulative effect of change in accounting principle	4,902	6,478	2,569	3,798
Cumulative effect of change in accounting principle	(2,287)	-	-	-
Net income.....................	$ 2,615	$ 6,478	$ 2,569	$ 3,798

Net income per share:				
Basic				
Income before cumulative effect of change in accounting principle	$ 0.56	$ 0.75	$ 0.32	$ 0.74
Cumulative effect of change in accounting principle	(0.26)	-	-	-
Net income................	$ 0.30	$ 0.75	$ 0.32	$ 0.74
Diluted				
Income before cumulative effect of change in accounting principle	$ 0.55	$ 0.70	$ 0.29	$ 0.59
Cumulative effect of change in accounting principle	(0.26)	-	-	-
Net income................	$ 0.29	$ 0.70	$ 0.29	$ 0.59
Unaudited pro forma amounts assuming retroactive application of change in accounting principle:				
Revenues	$105,858	$ 93,028	$ 32,351	$ 55,621
Net income	4,902	5,850	2,267	3,218
Basic earnings per share ...	0.56	0.68	0.28	0.63
Diluted earnings per share .	0.55	0.63	0.26	0.51

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

FIRST CASH FINANCIAL SERVICES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2000	Year Ended December 31, 1999	Five Months Ended December 31, 1998	Year Ended July 31, 1998
		(in thousands)		
Cash flows from operating activities:				
Net income	$ 2,615	$ 6,478	$ 2,569	$ 3,798
Adjustments to reconcile net income to net cash flows from operating activities:				
Depreciation and amortization	4,483	3,090	1,038	1,705
Cumulative effect of change in accounting principle..................	2,287	-	-	-
Changes in operating assets and liabilities, net of effect of purchases of existing stores:				
Service charges receivable	728	(162)	10	(195)
Inventories	1,568	(3,354)	(2,551)	(1,614)
Prepaid expenses and other assets.......	205	1,161	(13)	(2,115)
Accounts payable and accrued expenses...	1,546	452	773	(241)
Current and deferred income taxes.......	1,196	(232)	985	1,159
Net cash flows from operating activities.....	14,628	7,433	2,811	2,497
Cash flows from investing activities:				
Net (increase) decrease in receivables.....	1,021	(3,587)	(1,130)	(1,050)
Purchases of property and equipment........	(2,055)	(3,282)	(997)	(1,021)
Acquisition of existing operations.........	(1,200)	(2,060)	(4,734)	(11,954)
Increase in receivable from Cash & Go, Ltd.	(2,764)	(1,816)	-	-
Net cash flows from investing activities.....	(4,998)	(10,745)	(6,861)	(14,025)
Cash flows from financing activities:				
Proceeds from debt	6,000	21,000	12,250	13,440
Repayments of debt	(16,252)	(10,490)	(4,856)	(6,227)
Common stock receivables from officers.....	(3,234)	(1,303)	(1,289)	-
Purchase of treasury stock	(250)	-	-	-
Registration fees	-	(12)	-	-
Proceeds from exercise of options and warrants................................	-	376	821	4,758
Net cash flows from financing activities.....	(13,736)	9,571	6,926	11,971
Change in cash and cash equivalents..........	(4,106)	6,259	2,876	443
Cash and cash equivalents at beginning of the year...............................	10,717	4,458	1,582	1,139
Cash and cash equivalents at end of the year	$ 6,611	$ 10,717	$ 4,458	$ 1,582

Supplemental disclosure of cash flow information:				
Cash paid during the year for:				
Interest	$ 2,813	$ 2,553	$ 1,061	$ 2,061
Income taxes	$ 2,013	$ 2,296	$ -	$ 985
Supplemental disclosure of noncash investing and financing activities:				
Noncash transactions in connection with various acquisitions:				
Fair market value of assets acquired and goodwill	$ 1,222	$ 2,602	13,164	$ 31,196
Less issuance of common stock	-	-	(4,622)	(8,712)
Less amounts payable in cash or common stock	-	-	(2,331)	-
Less issuance of debt	-	(523)	(1,070)	(6,000)
Less assumption of liabilities and costs of acquisition	(22)	(19)	(407)	(4,530)
Net cash paid	$ 1,200	$ 2,060	$ 4,734	$ 11,954
Noncash conversion of subordinated debentures into shareholders' equity	$ -	$ -	$ -	$ 6,522

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

FIRST CASH FINANCIAL SERVICES, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

(in thousands)

	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Preferred Stock Shares	Preferred Stock Amount	Retained Earnings	Common Stock Receivables From Officers	Treasury Stock Shares	Treasury Stock Amount	Total
Balance at July 31, 1997	4,931	$ 50	$ 21,005	-	-	$ 7,489	$ -	471	$(2,265)	$ 26,279
Exercise of stock options and warrants, including income tax benefit of $1,894	1,151	11	6,640	-	-	-	-	-	-	6,651
Conversion of debentures	1,402	14	6,063	-	-	-	-	-	-	6,077
Common stock issued in connection with an acquisition	850	8	8,704	-	-	-	-	-	-	8,712
Net income	-	-	-	-	-	3,798	-	-	-	3,798
Balance at July 31, 1998	8,334	83	42,412	-	-	11,287	-	471	(2,265)	51,517
Exercise of stock options and warrants, including income tax benefit of $528	325	3	1,996	-	-	-	-	-	-	1,999
Common stock issued in connection with an acquisition	430	5	4,618	-	-	-	-	-	-	4,623
Common stock receivables from officers	-	-	-	-	-	-	(1,289)	-	-	(1,289)
Net income	-	-	-	-	-	2,569	-	-	-	2,569
Balance at December 31, 1998	9,089	91	49,026	-	-	13,856	(1,289)	471	(2,265)	59,419
Exercise of stock options and warrants, including income tax benefit of $24	77	1	376	-	-	-	-	-	-	377
Common stock issued to retire debt	155	1	1,551	-	-	-	-	-	-	1,552
Common stock receivables from officers	-	-	-	-	-	-	(1,303)	-	-	(1,303)
Net income	-	-	-	-	-	6,478	-	-	-	6,478
Balance at December 31, 1999	9,321	93	50,953	-	-	20,334	(2,592)	471	(2,265)	66,523
Common stock receivables from officers	-	-	-	-	-	-	(3,234)	-	-	(3,234)
Purchase of treasury stock	-	-	-	-	-	-	-	54	(250)	(250)
Net income	-	-	-	-	-	2,615	-	-	-	2,615
Balance at December 31, 2000	9,321	$ 93	$ 50,953	-	-	$ 22,949	$ (5,826)	525	$(2,515)	$ 65,654

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

FIRST CASH FINANCIAL SERVICES, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - ORGANIZATION AND NATURE OF THE COMPANY

First Cash Financial Services, Inc. (the "Company") was incorporated in Texas on July 5, 1988 and was reincorporated in Delaware in April 1991. The Company is engaged in the operation of pawn stores which lend money on the collateral of pledged personal property, and which retail previously-owned merchandise acquired through loan forfeitures. In addition to making short-term secured loans, most of the Company's pawn stores offer short-term secured advances ("payday advances"). The Company also operates check cashing and payday advance stores that provide payday advances, check cashing services, and other related financial services. The Company also supplies computer hardware and software to third-party check cashing operators, as well as ongoing technical support, and owns "firstcash.com", a website offering previously-owned jewelry, electronics and other products. As of December 31, 2000, the Company owned 116 pawn stores and 32 check cashing and payday advance stores.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies followed in the preparation of these financial statements.

Principles of consolidation - The accompanying consolidated financial statements of the Company include the accounts of its wholly-owned subsidiaries. All significant intercompany accounts and transactions have been eliminated. In August 1999, the Company entered into a joint venture to form Cash & Go, Ltd., a company which owns financial services kiosks inside convenience stores. The Company presently has a 50% ownership interest in the partnership, which is accounted for by the equity method of accounting whereby the Company records its 50% share of the partnership's earnings or losses in its consolidated financial statements. The joint venture had a pretax loss of $179,000 and $203,000 for the years ended December 31, 2000 and 1999, respectively. The Company funds substantially all of the capital requirements of the joint venture, and at December 31, 2000 and 1999, had a receivable from this joint venture totaling $4,580,000 and $1,816,000, respectively. This receivable bears interest at the prime rate plus 1%, and matures on August 31, 2002.

Cash and cash equivalents - The Company considers any highly liquid investments with an original maturity of three months or less at date of acquisition to be cash equivalents.

Receivables and income recognition - Receivables on the accompanying balance sheet consist of pawn loans and payday advances. Pawn loans ("loans") are made on the pledge of tangible personal property. The Company accrues pawn service charge revenue on a constant yield basis over the life of the loan for all pawn loans that the Company deems collection to be probable based on historical loan redemption statistics. If the loan is not repaid, the principal amount loaned becomes the carrying value of the forfeited collateral ("inventory") which is recovered through sale. Payday advances are made for thirty days or less. The Company recognizes the service charges associated with payday advances on a constant yield basis over the term of the payday advance.

Returned checks - The Company charges operating expense for the estimated net potential losses on returned checks in the same period in which revenues from the payday advances are recognized.

Operating expenses - Costs incurred in operating the pawn stores and check cashing stores have been classified as operating expenses. Operating expenses include salary and benefit expense of store employees, rent and other occupancy costs, bank charges, security, net returned checks, utilities, cash shortages and other costs incurred by the stores.

Layaway and deferred revenue - Interim payments from customers on layaway sales are credited to deferred revenue and subsequently recorded as income during the period in which final payment is received.

Inventories - Inventories represent merchandise purchased directly from the public and merchandise acquired from forfeited loans. Inventories purchased directly from customers are recorded at cost. Inventories from forfeited loans are recorded at the amount of the loan principal on the unredeemed goods. The cost of inventories is determined on the specific identification method. Inventories are stated at the lower of cost or market; accordingly, inventory valuation allowances are established when inventory carrying values are in excess of estimated selling prices, net of direct costs of disposal. Management has evaluated inventory and determined that a valuation allowance is not necessary.

Property and equipment - Property and equipment are recorded at cost. Depreciation is determined on the straight-line method based on estimated useful lives of thirty-one years for buildings and three to ten years for equipment. The costs of improvements on leased stores are capitalized as leasehold improvements and are amortized on the straight-line method over the applicable lease period, or useful life if shorter.

Maintenance and repairs are charged to expense as incurred; renewals and betterments are charged to the appropriate property and equipment accounts. Upon sale or retirement of depreciable assets, the cost and related accumulated depreciation is removed from the accounts, and the resulting gain or loss is included in the results of operations in the period retired.

Intangible assets - Intangible assets consist of the excess of purchase price over net assets acquired and non-compete agreements. Excess purchase price over net assets acquired is being amortized on a straight-line basis over an estimated useful life of forty years and payments relative to non-compete agreements are amortized over their estimated useful lives, generally ranging from five to ten years. The Company's amortization policy is reviewed annually by the Board of Directors to determine if any change is appropriate. Management of the Company periodically evaluates the carrying value of the excess purchase price over the net tangible assets of businesses acquired to determine that no diminution in carrying value has occurred by comparing expected future cash flows, undiscounted and without interest charges, to the net carrying value of the related intangibles. Upon any such diminution in value, an appropriate amount would be charged to earnings.

Long-lived assets - Long-lived assets (i.e., property, plant and equipment and intangible assets) are reviewed for impairment whenever events or changes in circumstances indicate that the net book value of the asset may not be recoverable. An impairment loss is recognized if the sum of the expected future cash flows (undiscounted and before interest) from the use of the asset is less than the net book value of the asset. Generally, the amount of the impairment loss is measured as the difference between the net book value of the assets and the estimated fair value of the related assets. During the fourth quarter of 2000 the Company recorded a one-time non-cash pretax charge in the amount of $765,000 to write-off fixed assets and goodwill relating to approximately nine stores.

Fair value of financial instruments - The fair value of financial instruments is determined by reference to various market data and other valuation techniques, as appropriate. Unless otherwise disclosed, the fair values of financial instruments approximate their recorded values, due primarily to their short-term nature.

Income taxes - The Company uses the liability method of computing deferred income taxes on all material temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases.

Advertising - The Company expenses the costs of advertising the first time the advertising takes place. Advertising expense for the fiscal years ended December 31, 2000 and 1999, the five months ended December 31, 1998, and the fiscal year ended July 31, 1998 was $1,283,000, $1,112,000, $191,000 and $248,000, respectively.

Stock-Based Compensation - Compensation expense is recorded with respect to stock option grants and retention stock awards to employees using the intrinsic value method as prescribed by Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" ("APB 25"). Entities electing to remain with the accounting in APB 25 must make pro forma disclosures of net income and earnings per share as if the fair value based method of accounting defined in Statement of Financial Accounting Standard No. 123, "Accounting for Stock-Based Compensation" ("SFAS 123") had been applied. The Company accounts for stock-based employee compensation plans under the intrinsic method pursuant to APB 25 and has made the disclosures in the footnotes as required by SFAS 123.

Earnings per share - Basic net income per share is computed by dividing net income by the weighted average number of shares outstanding during the year. Diluted net income per share is calculated by giving effect to the potential dilution that could occur if securities or other contracts to issue common shares were exercised and converted into common shares during the year.

The following table sets forth the computation of basic and diluted earnings per share (in thousands, except per share data):

	Year Ended December 31, 2000	Year Ended December 31, 1999	Five Months Ended December 31, 1998	Year Ended July 31, 1998
Numerator:				
Net income for calculating basic earnings per share	$2,615	$6,478	$2,569	$3,798
Plus interest expense, net of taxes, relating to convertible debentures	-	-	-	399
Net income for calculating diluted earnings per share	$2,615	$6,478	$2,569	$4,197
Denominator:				
Weighted-average common shares for calculating basic earnings per share	8,813	8,656	8,030	5,101
Effect of dilutive securities:				
Stock options and warrants	56	478	667	897
Contingently issuable shares due to acquisitions	-	133	71	-
Convertible debentures	-	-	-	1,163
Weighted-average common shares for calculating diluted earnings per share	8,869	9,267	8,768	7,161
Basic earnings per share	$ 0.30	$ 0.75	$ 0.32	$ 0.74
Diluted earnings per share	$ 0.29	$ 0.70	$ 0.29	$ 0.59

Pervasiveness of estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and related revenues and expenses and disclosure of gain and loss contingencies at the date of the financial statements. Such estimates and assumptions are subject to a number of risks and uncertainties which may cause actual results to differ materially from the Company's estimates.

Reclassification - Certain amounts as of December 31, 1999 and for the year ended December 31, 1999, the five months ended December 31, 1998, and the year ended July 31, 1998, have been reclassified in order to conform with the 2000 presentation.

New Accounting Standards - Statement of Financial Accounting Standards (SFAS) No. 133, "Accounting for Derivative Instruments and Hedging Activities," is effective for all fiscal years beginning after June 15, 2000. SFAS 133, as amended, establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts, and for hedging activities. Under SFAS 133, certain contracts that were not formerly considered derivatives may now meet the definition of a derivative. The Company adopted SFAS 133 effective January 1, 2001. The adoption of SFAS 133 did not have a significant impact on the financial position, results of operations, or cash flows of the Company.

In December 1999, the Securities and Exchange Commission ("SEC") issued Staff Accounting Bulletin No. 101 ("SAB101") "Revenue Recognition In Financial Statements." SAB 101 summarizes certain of the SEC's views in applying generally accepted accounting principles to revenue recognition in financial statements. The adoption of SAB 101 did not have a material effect on the Company's financial position or results of operations.

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLE

Effective January 1, 2000, the Company changed its method of income recognition on pawn loans. The Company now accrues pawn service charge revenue on a constant yield basis over the life of the loan for all pawn loans that the Company deems collection to be probable based on historical loan redemption statistics. For loans not repaid, the cost of the forfeited collateral (inventory) is the cash amount originally loaned. Prior to 2000, the Company recognized service charge income on a constant yield basis over the initial loan period for all pawn loans written. Service charges applicable to the extension periods or additional loan periods were not recognized as income until the loan was repaid or renewed. If the loan was not repaid, the carrying value of the forfeited collateral (inventory) was stated at the lower of cost (the principal amount loaned plus accrued service charges) or market. The Company believes the accounting change provides a more timely matching of revenues and expenses with which to measure the results of operations. The cumulative effect of the accounting method change on all periods since inception through December 31, 1999 is $2,287,000 (after an income tax benefit of $1,373,000) and is included as a one-time reduction of net income for the year ended December 31, 2000.

Operating results for Fiscal 2000 have been calculated using the new accounting method. The effect for Fiscal 2000 of adopting the change in income recognition on pawn loans was to decrease net income before cumulative effect of change in accounting principle $9,000, and decrease net income $2,296,000 ($.26 per share.) The unaudited pro forma amounts shown in the statements of income reflect the effect of retroactive application on service charge revenues, cost of goods sold, and related income taxes.

NOTE 4 - BUSINESS ACQUISITIONS

In December 2000, the Company acquired the assets of one pawn store in LaFeria, Texas, and one pawn store in Laredo, Texas. The aggregate purchase price for these two acquisitions was $1,200,000, including legal, consulting, assumed liabilities and other costs incidental to the acquisitions. The Company financed substantially all of the cash purchase price for its fiscal 2000 acquisitions through its Credit Facility. The purchase price for these acquisitions was determined based upon the volume of annual loan and sales transactions, outstanding receivable balances, inventory on hand, location and condition of the facilities, and projected future operating results.

In February 1999, the Company acquired the assets of two pawn stores in El Paso, Texas. In September 1999, the Company acquired the assets of one pawn store in Arlington, Virginia, and in October 1999, the Company acquired the assets of one pawn store in Palm View, Texas. The aggregate purchase price for these four acquisitions was $2,019,000, including legal, consulting, assumed liabilities and other costs incidental to the acquisitions. The Company financed the cash purchase price for its fiscal 1999 acquisitions through its Credit Facility. The purchase price for these acquisitions was determined based upon the volume of annual loan and sales transactions, outstanding receivable balances, inventory on hand, location and condition of the facilities, and projected future operating results.

The Company acquired the assets of one pawn store in Alice, Texas in September 1998, five pawn stores in El Paso, Texas in October 1998, one pawn store in Dallas, Texas in October 1998, and twelve pawn stores in South Carolina in November 1998. In addition, the Company acquired the assets of three check cashing and payday advance stores in California in August 1998, and one check cashing and payday advance store in San Francisco, California in December 1998. The aggregate purchase price for these 23 stores acquired during the five months ended December 31, 1998 was $8,175,000, including legal, consulting, assumed liabilities and other costs incidental to the acquisitions. In December 1998, the Company also acquired 100% of the outstanding common stock of One Iron Ventures, Inc., which operates eleven payday advance stores in the Chicago, Illinois area, for a total purchase price of $5,704,000 consisting of 430,000 shares of First Cash Financial Services, Inc. common stock valued at $4,623,000, or $10.75 per share, assumed liabilities of $904,000, and legal, consulting and assumed liabilities totaling $177,000. The Company financed substantially all of the cash purchase price for acquisitions made during the five months ended December 31, 1998 through its credit facility. The purchase price for these acquisitions was determined based upon the volume of annual loan and sales transactions, outstanding receivable balances, inventory on hand, location and condition of the facilities, and projected future operating results.

In April 1998, the Company acquired 100% of the outstanding common stock of JB Pawn, Inc., which operates ten pawn stores in Texas and Maryland, for a total cash price of $2,000,000 (see Note 5 - Related Party Transactions). In June 1998, the Company acquired 100% of the outstanding common stock of Miraglia, Inc. for a total purchase price of $21,175,000 consisting of 850,000 shares of First Cash Financial Services common stock valued at $8,712,000, or $10.25 per share, a $6,000,000 note payable to the sellers, $6,300,000 cash, and legal, consulting and assumed liabilities totaling $163,000. Miraglia, Inc. operates eleven check cashing stores located in California and Washington, as well as Answers, etc., a provider of software to third-party operators of check cashing stores. In addition to JB Pawn, Inc. and Miraglia, Inc., the Company acquired a total of 19 additional individual pawnshops in various regions at various times during the fiscal year for an aggregate purchase price of $4,813,000, including legal, consulting, assumed liabilities and other costs incidental to the acquisitions. The Company financed substantially all of the cash purchase price for all of its fiscal 1998 acquisitions through its credit facility. The purchase price for these acquisitions was determined based upon the volume of annual loan and sales transactions, outstanding loan balances, inventory on hand, location and condition of the facilities, and projected future operating results.

All of these acquisitions have been accounted for using the purchase method of accounting. Accordingly, the purchase price was allocated to assets and liabilities acquired based upon their estimated fair market values at the dates of acquisition. The excess purchase price over the fair market value of the net tangible assets acquired and identifiable intangible assets has been recorded as goodwill. Goodwill and other intangible assets, net of accumulated amortization, resulting from acquisitions was $53,508,000 and $54,600,000 as of December 31, 2000 and 1999, respectively. The results of operations of the acquired companies are included in the consolidated financial statements from their respective dates of acquisition. In connection with these acquisitions, the Company entered into non-compete agreements with the former owners, generally ranging from five to ten years.

NOTE 5 - RELATED PARTY TRANSACTIONS

From August 1996 through March 1998, the Company was involved in a management agreement to operate and manage pawnshops for JB Pawn, Inc., a Texas corporation which, up until March 31, 1998, was 100% owned and controlled by Mr. Jon Burke, the brother of Mr. Richard Burke, a director of First Cash Financial Services, Inc. Through March 31, 1998, JB Pawn, Inc. owned and provided 100% of the financing for its pawnshops, and incurred all direct costs to operate the pawnshops, including payroll, store operating expenses, cost of inventory, and pawn loans. The Company received a monthly management fee for each store managed, and provided computer support, accounting, auditing, oversight and management of these stores. As discussed in Note 4, the Company purchased 100% of the outstanding common stock of JB Pawn, Inc. on April 1, 1998. The Company recorded management fee revenue of $247,000 under this agreement during the fiscal year ended July 31, 1998. In January 1996, the Company issued to Mr. Jon Burke warrants to purchase 50,000 shares of the Company's common stock at an exercise price of $4.625 per share for consulting services to be provided through January 2001. The warrants vest over a five year period.

In June 1998, in conjunction with the purchase of Miraglia, Inc. (see Note 4 - Acquisitions), the Company entered into lease agreements for one of its check cashing locations, as well as for certain office space located in Concorde, California. These properties are partially owned by Mr. Blake Miraglia, an employee of the Company. Total lease payments made pursuant to these leases were $130,000, $239,000, $100,000 and $20,000 during the fiscal years ended December 31, 2000 and 1999, the five months ended December 31, 1998, and the fiscal year ended July 31, 1998, respectively, which approximated market rates. In addition, the Company has an outstanding, unsecured note payable due July 5, 2003, bearing interest at 7%, to Mr. Miraglia, which amounted to $1,281,000 and $1,761,000 as of December 31, 2000 and December 31, 1999, respectively, including accrued interest.

At December 31, 2000 and 1999, the Company had notes receivable outstanding from certain of its officers totaling $5,826,000 and $2,592,000, respectively. These notes are secured by a total of 784,000 shares of common stock of the Company owned by these individuals, term life insurance policies, and bear interest at seven percent. These notes are due upon the sale of the underlying shares of common stock.

NOTE 6 - PROPERTY AND EQUIPMENT

Property and equipment consist of the following (in thousands):

	December 31, 2000	December 31, 1999
Land	$ 672	$ 672
Buildings	1,002	1,002
Leasehold improvements	2,127	2,127
Furniture, fixtures and equipment	15,089	12,960
	18,890	16,761
Less: accumulated depreciation	(8,512)	(5,807)
	$10,378	$10,954

NOTE 7 - ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consist of the following (in thousands):

	December 31, 2000	December 31, 1999
Accounts payable	$ 450	$ 558
Money orders payable	850	611
Wire transfers payable	395	189
Accrued payroll	779	592
Layaway deposits	1,017	946
Sales tax payable	364	367
Other	2,605	1,629
	$ 6,460	$ 4,892

NOTE 8 - REVOLVING CREDIT FACILITY

The Company currently maintains a $50,000,000 long-term line of credit with a group of commercial lenders (the "Credit Facility"). At December 31, 2000, $39,000,000 was outstanding under this Credit Facility and an additional $9,327,000 was available to the Company pursuant to the available borrowing base. The Credit Facility bears interest at the prevailing LIBOR rate (which was approximately 6.6% at December 31, 2000) plus one percent, and matures on September 1, 2002. Amounts available under the Credit Facility are limited to 325% of the Company's earnings before income taxes, interest, depreciation and amortization for the trailing twelve months. Under the terms of the Credit Facility, the Company is required to maintain certain financial ratios and comply with certain technical covenants. The Company was in compliance with these requirements and covenants during the year ended December 31, 2000. Pursuant to the terms of the Credit Facility, the Company is prohibited from paying any dividends.

NOTE 9 - LONG-TERM DEBT AND NOTES PAYABLE

Long-term debt and notes payable consist of the following (in thousands, except payment information):

	December 31, 2000	December 31, 1999
Note payable to a bank; bearing interest at LIBOR plus 2%; monthly principal and interest payments of $5,257; matures December 31, 2004; secured by real estate	$ 474	$ 498
Note payable to a bank; bearing interest at LIBOR plus 2%; monthly principal and interest payments of $5,518; matures December 31, 2004; secured by real estate	406	439
Unsecured demand note payable to an individual; bearing interest at 7%; interest payable monthly in installments of $583	100	100
Note payable to a bank; bearing interest at 8.9%; monthly principal and interest payments of $7,367, until maturity at October 1, 2001; secured by equipment	71	149
Note payable to a bank; bearing interest at 9.2%; monthly principal and interest payments of $5,797, until maturity at January 15, 2002; secured by equipment	71	131
Note payable to a bank; bearing interest at 9.3%; monthly principal and interest payments of $5,452, until maturity at July 1, 2002; secured by equipment	96	150
Note payable to a corporation; bearing interest at 14.7%; monthly principal and interest payments of $1,658 until maturity at August 22, 2001; secured by equipment	13	24
Note payable to a corporation; bearing interest at 7%; monthly principal and interest payments were $2,566 until the entire unpaid balance was retired in December 2000; secured by acquired assets	-	150
Note payable to a corporation; bearing interest at 7%; monthly principal and interest payments were $4,528 until the entire unpaid balance was retired in December 2000; secured by acquired assets	-	266
Note payable to a corporation; bearing interest at 7%; monthly principal and interest payments of $16,151 until maturity at March 1, 2002; secured by specific acquired assets	231	402
Notes payable to five former shareholders of Miraglia, Inc.; bearing interest at 7%; quarterly principal payments of $300,000 and quarterly interest payments based upon the unpaid balance until maturity at July 5, 2003; unsecured	3,200	4,400
	4,662	6,709
Less: current portion	(1,643)	(1,689)
	$ 3,019	$ 5,020

Long-term debt and notes payable are scheduled to mature as follows (in thousands):

Fiscal	
2001	$1,643
2002	1,342
2003	952
2004	725
	$4,662

NOTE 10 - INCOME TAXES

Components of the provision for income taxes consist of the following (in thousands):

	Year Ended December 31, 2000	Year Ended December 31, 1999	Five Months Ended December 31, 1998	Year Ended July 31, 1998
Current:				
Federal	$2,156	$2,506	$ 504	$1,481
State	399	441	119	117
	2,555	2,947	623	1,598
Deferred	450	264	985	667
	$3,005	$3,211	$1,608	$2,265

The principal current and non-current deferred tax liabilities consist of the following at December 31, 2000 and December 31, 1999 (in thousands):

	December 31, 2000	December 31, 1999
Deferred tax liabilities:		
Intangible asset amortization	$ 3,166	$ 2,624
Depreciation	1,046	1,067
Change in accounting principle	(1,373)	-
Net operating loss benefit carryforward	(394)	-
State income taxes	377	434
Service charges receivable	50	68
Legal accruals	(435)	-
Other	377	(653)
Net deferred tax liability	$ 2,814	$ 3,540
Reported as:		
Current liabilities - income taxes payable	$ -	$ -
Non-current liabilities - deferred income taxes	2,814	3,540
Net deferred tax liability	$ 2,814	$ 3,540

The provision for income taxes differs from the amounts determined by applying the expected federal statutory tax rate to income before income taxes. The following is a reconciliation of such differences (in thousands):

	Year Ended December 31, 2000	Year Ended December 31, 1999	Five Months Ended December 31, 1998	Year Ended July 31, 1998
Tax at the federal statutory rate	$2,688	$3,294	$1,420	$2,061
State income taxes, net of federal tax benefit	278	381	153	197
Other, net	39	(464)	35	7
	$3,005	$3,211	$1,608	$2,265

NOTE 11 - COMMITMENTS AND CONTINGENCIES

The Company leases certain of its facilities and equipment under operating leases with terms generally ranging from three to ten years. Most facility leases contain renewal and/or purchase options. Remaining future minimum rentals due under non-cancelable operating leases are as follows (in thousands):

Fiscal	
2001	6,218
2002	4,594
2003	3,535
2004	2,595
2005	2,068
Thereafter	5,849
	$24,859

Rent expense under such leases was $6,311,000, $5,708,000, $1,942,000, and $3,596,000 for the years ended December 31, 2000 and 1999, the five months ended December 31, 1998, and the year ended July 31, 1998, respectively.

The Company was sued by three plaintiffs, who alleged that the Company engaged in deferred presentment transactions which violate the Federal Racketeering Influenced and Corrupt Organizations Act, the Federal Truth and Lending Act, common law and various state statutes and regulations. Class certification has been requested, but not yet been obtained. The Company intends to vigorously defend this claim. Since discovery has not yet commenced, nor the scope of the case been determined, management can provide no assurance as to the outcome of such litigation.

Additionally, the Company is from time to time a defendant (actual or threatened) in certain other lawsuits encountered in the ordinary course of its business, the resolution of which, in the opinion of management, should not have a material adverse effect on the Company's financial position, results of operations, or cash flows.

NOTE 12 - EMPLOYEE STOCK OPTION PLAN AND OUTSTANDING WARRANTS

On October 30, 1990, the Company's Board of Directors adopted the 1990 Stock Option Plan (the "1990 Plan"). The 1990 Plan provides for the issuance of incentive stock options and non-qualified stock options to key employees and directors of the Company. The total number of shares of Common Stock authorized and reserved for issuance under the 1990 Plan is 250,000 shares. The exercise price for each stock option granted under the 1990 Plan may not be less than the fair market value of the Common Stock on the date of the grant, unless, in the case of incentive stock options, the optionee owns greater than 10% of the total combined voting power of all classes of capital stock of the Company, in which case the exercise price may not be less than 110% of the fair market value of the Common Stock on the date of the grant. Unless otherwise determined by the Board, options granted under the 1990 Plan have a maximum duration of five years and vest in up to four equal installments, commencing on the first anniversary of the date of grant. As of December 31, 2000, options to purchase 17,187 shares of Common Stock were available for grant under the 1990 Plan. Options to purchase 113,000 shares were vested at December 31, 2000.

On January 14, 1999, the Company's shareholders adopted the 1999 Stock Option Plan (the "1999 Plan"). The 1999 Plan provides for the issuance of incentive stock options and non-qualified stock options to key employees and directors of the Company. The total number of shares of Common Stock authorized and reserved for issuance under the 1999 Plan is 1,200,000 shares. The exercise price for each stock option granted under the 1999 Plan may not be less than the fair market value of the Common Stock on the date of the grant, unless, in the case of incentive stock options, the optionee owns greater than 10% of the total combined voting power of all classes of capital stock of the Company, in which case the exercise price may not be less than 110% of the fair market value of the Common Stock on the date of the grant. Unless otherwise determined by the Board, options granted under the 1999 Plan have a maximum duration of ten years unless, in the case of incentive stock options, the optionee owns at least 10% of the total combined voting power of all classes of capital stock of the Company, in which case the maximum duration is five years. As of December 31, 2000, options to purchase 294,500 shares of Common Stock were available for grant under the 1999 Plan. Options to purchase 625,000 shares of common stock under the 1999 Plan were vested as of December 31, 2000.

The Company also issues warrants to purchase shares of Common Stock to certain key members of management, to members of the Board of Directors who are not employees or officers of the Company and to outside consultants and advisors in connection with various acquisitions, debt offerings and consulting engagements. In accordance with the provisions of FAS 123, the issuance of warrants to outside consultants and advisors is accounted for using the fair value method prescribed by FAS 123. Warrants granted to outside consultants and advisors prior to December 15, 1995 are accounted for using methods prescribed by APB 25.

Stock option and warrant activity from July 31, 1997 through December 31, 2000 is summarized in the accompanying chart (in thousands, except exercise price).

				Exercisable	
	Options	Warrants	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
July 31, 1997	201	2,977	$ 7.82	3,120	$7.88
Granted	27	480	8.00		
Cancelled	(1)	(450)	14.65		
Exercised	(13)	(1,138)	4.13		
July 31, 1998	214	1,869	8.42	2,027	8.48
Granted	22	352	12.00		
Cancelled	(2)	-	7.26		
Exercised	-	(325)	4.53		
December 31, 1998	234	1,896	9.65	2,075	9.66
Granted	480	-	10.07		
Exercised	(73)	(5)	4.63		
December 31, 1999	641	1,891	9.88	2,001	9.84
Granted	475	-	2.00		
Cancelled	(65)	(630)	14.35		
December 31, 2000	1,051	1,261	6.92	1,816	6.28

Options and warrants outstanding as of December 31, 2000 are as follows (in thousands, except exercise price and life):

Exercise Price	Total Warrants and Options	Weighted Average Remaining Life	Currently Exercisable
$2.00	475	10.0	425
4.63	562	10.0	562
4.75	9	10.6	9
8.00	483	2.1	380
10.00	424	8.4	200
11.00	7	8.5	-
12.00	352	2.7	240
	2,312		1,816

The Company applies the intrinsic value method in accounting for its stock option and warrant issuances. Accordingly, no compensation cost has been recognized for its stock option and warrant grants. Had compensation cost for the Company's stock options and warrants been determined based on the fair value at the grant dates for such option and warrant awards, the Company's net income would have been reduced by $1,349,000, $748,000, $262,000, and $397,000 during the years ended December 31, 2000 and 1999, the five months ended December 31, 1998, and the year ended July 31, 1998, respectively. Basic and diluted earnings per share would have been reduced by $0.15 and $0.15, $0.09 and $0.08, respectively, during the years ended December 31, 2000 and 1999, by $0.03 and $0.03, respectively, during the five months ended December 31, 1998, by $0.07 and $0.06, respectively, during the year ended July 31, 1998.

Weighted average grant-date fair values of options issued were $1.59, $6.62, $5.50, and $5.71 per unit during the years ended December 31, 2000 and 1999, the five months ended December 31, 1998, and the year ended July 31, 1998, respectively, which were calculated in accordance with the Black-Scholes option pricing model, using the following assumptions:

	Year Ended December 31, 2000	Year Ended December 31, 1999	Five Months Ended December 31, 1998	Year Ended July 31, 1998
Expected volatility	80%	55%	50%	99%
Expected dividend yield	-	-	-	-
Expected option term	10 years	10 years	5 years	5 years
Risk-free rate of return	5.0%	5.5%	5.0%	6.0%

NOTE 13 - FIRST CASH 401(k) PLAN

The First Cash 401(k) Plan (the "Plan") is provided by the Company for all full-time employees who have been employed with the Company for one year. Under the Plan, a participant may contribute up to 15% of earnings, with the Company matching the first 3% at a rate of 50%. The employee contributions are paid to a corporate trustee and invested in various funds. Company contributions are invested in its common stock, and contributions made to participants' accounts become fully vested upon completion of five years of service. The total Company contributions to the Plan were $146,000, $121,000, $48,000, and $95,000 for the years ended December 31, 2000 and 1999, the five months ended December 31, 1998, and the year ended July 31, 1998, respectively.

NOTE 14 - OPERATING SEGMENT INFORMATION

The Company has three reportable operating segments: pawn lending stores, check cashing/payday advance stores, and a software and hardware provider. The Company's pawn stores offer non-recourse loans on the collateral of pledged tangible personal property. The Company's pawn stores also provide short-term unsecured consumer loans, commonly referred to as payroll advances. The Company's check cashing and payday advance stores provide check cashing services, short-term unsecured consumer loans, bill payment services, money transfer services and money order sales. The Company's computer software subsidiary, Answers, etc., provides turnkey point of sale operating systems to other check cashing and payday advance operators unaffiliated with the Company.

The accounting policies of the segments are the same as those described in Note 2. Management of the Company evaluates performance based on the operating income of each segment. There are no intersegmental sales. Each segment is supervised separately. Information concerning the segments is set forth below (in thousands):

	Pawn Stores	Check Cashing/ Payday Advance Stores	Software	Consolidated
Year Ended December 31, 2000				
Total revenues	$ 87,145	$ 16,582	$ 2,131	$ 105,858
Depreciation and amortization	3,501	804	178	4,483
Income before interest and income taxes	7,420	4,582	(1,236)	10,766
Total assets at December 31, 2000	89,208	27,093	2,817	119,118
Capital expenditures	1,523	349	183	2,055
Year Ended December 31, 1999				
Total revenues	79,470	14,573	3,708	97,751
Depreciation and amortization	2,293	709	88	3,090
Income before interest and income taxes	8,019	3,927	345	12,291
Total assets at December 31, 1999	91,516	34,800	2,531	128,847
Capital expenditures	2,539	431	312	3,282
Five Months Ended December 31, 1998				
Total revenues	29,140	3,484	1,454	34,078
Depreciation and amortization	804	221	13	1,038
Income before interest and income taxes	4,051	1,036	212	5,299
Total assets at December 31, 1998	80,586	30,495	2,244	113,325
Capital expenditures	806	145	46	997
Year Ended July 31, 1998				
Total revenues	57,082	1,133	789	59,004
Depreciation and amortization	1,627	74	4	1,705
Income before interest and income taxes	7,700	272	122	8,094
Total assets at July 31, 1998	68,143	21,411	1,574	91,128
Capital expenditures	999	11	11	1,021

Exhibit 10.8

EXECUTIVE EMPLOYMENT AGREEMENT
THIS AGREEMENT IS SUBJECT TO MANDATORY AND BINDING ARBITRATION

This Employment Agreement (the "Agreement") is entered into as of September 30, 2000 (the "Effective Date"), by and between First Cash Financial Services, Inc. (the "Company"), a Delaware corporation, and Phillip Eric Powell (the "Executive").

WHEREAS, Executive has provided a significant contribution to the success of the Company over a long period of time, including but not limited to the following: Executive has been primarily responsible for building the company from its inception, has been an integral part of its attaining fiscal/financial stability, has been its primary guidance in determining the strategic vision of the Company, and has forgone bonuses and salary adjustments otherwise due and payable for the good of the Company and its public shareholders; and

WHEREAS, Executive is presently employed by the Company pursuant to an employment agreement dated May 31, 1992, between the parties ("Old Employment Agreement"), and the parties desire to terminate that agreement and enter into a new agreement based on the terms and conditions set forth below, and

NOW, THEREFORE, in consideration of the mutual covenants and obligations hereinafter set forth, the parties agree as follows:

1. TERMINATION OF OLD EMPLOYMENT AGREEMENT.

The parties agree that the Old Employment Agreement shall be terminated concurrently with the execution of this Agreement and shall be of no further force or effect. The parties hereto waive and release all rights they may have under the Old Employment Agreement as of the date hereof.

2. EMPLOYMENT.

The Company desires to continue to employ the Executive, and the Executive agrees to continue to work in the employ of the Company, according to the following terms and conditions.

3. DUTIES.

(a) The Company will continue to employ the Executive as Chief Executive Officer ("CEO") of the Company.

(b) The Executive will serve in the Company's employ in that position.

(c) Under the direction of the Board of Directors of the Company (the "Board"), the Executive shall perform such duties, and have such powers, authority, functions, duties and responsibilities for the Company and corporations and other entities affiliated with the Company commensurate and consistent with his employment in the position of CEO. The Executive also shall have such additional powers, authority, functions, duties and responsibilities as may be assigned to him by the Board; provided that, without the Executive's written consent, those additional powers, authority, functions, duties and responsibilities shall not be materially inconsistent or interfere with, or detract from, those herein vested in, or otherwise then being performed for the Company by, the Executive. In the event of an increase in the Executive's duties, beyond the duties of CEO, the Board shall review the Executive's compensation and benefits to determine if an adjustment in compensation and employee benefits commensurate with the Executive's new duties is warranted, in accordance with the Company's compensation policies.

4. TERM OF EMPLOYMENT.

The term of employment of Executive is through December 31, 2005. Subject to the provisions of Section 9, the term of the Executive's Employment hereunder shall commence on September 30, 2000. At the discretion of the Board, the term of employment shall be extended for additional successive periods of 1 year, each year beginning on January 1, 2002, and each anniversary date thereafter, provided that during the previous year, the Executive met the stipulated performance criteria established by the Board.

5. EXTENT OF SERVICES.

The Executive shall not at any time during his Employment engage in any other business related activities unless those activities do not interfere materially with the Executive's duties and responsibilities to the Company at that time. The foregoing, however, shall not preclude the Executive from engaging in appropriate civic, charitable, professional or trade association activities or from serving on one or more other boards of directors of public or private companies, as long as such activities and services do not conflict with his responsibilities to the Company.

6. NO FORCED RELOCATION.

The Executive shall not be required to move his principal place of residence from the Arlington, Texas area or to perform regular duties that could reasonably be expected to require either such move against his wish or to spend amounts of time each week outside the Arlington, Texas area which are unreasonable in relation to the duties and responsibilities of the Executive hereunder, and the Company agrees that, if it requests the Executive to make such a move and the Executive declines that request, (a) that declination shall not constitute any basis for a termination of the Executive's Employment and (b) no animosity or prejudice will be held against Executive.

7. COMPENSATION.

(a) SALARY.

An annual base salary shall be payable to the Executive by the Company as a guaranteed minimum amount under this Agreement for each calendar year during the period from September 30, 2000 to the termination date of the Executive's Employment. That annual base salary shall (i) accrue daily on the basis of a 365-day year, (ii) be payable to the Executive in the intervals consistent with the Company's normal payroll schedules (but in no event less frequently than semi-monthly) and (iii) be payable beginning September 30, 2000 at an initial annual rate of $375,000. The Executive's annual base salary shall not be decreased, but shall be adjusted annually in each December to reflect such adjustments, if any, as the compensation committee of the Board determines appropriate based on the Executive's performance during the most recent performance period, in accordance with the Company's compensation policies. A failure of the Company to increase the Executive's annual base salary shall not constitute a breach or violation of this Agreement by the Company.

(b) BONUS.

At the discretion of the Board's compensation committee, Executive shall be eligible to be paid an annual bonus by the Company for each calendar year during the period from January 1, 2000 to the termination date of the Executive's Employment. That annual bonus shall be payable at such rate and in such amount as is determined by the compensation committee of the board of directors. The Executive's annual bonus, if any, shall be adjusted annually in each December to reflect such adjustments, if any, as the Board's compensation committee determines appropriate based on the Executive's performance during the most recent performance period, in accordance with the Company's compensation policies. A failure of the Company to pay Executive an annual bonus shall not constitute a breach or violation of this Agreement by the Company.

(c) OTHER COMPENSATION.

The Executive shall be entitled to participate in all Compensation Plans from time to time in effect while in the Employment of the Company, regardless of whether the Executive is an Executive Officer. All awards to the Executive under all Incentive Plans shall take into account the Executive's positions with and duties and responsibilities to the Company and its subsidiaries and affiliates. The Company shall supply Executive with an automobile, the make and model of which is subject to the approval of the compensation committee of the Board, and be responsible for all expenses related thereto throughout the term of this Agreement. Executive may select an automobile of his own choosing which is reasonable in cost, appearance and function, taking into account the powers, authority, functions, duties and responsibilities of Executive, and the financial position and condition of the Company. In consideration and in support of Executive's duties under this Agreement, which include fostering the goodwill, growth and earnings of the Company, the Company shall pay for a private club membership for Executive, for such amount as is reasonable taking into account the powers, authority, functions, duties and responsibilities of Executive, subject to approval of the compensation committee of the Board.

(d) EXPENSES.

The Executive shall be entitled to prompt reimbursement of all reasonable business expenses incurred by him in the performance of his duties during the term of this Agreement, subject to the presenting of appropriate vouchers and receipts in accordance with the Company's policies.

8. OTHER BENEFITS.

(a) EMPLOYEE BENEFITS AND PROGRAMS.

During the term of this Agreement, the Executive and the members of his immediate family shall be entitled to participate in any employee benefit plans or programs of the Company to the extent that his position, tenure, salary, age, health and other qualifications make him or them, as the case may be, eligible to participate, subject to the rules and regulations applicable thereto.

(b) SUBSCRIPTIONS AND MEMBERSHIPS.

The Company shall pay periodical subscription costs and membership fees and dues for the Executive to join professional organizations appropriate for the Executive, and which further the interests of the Company. The Company shall also pay or reimburse Executive for Executive's membership in such additional clubs and organizations as may be agreed upon as reasonable and appropriate between Executive and the Company.

(c) LOANS TO PAY FEDERAL TAXES.

If the Executive requests and the Company is in a financial position to do so, in the discretion of the Board, the Company may loan to the Executive sufficient funds to pay all federal income tax liability ("Tax Liability") due by reason of the issuance of any securities of the Company. Such loan shall bear interest at the rate of 7%, per annum (the "Tax Note"), which shall be secured by Executive's interest in the securities. The Tax Note shall be pre-payable at any time and mature no later than five years from the date any funds were first advanced to the Executive under this Section 8(c). If the Executive sells any such securities (or any securities into which Company issued securities have been converted) for cash while the Tax Note remains outstanding and unpaid, the Executive shall prepay the Tax Note within five business days after the Executive receives the proceeds from that sale in the amount equal to the lesser of (i) the then unpaid balance plus all interest earned under the Tax Note or (ii) the cash proceeds, net of any applicable commission and other sale expense and any applicable capital gain or other income tax, the Executive receives from that sale. The Tax Note shall be payable either in cash or, in the event that on any date the Executive makes any payment thereon the Common Stock is listed on the American Stock Exchange or another national securities exchange or is quoted through the Nasdaq National Market System (the "NMS") and the Executive desires to pay such loan by delivery of shares of Common Stock, in shares of Common Stock valued at the closing price of the Common Stock on (i) the national securities exchange on which the Common Stock is listed (or, if there is more than one, the national securities exchange the Company has designated as the principal market for the Common Stock) or (ii) the NMS, as the case may be, on the then most recent day on which the Common Stock traded on such national securities exchange or the NMS, as the case may be; provided, however, that if the securities issued by the Company to the Executive are not publicly tradable before the Tax Note shall be due and payable, payment of the Tax Note may be made by the Executive tendering all the securities to the Company in exchange for cancellation of the Tax Note.

(d) LOANS TO EXERCISE OPTIONS

If the Executive requests, the Company shall loan to the Executive sufficient funds to purchase or exercise any options owned by Executive in the stock of the Company. The maximum amount of funds, which the Company shall loan, shall be determined by the exercise price of such options. Such loan shall bear interest at 7%, per annum, and shall be evidenced by a promissory note (the "Option Note"), secured by the subject options or securities. The Option Note shall be pre-payable at any time and mature in full no later than five years from the date any funds were first advanced to the Executive under this Section 8(d). If the Executive sells any such securities (or any securities into which Company issued securities have been converted) for cash while the Option Note remains outstanding and unpaid, the Executive shall prepay the Option Note within five business days after the Executive receives the proceeds from that sale in the amount equal to the lesser of (i) the then unpaid balance of the Option Note or (ii) the cash proceeds, net of any applicable commission and other sale expense and any applicable capital gain or other income tax, the Executive receives from that sale. The Option Note shall be payable either in cash or, in the event that on any date the Executive makes any payment thereon the Common Stock is listed on the American Stock Exchange or another national securities exchange or is quoted through the Nasdaq National Market System (the "NMS") and the Executive desires to pay such loan by delivery of shares of Common Stock, the Common Stock will be valued at the closing price of the Common Stock on (i) the national securities exchange on which the Common Stock is listed (or, if there is more than one, the national securities exchange the Company has designated as the principal market for the Common Stock) or (ii) the NMS, as the case may be, on the then most recent day on which the Common Stock traded on such national securities exchange or the NMS, as the case may be; provided, however, that if the securities issued by the Company to the Executive are not publicly tradable before the Option Note shall be due and payable, payment of the Option Note may be made by the Executive tendering all the Common Stock issued from the proceeds of the Option Note to the Company in exchange for cancellation of the Option Note.

(e) VACATION.

The Executive shall be entitled to four weeks of vacation leave with full pay during each year of this Agreement (each such year being a 12-month period ending on the one year anniversary date of the commencement of the Executive's employment.) The times for such vacations shall be selected by the Executive, provided the dates selected do not interfere materially with the performance of Executive's duties and responsibilities under this agreement. The Executive may accrue up to eight weeks of vacation time from year to year, but vacation time otherwise shall not accrue from year to year.

(f) BOOKKEEPING AND ACCOUNTING

The Executive shall be entitled to Company paid or reimbursed, bookkeeping services up to $300 per month and annual accounting services of up to $700 per year.

(g) INSURANCE

For the term of this Agreement, the Company will provide, at no cost to Executive, term life insurance benefits under two separate policies. The first policy shall be in the amount of $2 million with the Company designated as the beneficiary. The second policy shall be in the amount of $4 million with the loss payee designated by the Executive. In the discretion of the Board, during the term of this Agreement, the Company shall also provide, at no cost to Executive, disability insurance sufficient to provide, in the event Executive becomes disabled, payments that would be made to Executive equal or up to the amount equal to Executive's base salary, as of the date of disability, provided such coverage is reasonably available at reasonable cost. Executive may procure his own disability coverage and be reimbursed, if the same is not provided by the Company.

9. TERMINATION.

The Executive's Employment hereunder may be terminated prior to the term provided for in Section 4 only under the following circumstances:

(a) DEATH.

The Executive's Employment shall terminate automatically on the date of his death.

(b) DISABILITY.

If a Disability occurs and is continuing, the Executive's Employment shall terminate 180 days after the Company gives the Executive written notice that it intends to terminate his Employment on account of that Disability, or on such later date as the Company specifies in such notice. If the Executive resumes the performance of substantially all of his duties under this Agreement before the termination becomes effective, the notice of intent to terminate shall be deemed to have been revoked. Disability of Executive shall not prevent the Company from making necessary changes during the period of Executive's Disability to conduct its affairs.

(c) VOLUNTARY TERMINATION.

The Executive may terminate his Employment at any time and without Good Cause with 90 days' prior written notice to the Company.

(d) TERMINATION FOR GOOD CAUSE.

The Executive may terminate his Employment for Good Cause at any time within 180 days (90 days if the Good Cause is the occurrence of a Change of Control) after the Executive becomes consciously aware that the facts and circumstances constituting Good Cause exist are continuing and by giving the Company 30 days' prior written notice that the Executive intends to terminate his Employment for Good Cause, which notice will state with specificity the basis for Executive's contention that Good Cause exists; provided, however, that if Executive terminates for Good Cause due to a Change in Control, the Change in Control must actually occur. A Change in Control will not be deemed to have actually occurred merely because of a pending or possible event. The Executive shall not have Good Cause to terminate his Employment solely by reason of the occurrence of a Change in Control until 90 days after the date such Change in Control actually occurs. The Executive may not terminate for Good Cause if the facts and circumstances constituting Good Cause are substantially cured by the Company within 30 days following notice to the Company.

(e) INVOLUNTARY TERMINATION.

The Executive's Employment is at will. The Company reserves the right to terminate the Executive's Employment at anytime whatsoever, without cause, with 30 days' prior written notice to the Executive.

(f) INVOLUNTARY TERMINATION FOR CAUSE.

The Company reserves the right to terminate the Executive's Employment for Cause. In the event that the Company determines that Cause exists under Section 13(f)(i) for the termination of the Executive's Employment, the Company shall provide in writing (the "Notice of Cause"), the basis for that determination and the manner, if any, in which the breach or neglect can be cured. If either the Company has determined that the breach or neglect cannot be cured, as set forth in the Notice of Cause, or has advised the Executive in the Notice of Cause of the manner in which the breach or neglect can be cured, but the Executive fails to substantially effect that cure within 60 days after his receipt of the Notice of Cause, the Company shall be entitled to give the Executive written notice of the Company's intention to terminate Executive's Employment for Cause (the "Notice of Intent to Terminate"). Executive shall have the right to object to any Notice of Intent to Terminate Executive's Employment for Cause, by furnishing the Company within ten days of receipt by Executive of the Notice of Intent to Terminate Executive's Employment for Cause, written notice specifying the reasons Executive contends either (i) Cause under Section 13(f)(i) does not exist or has been timely cured or (ii) in the circumstance of a Notice of Intent to Terminate Executive's Employment for Cause under Section 13(f)(ii), that such Cause does not exist (the "Notice of Intent to Join Issue over Cause"). The failure of Executive to timely furnish the Company with a Notice of Intent to Join Issue over Cause shall serve to conclusively establish Cause hereunder, and the right of the Company to terminate the Executive's Employment for Cause. Within 30 days following its receipt of a timely Notice of Intent to Join Issue Over Cause, the Company must either rescind the Notice of Intent to Terminate the Executive's Employment for Cause, or file a demand for arbitration in accordance with Section 27, to determine whether the Company is entitled to terminate Executive's Employment for Cause. During the pendency of the arbitration proceeding, and until such time as Executive's Employment is terminated, Executive shall be entitled to receive Compensation under this

Agreement. In the discretion of the Board, however, the Executive may be reassigned or suspended with pay, during not only the pendency of the arbitration proceeding, but during the period from the date the Company furnishes Executive with a Notice of Intent to Terminate the Executive's Employment for Cause until such date as the notice is rescinded, a determination that Cause does not exist is made in the arbitration proceeding or in the event of a determination that Cause does exist in the arbitration proceeding, the effective date of the termination of Executive's Employment for Cause. In the event that the Company determines that Cause exists under Section 13(f)(ii) for the termination of the Executive's Employment, it shall be entitled to immediately furnish Executive with a Notice of Intent to Terminate Executive's Employment without providing a Notice of Cause or any opportunity prior to that notice to contest that determination. Any termination of the Executive's Employment for Cause pursuant to this Section 9(f) shall be effective immediately upon the Executive's receipt of the Company's written notice of that termination and the Cause therefore.

(g) VOLUNTARY TERMINATION AT CONCLUSION OF TERM

At the expiration of the term of employment as stated in Section 4, either party may terminate this Agreement by giving the other party written notice at least six months before the expiration of the term of employment stated in Section 4.

10. SEVERANCE PAYMENTS.

Unless effected under Section 9(g), if the Executive's Employment is terminated during the term of this Agreement, the Executive shall be entitled to receive severance payments as follows:

(a) If the Executive's Employment is terminated under Section 9(a), (b), (d), (e) or (g), the Company will pay or cause to be paid to the Executive (or, in the case of a termination under Section 9(a), the beneficiary the Executive has designated in writing to the Company to receive payment pursuant to this Section 10(a) or, in the absence of such designation, the Executive's estate): (i) the Accrued Salary; (ii) the Other Earned Compensation; (iii) the Reimbursable Expenses; and (iv) the Severance Benefit. Additionally, the Company shall cancel Executive's obligations under that certain promissory note dated December 31, 2000, in the principal amount of $2,000,395.82 plus all other loans and advances (principal and interest), and return to Executive, (or, in the case of termination under Section 9(a), the beneficiary the Executive has designated in writing to the Company to receive payment pursuant to Section 10(a) or in the absence of such designation, the Executive's estate) within ten days, all property securing the payment thereof. Any taxes due by Executive as a result of the forgiveness under this provision of the Executive's debt to the Company will be the sole obligation of the Company, and will be promptly paid when due.

(b) If the Executive's Employment is terminated under Section 9(c) or (f), the Company will pay or cause to be paid to the Executive: (i) the Accrued Salary determined as of and through the termination date of the Executive's Employment; (ii) the Other Earned Compensation; and (iii) the Reimbursable Expenses.

(c) Any payments to which the Executive (or his designated beneficiary or estate, if Section 9(a) applies) is entitled pursuant to paragraph (i) of subsection (a) of this Section 10 or paragraph (i) of subsection (b) of this Section 10, as applicable, will be paid in a single lump sum within thirty days after the termination date of the Executive's Employment. At the sole option and election of the Executive (or his designated beneficiary or estate, if Section 9(a) applies), which election shall be made within 30 days of the termination of Executive's Employment, the Company shall pay the executive the Severance Benefit, if at all, (1) in a lump sum on a present value basis; (2) on a semi-monthly basis (as if Executive's employment had continued), or (3) on such other periodic basis reasonably requested by Executive (or his designated beneficiary or estate, if Section 9(a) applies), in which event, the payments will be discounted to the extent the periodic basis selected by Executive (or his designated beneficiary or estate, if Section 9(a) applies) results in an earlier payout to Executive (or his designated beneficiary or estate, if Section 9(a) applies) than if Executive were paid on a semi-monthly basis. The Company shall be given credit for all life or disability insurance proceeds paid to Executive (or his designated beneficiary or estate, if Section 9(a) applies) on any policy procured, paid for or reimbursed by the Company pursuant to this Agreement (up to $2 million in the case of life insurance). Upon the failure of the Executive to timely make an election as provided herein, such option and election shall revert to the Company. However, if Section 9(a) applies and the Executive's designated beneficiary or estate is the beneficiary of one or more insurance policies purchased by the Company and then in effect the proceeds of which are payable to that beneficiary by reason of the Executive's death, then (i) the Company, at its option, may credit the amount of those proceeds, as and when paid by the insurer to that beneficiary, against the payment to which the Executive's designated beneficiary or estate is entitled pursuant to paragraph (iv) of subsection (a) of this Section 10 and, if it exercises that option, (ii) the payment otherwise due pursuant to that paragraph (iv) will bear interest on the outstanding balance thereof from and including the fifth day after that termination date to the date of payment by the insurer to that beneficiary at the rate of interest specified in Section 32; and provided, further, that if Section 10(b) applies and the Executive is the beneficiary of disability insurance purchased by the Company and then in effect, the Company, at its option, may credit the proceeds of that insurance which are payable to the Executive, valued at their present value as of that termination date using the interest rate specified in Section 32 and then in effect as the discount rate, against the payment to which the Executive is entitled pursuant to paragraph (iv) of subsection (a) of this Section 10. Any payments to which the Executive (or his designated beneficiary or estate, if Section 9(a) applies) is entitled pursuant to paragraphs (ii) and (iii) of subsection (a) or (b) of this Section 10, as applicable, will be paid in a single lump sum within five days after the termination date of the Executive's Employment or as soon thereafter as is administratively feasible, together with interest accrued thereon from and including the fifth day after that termination date to the date of payment at the rate of interest specified in Section 32.

(d) Except as provided in Sections 15, 25 and this Section, the Company will have no payment obligations under this Agreement to the Executive (or his designated beneficiary or estate, if Section 9(a) applies) after the termination date of the Executive's Employment.

11. RESIGNATIONS.

Upon termination of Executive's employment with or without cause, Executive shall resign as an officer and director of the Company and will thereafter refuse election as an officer or director of the Company.

12. RETURN OF DOCUMENTS.

Upon termination of Executive's employment with or without cause, Executive shall immediately return and deliver to the Company and shall not retain any originals or copies of any books, papers, price lists, customer contracts, bids, customer lists, files, notebooks or any other documents containing any of the Confidential information or otherwise relating to Executive's performance of duties under this Agreement. Executive further acknowledges and agrees that all such documents are the Company's sole and exclusive property.

13. DEFINITION OF TERMS.

The following terms used in this Agreement when capitalized shall have the following meanings:

(a) ACCRUED SALARY.

"Accrued Salary" shall mean the salary that has accrued, and the salary that would accrue through and including the last day of the pay period in which the termination date of the Executive's Employment occurs, under Section 7(a), which has not been paid to the Executive as of that termination date.

(b) ACQUIRING PERSON.

"Acquiring Person" shall mean any person who or which, together with all Affiliates and Associates of such person, is or are the Beneficial Owner of 50 percent or more of the shares of Common Stock then outstanding, but does not include any Exempt Person; provided, however, that a person shall not be or become an Acquiring Person if such person, together with its Affiliates and Associates, shall become the Beneficial Owner of 50 percent or more of the shares of Common Stock then outstanding solely as a result of a reduction in the number of shares of Common Stock outstanding due to the repurchase of Common Stock by the Company, unless and until such time as such person or any Affiliate or Associate of such person shall purchase or otherwise become the Beneficial Owner of additional shares of Common Stock constituting 1% or more of the then outstanding shares of Common Stock or any other person (or persons) who is (or collectively are) the Beneficial Owner of shares of Common Stock constituting 1% or more of the then outstanding shares of Common Stock shall become an Affiliate or Associate of such person, unless, in either such case, such person, together with all Affiliates and Associates of such person, is not then the Beneficial Owner of 50% or more of the shares of Common Stock then outstanding.

(c) AFFILIATE.

"Affiliate" has the meaning ascribed to that term in Rule 405 of Regulation C.

(d) ASSOCIATE.

"Associate" shall mean, with reference to any person, (i) any corporation, firm, partnership, association, unincorporated organization or other entity (other than the Company or a subsidiary of the Company) of which that person is an officer or general partner (or officer or general partner of a general partner) or is, directly or indirectly, the Beneficial Owner of 10% or more of any class of its equity securities, (ii) any trust or other estate in which that person has a substantial beneficial interest or for or of which that person serves as trustee or in a similar fiduciary capacity and (iii) any relative or spouse of that person, or any relative of that spouse, who has the same home as that person.

(e) BENEFICIAL OWNER.

A specified person shall be deemed the "Beneficial Owner" of, and shall be deemed to "beneficially own," any securities: (i) of which that person or any of that person's Affiliates or Associates, directly or indirectly, is the "beneficial owner" (as determined pursuant to Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise has the right to vote or dispose of, including pursuant to any agreement, arrangement or understanding (whether or not in writing); provided, however, that a person shall not be deemed the "Beneficial Owner" of, or to "beneficially own," any security under this subparagraph (i) as a result of an agreement, arrangement or understanding to vote that security if that agreement, arrangement or understanding: (A) arises solely from a revocable proxy or consent given in response to a public (that is, not including a solicitation exempted by Exchange Act Rule 14a-2(b)(2)) proxy or consent solicitation made pursuant to, and in accordance with, the applicable provisions of the Exchange Act; and (B) is not then reportable by such person on Exchange Act Schedule 13D (or any comparable or successor report); (ii) which that person or any of that person's Affiliates or Associates, directly or indirectly, has the right or obligation to acquire (whether that right or obligation is exercisable or effective immediately or only after the passage of time or the occurrence of an event) pursuant to any agreement, arrangement or understanding (whether or not in writing) or on the exercise of conversion rights, exchange rights, other rights, warrants or options, or otherwise; provided, however, that a person shall not be deemed the "Beneficial Owner" of, or to "beneficially own," securities tendered pursuant to a tender or exchange offer made by that person or any of that person's Affiliates or Associates until those tendered securities are accepted for purchase or exchange; or (iii) which are beneficially owned, directly or indirectly, by (A) any other person (or any Affiliate or Associate thereof) with which the specified person or any of the specified person's Affiliates or Associates has any agreement, arrangement or understanding (whether or not in writing) for the purpose of acquiring, holding, voting (except pursuant to a revocable proxy or consent as described in the proviso to subparagraph (i) of this definition) or disposing of any voting securities of the Company or (B) any group (as that term is used in Exchange Act Rule 13d-5(b)) of which that specified person is a member; provided, however, that nothing in this definition shall cause a person engaged in business as an underwriter of securities to be the "Beneficial Owner" of, or to "beneficially own," any securities acquired through that person's participation in good faith in a firm commitment underwriting until the expiration of 40 days after the date of that acquisition. For purposes of this Agreement, "voting" a security shall include voting, granting a proxy, acting by consent making a request or demand relating to corporate action (including, without limitation, calling a stockholder meeting) or otherwise giving an authorization (within the meaning of Section 14(a) of the Exchange Act) in respect of such security.

(f) CAUSE.

"Cause" shall mean that the Executive has (i) willfully breached or habitually neglected (otherwise than by reason of injury, or physical or mental illness, or any disability as defined by the Americans with Disabilities Act of 1990, Public Law 101_336, 42 U.S.C.A. S 12101 et seq.) material duties which he was required to perform under the terms of this Agreement, or (ii) committed and been charged with act(s) of dishonesty or fraud.

(g) CHANGE OF CONTROL.

"Change of Control" shall mean the occurrence of the following events: (i) any person or entity becomes an Acquiring Person, or (ii) a merger of the Company with or into, or a sale by the Company of its properties and assets substantially as an entirety to, another person or entity; (iii) a majority of the incumbent board of directors cease for any reason to constitute at least a majority of the Board; and (iv) immediately after the occurrence of (i), (ii) or (iii) above, any person or entity, other than an Exempt Person, together with all Affiliates and Associates of such person or entity, shall be the Beneficial Owner of 50% or more of the total voting power of the then outstanding Voting Shares of the person or entity surviving that transaction (in the case or a merger or consolidation), or the person or entity acquiring those properties and assets substantially as an entirety.

(h) COMPANY.

"Company" shall mean (i) First Cash Financial Services, Inc., a Delaware corporation, and (ii) any person or entity that assumes the obligations of "the Company" hereunder, by operation of law, pursuant to Section 18 or otherwise.

(i) COMPENSATION PLAN.

"Compensation Plan" shall mean any compensation arrangement, plan, policy, practice or program established, maintained or sponsored by the Company or any subsidiary of the Company, or to which the Company or any subsidiary of the Company contributes, on behalf of any Executive Officer or any member of the immediate family of any Executive Officer by reason of his status as such, (i) including (A) any "employee pension benefit plan" (as defined in Section 3(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) or other "employee benefit plan" (as defined in Section 3(3) of ERISA), (B) any other retirement or savings plan, including any supplemental benefit arrangement relating to any plan intended to be qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended (the "Code"), or whose benefits are limited by the Code or ERISA, (C) any "employee welfare plan" (as defined in Section 3(1) of ERISA), (D) any arrangement, plan, policy, practice or program providing for severance pay, deferred compensation or insurance benefit, (E) any Incentive Plan and (F) any arrangement, plan, policy, practice or program (1) authorizing and providing for the payment or reimbursement of expenses attributable to air travel and hotel occupancy while traveling on business for the Company or (2) providing for the payment of business luncheon and country club dues, long-distance charges, mobile phone monthly air time or other recurring monthly charges or any other fringe benefit, allowance or accommodation of employment, but (ii) excluding any compensation arrangement, plan, policy, practice or program to the extent it provides for annual base salary.

(j) DISABILITY.

"Disability" shall mean that the Executive, with reasonable accommodation, has been unable to perform his essential duties under this Agreement for a period of at least six consecutive months as a result of his incapacity due to injury or physical or mental illness, any disability as defined in a disability insurance policy which provides coverage for the Executive, or any disability as defined by the Americans with Disabilities Act of 1990, Public Law 101_336, 42 U.S.C.A. S 12101 et seq.

(k) EMPLOYMENT.

"Employment" shall mean the salaried employment of the Executive by the Company or a subsidiary of the Company hereunder.

(l) EXECUTIVE OFFICER.

"Executive Officer" shall mean any of the chief executive officer, the chief operating officer, the chief financial officer, the president, any executive, regional or other group or senior vice president or any vice president of the Company.

(m) EXEMPT PERSON.

"Exempt Person" shall mean: (i)(A) the Company, any subsidiary of the Company, any employee benefit plan of the Company or any subsidiary of the Company and (B) any person organized, appointed or established by the Company for or pursuant to the terms of any such plan or for the purpose of funding any such plan or funding other employee benefits for employees of the Company or any subsidiary of the Company; (ii) the Executive, any Affiliate of the Executive which the Executive controls or any group (as that term is used in Exchange Act Rule 13d-5(b)) of which the Executive or any such Affiliate is a member.

(n) GOOD CAUSE.

"Good Cause" for the Executive's termination of his Employment shall mean: (i) any decrease in the annual base salary under Section 7(a) or any other violation hereof in any material respect by the Company; (ii) any material reduction in the Executive's compensation under Section 7; (iii) the assignment to the Executive of duties inconsistent in any material respect with the Executive's then current positions (including status, offices, titles and reporting requirements), authority, duties or responsibilities or any other action by the Company which results in a material diminution in those positions, authority, duties or responsibilities; (iv) any unapproved relocation of the Executive; or (v) the occurrence of a Change of Control. Good Cause shall not exist if the Company cures within the period prescribed herein.

(o) INCENTIVE PLAN.

"Incentive Plan" shall mean any compensation arrangement, plan, policy, practice or program established, maintained or sponsored by the Company or any subsidiary of the Company, or to which the Company or any subsidiary of the Company contributes, on behalf of any Executive Officer and which provides for incentive, bonus or other performance-based awards of cash, securities, the phantom equivalent of securities or other property, including any stock option, stock appreciation right and restricted stock plan, but excluding any plan intended to qualify as a plan under any one or more of Sections 401(a), 401(k) or 423 of the Code.

(p) OTHER EARNED COMPENSATION.

"Other Earned Compensation" shall mean all the compensation earned by the Executive prior to the termination date of his Employment as a result of his Employment (including compensation the payment of which has been deferred by the Executive, but excluding Accrued Salary and compensation to be paid to the Executive in accordance with the terms of any Compensation Plan), together with all accrued interest or earnings, if any, thereon, which has not been paid to the Executive as of that date.

(q) REIMBURSABLE EXPENSES.

"Reimbursable Expenses" shall mean the expenses incurred by the Executive on or prior to the termination date of his Employment which are to be reimbursed to the Executive under Section 7(c) and which have not been reimbursed to the Executive as of that date.

(r) SEVERANCE BENEFIT.

"Severance Benefit" shall mean all Compensation provided for under Section 7 through the remainder of the Executive's term of employment, it being the parties' intent that, except for a termination under Section 9(c), (f) or (g) the Executive shall receive all Compensation as if his term of employment continued as provided for under Section 4. The term "Severance Benefit" shall also include $1,875,000.00. In the event the Board exercises its option to extend the term of this Agreement pursuant to Section 4 hereof, the $1,875,000 portion of the Severance Benefit shall be reduced 20% for each year the term is extended.

14. COVENANTS NOT TO COMPETE

(a) Executive's Acknowledgment. Executive agrees and acknowledges that in order to assure the Company that it will retain its value as a going concern, it is necessary that Executive undertake not to utilize his special knowledge of the business and his relationships with customers and suppliers to compete with the Company. Executive further acknowledges that:

(i) the Company is and will be engaged in the business of pawn shop services, pay day loan services and check cashing services;

(ii) Executive will occupy a position of trust and confidence with the Company prior to the date of this agreement and, during such period and Executive's employment under this agreement, Company's trade secrets and with other proprietary and confidential information concerning the Company;

(iii) the agreements and covenants contained in this Section 14 are essential to protect the Company and the goodwill of the business; and

(iv) Executive's employment with the Company has special, unique and extraordinary value to the Company and the Company would be irreparably damaged if Executive were to provide services to any person or entity in violation of the provisions of this agreement.

(b) Company's Acknowledgement. The Company hereby acknowledges that it will provide Executive with confidential and trade secret information relating to the operation of the Company's business, including but not limited to, customer lists, operating manuals, and financing operations.

(c) Competitive Activities. Executive hereby agrees that for a period commencing on the date hereof and ending two years following the later of (i) termination of Executive's employment with the Company for whatever reason, and (ii) the conclusion of the period, if any, during which the Company is making payments to Executive, he will not, directly or indirectly, as employee, agent, consultant, stockholder, director, co-partner or in any other individual or representative capacity, own, operate, manage, control, engage in, invest in or participate in any manner in, act as a consultant or advisor to, render services for (alone or in association with any person, firm, corporation or entity), or otherwise assist any person or entity (other than the Company) that engages in or owns, invests in, operates, manages or controls any venture or enterprise that directly or indirectly engages or proposes in engage in the business of pawnshops, check cashing services, payday loan services or proposes to in engage in the business of the distribution or sale of (i) products distributed, sold or licensed by the Company or services provided by the Company at the time of termination or (ii) products or services proposed at the time of such termination to be distributed, sold, licensed or provided by the Company within 50 miles of any of the Company's locations (the "Territory"); provided, however, that nothing contained herein shall be construed to prevent Executive from investing in the stock of any competing corporation listed on a national securities exchange or traded in the over-the-counter market, but only if Executive is not involved in the business of said corporation and if Executive and his associates (as such term is defined in Regulation 14(A) promulgated under the Securities Exchange Act of 1934, as in effect on the date hereof), collectively, do not own more than an aggregate of two percent of the stock of such corporation. With respect to the Territory, Executive specifically acknowledges that the Company has conducted the business throughout those areas comprising the Territory and the Company intends to continue to expand the business throughout the Territory.

(d) Blue Pencil. If an arbitrator shall at any time deem the terms of this agreement or any restrictive covenant too lengthy or the Territory too extensive, the other provisions of this section 14 shall nevertheless stand, the restrictive period shall be deemed to be the longest period permissible by law under the circumstances and the Territory shall be deemed to comprise the largest territory permissible by law under the circumstances. The arbitrator in each case shall reduce the restricted period and/or the Territory to permissible duration or size.

(e) Non-Solicitation of Employees. Executive agrees that while employed by the Company and for two (2) years after the cessation of the Executive's employment for whatever reason, the Executive will not recruit, hire or attempt to recruit or hire, directly or assisted by others, any other employee of the Company with whom the Executive had contact during the Executive=s employment with the Company. For the purposes of this paragraph Acontact@ means any interaction whatsoever between the Executive and the other employee.

(f) Non-Solicitation of Customers. Executive agrees that while employed by the Company and for two (2) years after the cessation of the Executive=s employment for whatever reason, the Executive will not directly or indirectly, for himself or on behalf of any other person, partnership, company, corporation or other entity, solicit or attempt to solicit, for the purpose of engaging in competition with the Company,

(i) any person or entity whose account was serviced by Executive at the Company; or

(ii) any person or entity who is or has been a customer of the Company prior to Executive's termination; or

(iii) any person or entity the Company has targeted and contacted prior to Executive's termination for the purpose of establishing a customer relationship.

Executive agrees that these restrictions are necessary to protect Executive's legitimate business interests, and Executive agrees that these restrictions will not prevent Executive from earning a livelihood.

15. TAX INDEMNITY.

Should any of the payments of salary, other incentive or supplemental compensation, benefits, allowances, awards, payments, reimbursements or other perquisites, or any other payment in the nature of compensation, singularly, in any combination or in the aggregate, that are provided for hereunder to be paid to or for the benefit of the Executive be determined or alleged to be subject to an excise or similar purpose tax pursuant to Section 4999 of the Code, or any successor or other comparable federal, state or local tax law by reason of being a "parachute payment" (within the meaning of Section 280G of the Code), the parties agree to negotiate in good faith changes to this Agreement necessary to avoid such excise or similar purpose tax, without diminishing Executive's salary, other incentive or supplemental compensation, benefits, allowances, awards, payments, reimbursements or other perquisites, or any other payment in the nature of compensation. Alternatively, the Company shall pay to the Executive such additional compensation as is necessary (after taking into account all federal, state and local taxes payable by the Executive as a result of the receipt of such additional compensation) to place the Executive in the same after-tax position (including federal, state and local taxes) he would have been in had no such excise or similar purpose tax (or interest or penalties thereon) been paid or incurred. The Company hereby agrees to pay such additional compensation within the earlier to occur of (i) five business days after the Executive notifies the Company that the Executive intends to file a tax return taking the position that such excise or similar purpose tax is due and payable in reliance on a written opinion of the Executive's tax counsel (such tax counsel to be chosen solely by the Executive) that it is more likely than not that such excise tax is due and payable or (ii) 24 hours of any notice of or action by the Company that it intends to take the position that such excise tax is due and payable. The costs of obtaining the tax counsel opinion referred to in clause (i) of the preceding sentence shall be borne by the Company, and as long as such tax counsel was chosen by the Executive in good faith, the conclusions reached in such opinion shall not be challenged or disputed by the Company. If the Executive intends to make any payment with respect to any such excise or similar purpose tax as a result of an adjustment to the Executive's tax liability by any federal, state or local tax authority, the Company will pay such additional compensation by delivering its cashier's check payable in such amount to the Executive within five business days after the Executive notifies the Company of his intention to make such payment. Without limiting the obligation of the Company hereunder, the Executive agrees, in the event the Executive makes any payment pursuant to the preceding sentence, to negotiate with the Company in good faith with respect to procedures reasonably requested by the Company which would afford the Company the ability to contest the imposition of such excise or similar purpose tax; provided, however, that the Executive will not be required to afford the Company any right to contest the applicability of any such excise or similar purpose tax to the extent that the Executive reasonably determines (based upon the opinion of his tax counsel) that such contest is inconsistent with the overall tax interests of the Executive.

16. LOCATIONS OF PERFORMANCE.

The Executive's services shall be performed primarily in the vicinity of Arlington, Texas. The parties acknowledge, however, that the Executive will be required to travel in connection with the performance of his duties.

17. PROPRIETARY INFORMATION.

(a) The Executive agrees to comply fully with the Company's policies relating to non-disclosure of the Company's trade secrets and proprietary information and processes. Without limiting the generality of the foregoing, the Executive will not, during the term of his Employment, disclose any such secrets, information or processes to any person, firm, corporation, association or other entity for any reason or purpose whatsoever except as may be required by law or governmental agency or legal process, nor shall the Executive make use of any such property for his own purposes or for the benefit of any person, firm, corporation or other entity (except the Company or any of its subsidiaries) under any circumstances during or after the term of his Employment, provided that after the term of his Employment this provision shall not apply to secrets, information and processes that are then in the public domain (provided that the Executive was not responsible, directly or indirectly, for such secrets, information or processes entering the public domain without the Company's consent).

(b) The Executive hereby sells, transfers and assigns to the Company all the entire right, title and interest of the Executive in and to all inventions, ideas, disclosures and improvements, whether patented or unpatented, and copyrightable material, to the extent made or conceived by the Executive solely or jointly with others during the term of this Agreement The Executive shall communicate promptly and disclose to the Company, in such form as the Company requests, all information, details and data pertaining to the aforementioned and, whether during the term hereof or thereafter, the Executive shall execute and deliver to the Company such formal transfers and assignments and such other papers and documents as may be required of the Executive to permit the Company to file and prosecute any patent applications relating to same and, as to copyrightable material, to obtain copyright thereon.

(c) Trade secrets, proprietary information and processes shall not be deemed to include information which is: (i) known to the Executive at the time it is disclosed to him; (ii) publicly known (or becomes publicly known) without the fault or negligence of Executive; (iii) received from a third party without restriction and without breach of this Agreement; (iv) approved for release by written authorization of the Company; or (v) required to be disclosed by law or legal process; provided, however, that in the event of a proposed disclosure pursuant to this subsection (c)(v), the Executive shall give the Company prior written notice before such disclosure is made in a time and manner which will best provide the Company with the ability to oppose such disclosure.

18. ASSIGNMENT.

This Agreement may not be assigned by either party; provided that the Company may assign this Agreement (i) in connection with a merger or consolidation involving the Company or a sale of its business, properties and assets substantially as an entirety to the surviving corporation or purchaser as the case may be, so long as such assignee assumes the Company's obligations hereunder; and (ii) so long as the assignment in the reasonable discretion of Executive does not result in a materially increased risk of non-performance of the Company's obligations hereunder by the assignee. The Company shall require as a condition of such assignment any successor (direct or indirect (including, without limitation, by becoming the sole stockholder of the Company) and whether by purchase, merger, consolidation, share exchange or otherwise) to the business, properties and assets of the Company substantially as an entirety expressly to assume and agree to perform this Agreement in the same manner and to the same extent the Company would have been required to perform it had no such succession taken place. This Agreement shall be binding upon all successors and assigns. In the event of a Change of Control, and regardless of whether the Executive's employment is thereafter terminated, the Company shall cancel Executive's obligations under that certain promissory note dated 12/31/00, in the principal amount of $2,000,395.82, plus all other loans and advances (principal and interest), and return to Executive, (or, in the case of termination under Section 9(a), the beneficiary the Executive has designated in writing to the Company to receive payment pursuant to Section 9(a) or in the absence of such designation, the Executive's estate) within ten days, all property securing the payment thereof. Any taxes due by Executive as a result of the forgiveness under this provision of the Executive's debt to the Company will be the sole obligation of the Company.

19. NOTICES.

Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and sent by registered or certified mail to the Executive at his residence maintained on the Company's records, or to the Company at its address at 690 E. Lamar Blvd. Suite 400, Arlington, Texas 76011, Attention: Corporate Secretary, or such other addresses as either party shall notify the other in accordance with the above procedure.

20. FORCE MAJEURE.

Neither party shall be liable to the other for any delay or failure to perform hereunder, which delay or failure is due to causes beyond the control of said party, including, but not limited to: acts of God; acts of the public enemy; acts of the United States of America or any state, territory or political subdivision thereof or of the District of Columbia; fires; floods; epidemics; quarantine restrictions; strikes; or freight embargoes; provided, however, that this Section 20 will not relieve the Company of any of its payment obligations to the Executive under this Agreement. Notwithstanding the foregoing provisions of this Section 20, in every case the delay or failure to perform must be beyond the control and without the fault or negligence of the party claiming excusable delay.

21. INTEGRATION.

This Agreement represents the entire agreement and understanding between the parties as to the subject matter hereof and supersedes all prior or contemporaneous agreements whether written or oral. No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by duly authorized representatives of the parties hereto.

22. WAIVER.

Failure or delay on the part of either party hereto to enforce any right, power or privilege hereunder shall not be deemed to constitute a waiver thereof. Additionally, a waiver by either party of a breach of any promise herein by the other party shall not operate as or be construed to constitute a waiver of any subsequent breach by such other party.

23. SAVINGS CLAUSE.

If any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and enforced to the fullest extent permitted by law.

24. AUTHORITY TO CONTRACT.

The Company warrants and represents to the Executive that the Company has full authority to enter into this Agreement and to consummate the transactions contemplated hereby and that this Agreement is not in conflict with any other agreement to which the Company is a party or by which it may be bound. The Company further warrants and represents to the Executive that the individual executing this Agreement on behalf of the Company has the full power and authority to bind the Company to the terms hereof and has been authorized to do so in accordance with the Company's articles or certificate of incorporation and bylaws.

25. PAYMENT OF EXPENSES.

If at any time during the term hereof or afterwards: (a) there should exist a dispute or conflict between the Executive and the Company or another Person as to the validity, interpretation or application of any term or condition hereof, or as to the Executive's entitlement to any benefit intended to be bestowed hereby, which is not resolved to the satisfaction of the Executive, (b) the Executive must (i) defend the validity of this Agreement or (ii) contest any determination by the Company concerning the amounts payable (or reimbursable) by the Company to the Executive or (c) the Executive must prepare responses to an Internal Revenue Service ("IRS") audit of, or otherwise defend, his personal income tax return for any year the subject of any such audit, or an adverse determination, administrative proceedings or civil litigation arising therefrom, which is occasioned by or related to an audit by the IRS of the Company's income tax returns, then the Company hereby unconditionally agrees: (a) on written demand of the Company by the Executive, to provide sums sufficient to advance and pay on a current basis (either by paying directly or by reimbursing the Executive) not less than 30 days after a written request therefor is submitted by the Executive, all the Executive's costs and expenses (including, without limitation, attorney's fees, expenses of investigation, travel, lodging, copying, delivery services and disbursements for the fees and expenses of experts, etc.) incurred by the Executive in connection with any such matter; (b) the Executive shall be entitled, on demand in accordance with Section 27, below, to the entry of a mandatory injunction without the necessity of posting any bond with respect thereto which compels the Company to pay or advance such costs and expenses on a current basis; and (c) the Company's obligations under this Section 25 will not be affected if the Executive is not the prevailing party in the final resolution of any such matter unless it is determined pursuant to Section 27 that, in the case of one or more of such matters, the Executive has acted in bad faith or without a reasonable basis for his position, in which event and, then only with respect to such matter or matters, the successful or prevailing party or parties shall be entitled to recover from the Executive reasonable attorneys' fees and other costs incurred in connection with that matter or matters (including the amounts paid by the Company in respect of that matter or matters pursuant to this Section 25), in addition to any other relief to which it or they may be entitled.

26. REMEDIES.

In the event of a breach by the Executive of Section 14 or 17 of this Agreement, in addition to other remedies provided by applicable law, the Company will be entitled to issuance of a temporary restraining order or preliminary injunction enforcing its rights under such Section.

27. ARBITRATION.

This Agreement Is Subject to Binding Arbitration. Any dispute or controversy arising under or in connection with this Agreement or in any manner associated with Employee's employment (other than those described in Section 26 _ Remedies) shall be settled exclusively by arbitration in Arlington, Texas, in accordance with the rules of the American Arbitration Association then in effect. The parties agree to execute and be bound by the mutual agreement to arbitrate claims attached hereto as Attachment A.

28. GOVERNING LAW.

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

29. WAIVER OF ACTUAL OR POTENTIAL CONFLICTS OF INTEREST

Should it become necessary for Executive to seek to enforce the terms of this Agreement, the Company consents to Executive's use of counsel which either then or may have in the past represented the Company, provided that counsel agrees to undertake Executive's representation, and such representation and waiver of actual or potential conflicts of interest is in accordance with the Texas State Bar Rules, including the Texas Disciplinary Rules of Professional Conduct. To the extent permitted by the Rules, the Company waives any such actual or potential conflict of interest arising thereby.

30. COUNTERPARTS.

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

31. INDEMNIFICATION.

The Executive shall be indemnified by the Company to the maximum permitted by the law of the state of the Company's incorporation, and by the law of the state of incorporation of any subsidiary of the Company of which the Executive is a director or an officer or employee, as the same may be in effect from time to time.

32. INTEREST.

If any amounts required to be paid or reimbursed to the Executive hereunder are not so paid or reimbursed at the times provided herein (including amounts required to be paid by the Company pursuant to Sections 7, 15 and 25), those amounts shall bear interest at the rate of 7% from the date those amounts were required to have been paid or reimbursed to the Executive until those amounts are finally and fully paid or reimbursed; provided, however, that in no event shall the amount of interest contracted for, charged or received hereunder exceed the maximum non-usurious amount of interest allowed by applicable law.

33. TIME OF THE ESSENCE.

Time is of the essence with respect to any act required to be performed by this Agreement.

34. PRIOR INSTRUMENTS UNAFFECTED.

Except for the Old Employment Agreement which is being terminated pursuant to this Agreement, all prior instruments between the Company and Executive shall remain in full force and effect and the terms and conditions thereof shall not be affected by this Agreement.

FIRST CASH FINANCIAL SERVICES, INC.	EXECUTIVE
/S/ RICHARD T. BURKE	/S/ PHILLIP E. POWELL
Richard T. Burke Director	Phillip Eric Powell

ATTACHMENT "A"

MUTUAL AGREEMENT TO ARBITRATE

1. I, Phillip Eric Powell, recognize that differences could arise between First Cash Financial Services, Inc. ("the Company") and me during or following my employment with the Company. I understand and agree that by entering into this Mutual Agreement to Arbitrate ("Agreement"), I gain the benefits of a speedy, impartial dispute-resolution procedure.

2. I understand that any reference in this Agreement to the Company will be a reference also to all stockholders, directors, officers, employees, parents, subsidiaries and affiliated entities, all benefit plans, the benefit plans' sponsors, fiduciaries, administrators, and all successors and assigns of any of them.

Claims Covered by the Agreement

3. The Company and I mutually agree to the resolution by arbitration of all claims or controversies ("claims"), whether or not arising out of my employment (or its termination), that the Company may have against me or that I may have against the Company. The claims covered by this Agreement include, but are not limited to, claims under my Employment Agreement, claims for wages or other compensation due; for breach of any contract or covenant (express or implied); tort claims; claims for discrimination (including, but not limited to, race sex, color, religion, national origin, age (state or federal Age Discrimination in Employment Act), marital status, veterans status, sexual preference, medical condition, handicap or disability); claims for benefits (except where an employee benefit or pension plan specifies that its claims procedure shall culminate in an arbitration procedure different from this one); and claims for violation of any federal, state, or other law, statute, regulation, or ordinance, except claims excluded in the following paragraphs.

Claims Not Covered by the Agreement

4. Claims I may have for workers' compensation or unemployment compensation benefits are not covered by this Agreement.

Arbitration

5. (a) Procedure for Injunctive Relief. In the event either the Company or myself seeks injunctive relief, the claim shall be administratively expedited by the American Arbitration Association ("AAA"), which shall appoint a single, neutral arbitrator for the limited purpose of deciding such claim. Such arbitrator shall be a qualified member of the State Bar of Texas in good standing, and preferably shall be a retired state or federal district judge. The single arbitrator shall decide the claim for injunctive relief immediately on hearing or receiving the parties' submissions (unless, in the interests of justice, he must rule ex parte); provided, however, that the single arbitrator shall rule on such claims within 24 hours of submission of the claim to the AAA. The single arbitrator's ruling shall not extend beyond 14 calendar days and on application by the claimant, up to an additional 14 days following which, after a hearing on the claim for injunctive relief, a temporary injunction may issue pending the award. Any relief granted under this procedure for injunctive relief shall be specifically enforceable in Harris County District Court on an expedited, ex parte basis and shall not be the subject of any evidentiary hearing or further submission by either party, but the court, on application to enforce a temporary order, shall issue such orders as necessary to its enforcement.

(b) Procedure after a Claim for Injunctive Relief or where no Claim for Injunctive Relief Is Made. The arbitrator shall be selected as follows: in the event the Company and I agree on one arbitrator, the arbitration shall be conducted by such arbitrator. In the event the Company and I do not agree, the Company and I shall each select one independent, qualified arbitrator, and the two arbitrators so selected shall select the third arbitrator. The arbitrator(s) are herein referred to as the "Panel." The Company reserves the right to object to any individual arbitrator who shall be employed by or affiliated with a competing organization.

(c) The Arbitration shall take place at Arlington, Texas, or any other location mutually agreeable to us. At the request of either of us, arbitration proceedings will be conducted in the utmost secrecy; in such case all documents, testimony and records shall be received, heard and maintained by the Panel in secrecy, available for inspection only by the Company or me and our respective attorneys and our respective experts, who shall agree in advance and in writing to receive all such information confidentially and to maintain such information in secrecy until such information shall become generally known. The Panel shall be able to award any and all relief, including relief of an equitable nature. The award rendered by the Panel may be enforceable in any court having jurisdiction thereof.

(d) The Company will pay all the fees and out-of-pocket expenses of each arbitrator selected pursuant to this Section 5 and the AAA. In addition, the Company will pay my reasonable attorneys' fees, unless the arbitration is the result of a termination for cause as defined in Section 13(f)(ii) of the Executive Employment Agreement to which this Attachment is appended.

Requirements for Modification or Revocation

6. This Agreement to arbitrate shall survive the termination of my employment. It can only be revoked or modified by a writing signed by the Company and I, which specifically states a mutual intent to revoke or modify this Agreement.

Sole and Entire Agreement

7. This is the complete agreement of us on the subject of arbitration of disputes [except for any arbitration agreement in connection with any pension or benefit plan].

This Agreement supersedes any prior or contemporaneous oral or written understanding on the subject.

8. Neither of us is relying on any representations, oral or written, on the subject of the effect, enforceability or meaning of this Agreement, except as specifically set forth in this Agreement.

Construction

9. If any provision of this Agreement is found to be void or otherwise unenforceable, in whole or in part, such adjudication shall not affect the validity of the remainder of the Agreement.

Consideration

10. The promises by the Company and by me to arbitrate differences, rather than litigate them before courts or other bodes, provide consideration for each other. In addition, I have entered into an Employment Agreement as further consideration for entering into this Agreement.

Not an Employment Agreement

11. This Arbitration Agreement is purely procedural. It does not provide any substantive rights in addition to those provided by applicable law or my Employment Agreement.

Voluntary

12. I acknowledge that I have carefully read this agreement, that I understand its terms, that all understandings and agreements between the company and me relating to the subjects covered in the agreement are contained in it, and that I have entered into the agreement voluntarily and not in reliance on any promises or representations by the company other than those contained in this agreement itself.

13. The Age Discrimination in Employment Act protects individuals over 40 years of age from age discrimination. The ADEA contains some special requirements before an employee can give up the right to file a lawsuit in court. The following provisions are designed to comply with those requirements.

a. I agree that this Agreement to arbitrate is valuable to me, because it permits a faster resolution of claims that I would receive in court.

b. I have been advised to consult an attorney before signing this.

c. I have 21 days to consider this Agreement. However, I may sign it sooner if I wish to do so.

d. I have 7 days following my signing this Agreement to revoke my signature, and the Agreement will not be legally binding until the 7 day period has gone by.

33. I FURTHER ACKNOWLEDGE THAT I HAVE BEEN GIVEN THE OPPORTUNITY TO DISCUSS THIS AGREEMENT WITH MY PRIVATE LEGAL COUNSEL AND HAVE AVAILED MYSELF TO THAT OPPORTUNITY TO THE EXTENT I WISH TO DO SO.

First Cash Financial Services, Inc.	Executive
/S/ RICHARD T. BURKE	/S/ PHILLIP E. POWELL
Richard T. Burke Director	Phillip Eric Powell

Exhibit 10.15

EXECUTIVE EMPLOYMENT AGREEMENT
THIS AGREEMENT IS SUBJECT TO MANDATORY AND BINDING ARBITRATION

This Employment Agreement (the "Agreement") is entered into as of September 30, 2000 (the "Effective Date"), by and between First Cash Financial Services, Inc. (the "Company"), a Delaware corporation, and Rick L. Wessel (the "Executive").

WHEREAS, Executive is presently employed by the Company pursuant to an employment agreement dated May 31, 1992, between the parties ("Old Employment Agreement"), and the parties desire to terminate that agreement and enter into a new agreement based on the terms and conditions set forth below, and

NOW, THEREFORE, in consideration of the mutual covenants and obligations hereinafter set forth, the parties agree as follows:

1. TERMINATION OF OLD EMPLOYMENT AGREEMENT.

The parties agree that the Old Employment Agreement shall be terminated concurrently with the execution of this Agreement and shall be of no further force or effect. The parties hereto waive and release all rights they may have under the Old Employment Agreement as of the date hereof.

2. EMPLOYMENT.

The Company desires to continue to employ the Executive, and the Executive agrees to continue to work in the employ of the Company, according to the following terms and conditions.

3. DUTIES.

(a) The Company will continue to employ the Executive as President and Chief Financial Officer ("CFO") of the Company.

(b) The Executive will serve in the Company's employ in that position.

(c) Under the direction of the Board of Directors of the Company (the "Board"), the Executive shall perform such duties, and have such powers, authority, functions, duties and responsibilities for the Company and corporations and other entities affiliated with the Company commensurate and consistent with his employment in the position of President and CFO. The Executive also shall have such additional powers, authority, functions, duties and responsibilities as may be assigned to him by the Board; provided that, without the Executive's written consent, those additional powers, authority, functions, duties and responsibilities shall not be materially inconsistent or interfere with, or detract from, those herein vested in, or otherwise then being performed for the Company by, the Executive. In the event of an increase in the Executive's duties, beyond the duties of President and CFO, the Board shall review the Executive's compensation and benefits to determine if an adjustment in compensation and employee benefits commensurate with the Executive's new duties is warranted, in accordance with the Company's compensation policies.

4. TERM OF EMPLOYMENT.

The term of employment of Executive is through December 31, 2005. Subject to the provisions of Section 9, the term of the Executive's Employment hereunder shall commence on September 30, 2000. At the discretion of the Board, the term of employment shall be extended for additional successive periods of 1 year, each year beginning on January 1, 2002, and each anniversary date thereafter, provided that during the

previous year, the Executive met the stipulated performance criteria established by the Board.

5. EXTENT OF SERVICES.

The Executive shall not at any time during his Employment engage in any other business related activities unless those activities do not interfere materially with the Executive's duties and responsibilities to the Company at that time. The foregoing, however, shall not preclude the Executive from engaging in appropriate civic, charitable, professional or trade association activities or from serving on one or more other boards of directors of public or private companies, as long as such activities and services do not conflict with his responsibilities to the Company.

6. NO FORCED RELOCATION.

The Executive shall not be required to move his principal place of residence from the Arlington, Texas area or to perform regular duties that could reasonably be expected to require either such move against his wish or to spend amounts of time each week outside the Arlington, Texas area which are unreasonable in relation to the duties and responsibilities of the Executive hereunder, and the Company agrees that, if it requests the

Executive to make such a move and the Executive declines that request, (a) that declination shall not constitute any basis for a termination of the Executive's Employment and (b) no animosity or prejudice will be held against Executive.

7. COMPENSATION.

(a) SALARY.

An annual base salary shall be payable to the Executive by the Company as a guaranteed minimum amount under this Agreement for each calendar year during the period from September 30, 2000 to the termination date of the Executive's Employment. That annual base salary shall (i) accrue daily on the basis of a 365-day year, (ii) be payable to the Executive in the intervals consistent with the Company's normal payroll schedules (but in no event less frequently than semi-monthly) and (iii) be payable beginning January 1, 20072001 at an initial annual rate of $250,000. The Executive's

annual base salary shall not be decreased, but shall be adjusted annually in each December to reflect such adjustments, if any, as the compensation committee of the Board determines appropriate based on the Executive's performance during the most recent performance period, in accordance with the Company's compensation policies. A failure of the Company to increase the Executive's annual base salary shall not constitute a breach or violation of this Agreement by the Company.

(b) BONUS.

At the discretion of the Board's compensation committee, Executive shall be eligible to be paid an annual bonus by the Company for each calendar year during the period from January 1, 2000 to the termination date of the Executive's Employment. That annual bonus shall be payable at such rate and in such amount as is determined by the compensation committee of the board of directors. The Executive's annual bonus, if any, shall be adjusted annually in each December to reflect such adjustments, if any, as the Board's compensation committee determines appropriate based on the Executive's performance during the most recent performance period, in accordance with the Company's compensation policies. A failure of the Company to pay Executive an annual bonus shall not constitute a breach or violation of this Agreement by the Company.

(c) OTHER COMPENSATION.

The Executive shall be entitled to participate in all Compensation Plans from time to time in effect while in the Employment of the Company, regardless of whether the Executive is an Executive Officer. All awards to the Executive under all Incentive Plans shall take into account the Executive's positions with and duties and responsibilities to the Company and its subsidiaries and affiliates. The Company shall supply Executive with an automobile, the make and model of which is subject to the approval of the compensation committee of the Board, and be responsible for all expenses related thereto throughout the term of this Agreement. Executive may select an automobile of his own choosing which is reasonable in cost, appearance and function, taking into account the powers, authority, functions, duties and responsibilities of Executive, and the financial position and condition of the Company. ?In consideration and in support of Executive's duties under this Agreement, which include fostering the goodwill, growth and earnings of the Company, the Company shall pay for a private club membership for Executive, for such amount as is reasonable taking into account the powers, authority, functions, duties and responsibilities of Executive, subject to approval of the compensation committee of the Board.

(d) EXPENSES.

The Executive shall be entitled to prompt reimbursement of all reasonable business expenses incurred by him in the performance of his duties during the term of this Agreement, subject to the presenting of appropriate vouchers and receipts in accordance with the Company's policies.

8. OTHER BENEFITS.

(a) EMPLOYEE BENEFITS AND PROGRAMS.

During the term of this Agreement, the Executive and the members of his immediate family shall be entitled to participate in any employee benefit plans or programs of the Company to the extent that his position, tenure, salary, age, health and other qualifications make him or them, as the case may be, eligible to participate, subject to the rules and regulations applicable thereto.

(b) SUBSCRIPTIONS AND MEMBERSHIPS.

The Company shall pay periodical subscription costs and membership fees and dues for the Executive to join professional organizations appropriate for the Executive, and which further the interests of the Company. The Company shall also pay or reimburse Executive for Executive's membership in such additional clubs and organizations as may be agreed upon as reasonable and appropriate between Executive and the Company.

(c) LOANS TO PAY FEDERAL TAXES.

If the Executive requests and the Company is in a financial position to do so, in the discretion of the Board, the Company may loan to the Executive sufficient funds to pay all federal income tax liability ("Tax Liability") due by reason of the issuance of any securities of the Company. Such loan shall bear interest at the rate of 7% (the "Tax Note"), which shall be secured by Executive's interest in the securities. The Tax Note shall be pre-payable at any time and mature no later than five years from the date any funds were first advanced to the Executive under this Section 8(c). If the Executive sells any such securities (or any securities into which Company issued securities have been converted) for cash while the Tax Note remains outstanding and unpaid, the Executive shall prepay the Tax Note within five business days after the Executive receives the proceeds from that sale in the amount equal to the lesser of (i) the then unpaid balance plus all interest earned under the Tax Note or (ii) the cash proceeds, net of any applicable commission and other sale expense and any applicable capital gain or other income tax, the Executive receives from that sale. The Tax Note shall be payable either in cash or, in the event that on any date the Executive makes any payment thereon the Common Stock is listed on the American Stock Exchange or another national securities exchange or is quoted through the Nasdaq National Market System (the "NMS") and the Executive desires to pay such loan by delivery of shares of Common Stock, in shares of Common Stock valued at the closing price of the Common Stock on (i) the national securities exchange on which the Common Stock is listed (or, if there is more than one, the national securities exchange the Company has designated as the principal market for the Common Stock) or (ii) the NMS, as the case may be, on the then most recent day on which the Common Stock traded on such national securities exchange or the NMS, as the case may be; provided, however, that if the securities issued by the Company to the Executive are not publicly tradable before the Tax Note shall be due and payable, payment of the Tax Note may be made by the Executive tendering all the securities to the Company in exchange for cancellation of the Tax Note.

(d) LOANS TO EXERCISE OPTIONS

If the Executive requests, the Company shall loan to the Executive sufficient funds to purchase or exercise any options owned by Executive in the stock of the Company. The maximum amount of funds, which the Company shall loan, shall be determined by the exercise price of such options. Such loan shall bear interest at the rate of 7%, per annum, and shall be evidenced by a promissory note (the "Option Note"), secured by the subject options or securities. The Option Note shall be pre-payable at any time and mature in full no later than five years from the date any funds were first advanced to the Executive under this Section 8(d). If the Executive sells any such securities (or any securities into which Company issued securities have been converted) for cash while the Option Note remains outstanding and unpaid, the Executive shall prepay the Option Note within five business days after the Executive receives the proceeds from that sale in the amount equal to the lesser of (i) the then unpaid balance of the Option Note or (ii) the cash proceeds, net of any applicable commission and other sale expense and any applicable capital gain or other income tax, the Executive receives from that sale. The Option Note shall be payable either in cash or, in the event that on any date the Executive makes any payment thereon the Common Stock is listed on the American Stock Exchange or another national securities exchange or is quoted through the Nasdaq National Market System (the "NMS") and the Executive desires to pay such loan by delivery of shares of Common Stock, the Common Stock will be valued at the closing price of the Common Stock on (i) the national securities exchange on which the Common Stock is listed (or, if there is more than one, the national securities exchange the Company has designated as the principal market for the Common Stock) or (ii) the NMS, as the case may be, on the then most recent day on which the Common Stock traded on such national securities exchange or the NMS, as the case may be; provided, however, that if the securities issued by the Company to the Executive are not publicly tradable before the Option Note shall be due and payable, payment of the Option Note may be made by the Executive tendering all the Common Stock issued from the proceeds of the Option Note to the Company in exchange for cancellation of the Option Note.

(e) VACATION.

The Executive shall be entitled to four weeks of vacation leave with full pay during each year of this Agreement (each such year being a 12-month period ending on the one year anniversary date of the commencement of the Executive's employment.) The times for such vacations shall be selected by the Executive, provided the dates selected do not interfere materially with the performance of Executive's duties and responsibilities under this

agreement. The Executive may accrue up to eight weeks of vacation time from year to year, but vacation time otherwise shall not accrue from year to year.

(f) BOOKKEEPING AND ACCOUNTING

The Executive shall be entitled to Company paid or reimbursed, bookkeeping services up to $300 per month and annual accounting services of up to $700 per year.

(g) INSURANCE

For the term of this Agreement, the Company will provide, at no cost to Executive, term life insurance benefits under two separate policies. The first policy shall be in the amount of $2 million with the Company designated as the beneficiary. The second policy shall be in the amount of $2 million with the loss payee designated by the Executive. In the discretion of the Board, during the term of this Agreement, the Company shall also provide, at no cost to Executive, disability insurance sufficient to provide, in the event Executive becomes disabled, payments that would be made to Executive equal or up to the amount equal to Executive's base salary, as of the date of disability, provided such coverage is reasonably available at reasonable cost. Executive may procure his own disability coverage and be reimbursed, if the same is not provided by the Company.

9. TERMINATION.

The Executive's Employment hereunder may be terminated prior to the term provided for in Section 4 only under the following circumstances:

(a) DEATH.

The Executive's Employment shall terminate automatically on the date of his death.

(b) DISABILITY.

If a Disability occurs and is continuing, the Executive's Employment shall terminate 180 days after the Company gives the Executive written notice that it intends to terminate his Employment on account of that Disability, or on such later date as the Company specifies in such notice. If the Executive resumes the performance of substantially all of his duties under this Agreement before the termination becomes effective, the notice of intent to terminate shall be deemed to have been revoked. Disability of Executive shall not prevent the Company from making necessary changes during the period of Executive's Disability to conduct its affairs.

(c) VOLUNTARY TERMINATION.

The Executive may terminate his Employment at any time and without Good Cause with 90 days' prior written notice to the Company.

(d) TERMINATION FOR GOOD CAUSE.

The Executive may terminate his Employment for Good Cause at any time within 180 days (90 days if the Good Cause is the occurrence of a Change of Control) after the Executive becomes consciously aware that the facts and circumstances constituting Good Cause exist are continuing and by giving the Company 30 days' prior written notice that the Executive intends to terminate his Employment for Good Cause, which notice will state with specificity the basis for Executive's contention that Good Cause exists; provided, however, that if Executive terminates for Good Cause due to a Change in Control, the Change in Control must actually occur. A Change in Control will not be deemed to have actually occurred merely because of a pending or possible event. The Executive shall not have Good Cause to terminate his Employment solely by reason of the occurrence of a Change in Control until one year after the date such Change in Control actually occurs. The Executive may not terminate for Good Cause if the facts and circumstances constituting Good Cause are substantially cured by the Company within 30 days following notice to the Company.

(e) INVOLUNTARY TERMINATION.

The Executive's Employment is at will. The Company reserves the right to terminate the Executive's Employment at anytime whatsoever, without cause, with 30 days' prior written notice to the Executive.

(f) INVOLUNTARY TERMINATION FOR CAUSE.

The Company reserves the right to terminate the Executive's Employment for Cause. In the event that the Company determines that Cause exists under Section 13(f)(i) for the termination of the Executive's Employment, the Company shall provide in writing (the "Notice of Cause"), the basis for that determination and the manner, if any, in which the breach or neglect can be cured. If either the Company has determined that the breach or neglect cannot be cured, as set forth in the Notice of Cause, or has advised the Executive in the Notice of Cause of the manner in which the breach or neglect can be cured, but the Executive fails to substantially effect that cure within 60 days after his receipt of the Notice of Cause, the Company shall be entitled to give the Executive written notice of the Company's intention to terminate Executive's Employment for Cause (the "Notice of Intent to Terminate"). Executive shall have the right to object to any Notice of Intent to Terminate Executive's Employment for Cause, by furnishing the Company within ten days of receipt by Executive of the Notice of Intent to Terminate Executive's Employment for Cause, written notice specifying the reasons Executive contends either (i) Cause under Section 13(f)(i) does not exist or has been timely cured or (ii) in the circumstance of a Notice of Intent to Terminate Executive's Employment for Cause under Section 13(f)(ii), that such Cause does not exist (the "Notice of Intent to Join Issue over Cause"). The failure of Executive to timely furnish the Company with a Notice of Intent to Join Issue over Cause shall serve to conclusively establish Cause hereunder, and the right of the Company to terminate the Executive's Employment for Cause. Within 30 days following its receipt of a timely Notice of Intent to Join Issue Over Cause, the Company must either rescind the Notice of Intent to Terminate the Executive's Employment for Cause, or file a demand for arbitration in accordance with Section 27, to determine whether the Company is entitled to terminate Executive's Employment for Cause. During the pendency of the arbitration proceeding, and until such time as Executive's Employment is terminated, Executive shall be entitled to receive Compensation under this Agreement. In the discretion of the Board, however, the Executive may be reassigned or suspended with pay, during not only the pendency of the arbitration proceeding, but during the period from the date the Company furnishes Executive with a Notice of Intent to Terminate the Executive's Employment for Cause until such date as the notice is rescinded, a determination that Cause does not exist is made in the arbitration proceeding or in the event of a determination that Cause does exist in the arbitration proceeding, the effective date of the termination of Executive's Employment for Cause. In the event that the Company determines that Cause exists under Section 13(f)(ii) for the termination of the Executive's Employment, it shall be entitled to immediately furnish Executive with a Notice of Intent to Terminate Executive's Employment without providing a Notice of Cause or any opportunity prior to that notice to contest that determination. Any termination of the Executive's Employment for Cause pursuant to this Section 9(f) shall be effective immediately upon the Executive's receipt of the Company's written notice of that termination and the Cause therefore.

(g) VOLUNTARY TERMINATION AT CONCLUSION OF TERM

At the expiration of the term of employment as stated in Section 4, either party may terminate this Agreement by giving the other party written notice at least six months before the expiration of the term of employment stated in Section 4.

10. SEVERANCE PAYMENTS.

Unless effected under Section 9(g), if the Executive's Employment is terminated during the term of this Agreement, the Executive shall be entitled to receive severance payments as follows:

(a) If the Executive's Employment is terminated under Section 9(a), (b), (d), (e) or (g), the Company will pay or cause to be paid to the Executive (or, in the case of a termination under Section 9(a), the beneficiary the Executive has designated in writing to the Company to receive payment pursuant to this Section 10(a) or, in the absence of such designation, the Executive's estate): (i) the Accrued Salary; (ii) the Other Earned Compensation; (iii) the Reimbursable Expenses; and (iv) the Severance Benefit. Additionally, the Company shall cancel Executive's obligations under that certain promissory note dated December 31, 2000, in the principal amount of $1,529,828, plus all other loans and advances (principal and interest), and return to Executive, (or, in the case of termination under Section 9(a), the beneficiary the Executive has designated in writing to the Company to receive payment pursuant to Section 10(a) or in the absence of such designation, the Executive's estate) within ten days, all property securing the payment thereof. Any taxes due by Executive as a result of the forgiveness under this provision of the Executive's debt to the Company will be the sole obligation of the Company, and will be promptly paid when due.

(b) If the Executive's Employment is terminated under Section 9(c) or (f), the Company will pay or cause to be paid to the Executive: (i) the Accrued Salary determined as of and through the termination date of the Executive's Employment; (ii) the Other Earned Compensation; and (iii) the Reimbursable Expenses.

(c) Any payments to which the Executive (or his designated beneficiary or estate, if Section 9(a) applies) is entitled pursuant to paragraph (i) of subsection (a) of this Section 10 or paragraph (i) of subsection (b) of this Section 10, as applicable, will be paid in a single lump sum within thirty days after the termination date of the Executive's Employment. At the sole option and election of the Executive (or his designated beneficiary or estate, if Section 9(a) applies), which election shall be made within 30 days of the termination of Executive's Employment, the Company shall pay the executive the Severance Benefit, if at all, (1) in a lump sum on a present value basis; (2) on a semi-monthly basis (as if Executive's employment had continued), or (3) on such other periodic basis reasonably requested by Executive (or his designated beneficiary or estate, if Section 9(a) applies), in which event, the payments will be discounted to the extent the periodic basis selected by Executive (or his designated beneficiary or estate, if Section 9(a) applies) results in an earlier payout to Executive (or his designated beneficiary or estate, if Section 9(a) applies) than if Executive were paid on a semi-monthly basis. The Company shall be given credit for all life or disability insurance proceeds paid to Executive (or his designated beneficiary or estate, if Section 9(a) applies) on any policy procured, paid for or reimbursed by the Company pursuant to this Agreement (up to $2 million in the case of life insurance). Upon the failure of the Executive to timely make an election as provided herein, such option and election shall revert to the Company. However, if Section 9(a) applies and the Executive's designated beneficiary or estate is the beneficiary of one or more insurance policies purchased by the Company and then in effect the proceeds of which are payable to that beneficiary by reason of the Executive's death, then (i) the Company, at its option, may credit the amount of those proceeds, as and when paid by the insurer to that beneficiary, against the payment to which the Executive's designated beneficiary or estate is entitled pursuant to paragraph (iv) of subsection (a) of this Section 10 and, if it exercises that option, (ii) the payment otherwise due pursuant to that paragraph (iv) will bear interest on the outstanding balance thereof from and including the fifth day after that termination date to the date of payment by the insurer to that beneficiary at the rate of interest specified in Section 32; and provided, further, that if Section 10(b) applies and the Executive is the beneficiary of disability insurance purchased by the Company and then in effect, the Company, at its option, may credit the proceeds of that insurance which are payable to the Executive, valued at their present value as of that termination date using the interest rate specified in Section 32 and then in effect as the discount rate, against the payment to which the Executive is entitled pursuant to paragraph (iv) of subsection (a) of this Section 10. Any payments to which the Executive (or his designated beneficiary or estate, if Section 9(a) applies) is entitled pursuant to paragraphs (ii) and (iii) of subsection (a) or (b) of this Section 10, as applicable, will be paid in a single lump sum within five days after the termination date of the Executive's Employment or as soon thereafter as is administratively feasible, together with interest accrued thereon from and including the fifth day after that termination date to the date of payment at the rate of interest specified in Section 32.

(d) Except as provided in Sections 15, 25 and this Section, the Company will have no payment obligations under this Agreement to the Executive (or his designated beneficiary or estate, if Section 9(a) applies) after the termination date of the Executive's Employment.

11. RESIGNATIONS.

Upon termination of Executive's employment with or without cause, Executive shall resign as an officer and director of the Company and will thereafter refuse election as an officer or director of the Company.

12. RETURN OF DOCUMENTS.

Upon termination of Executive's employment with or without cause, Executive shall immediately return and deliver to the Company and shall not retain any originals or copies of any books, papers, price lists, customer contracts, bids, customer lists, files, notebooks or any other documents containing any of the Confidential information or otherwise relating to Executive's performance of duties under this Agreement. Executive further acknowledges and agrees that all such documents are the Company's sole and exclusive property.

13. DEFINITION OF TERMS.

The following terms used in this Agreement when capitalized shall have the following meanings:

(a) ACCRUED SALARY.

"Accrued Salary" shall mean the salary that has accrued, and the salary that would accrue through and including the last day of the pay period in which the termination date of the Executive's Employment occurs, under Section 7(a), which has not been paid to the Executive as of that termination date.

(b) ACQUIRING PERSON.

"Acquiring Person" shall mean any person who or which, together with all Affiliates and Associates of such person, is or are the Beneficial Owner of 50 percent or more of the shares of Common Stock then outstanding, but does not include any Exempt Person; provided, however, that a person shall not be or become an Acquiring Person if such person, together with its Affiliates and Associates, shall become the Beneficial Owner of 50 percent or more of the shares of Common Stock then outstanding solely as a result of a reduction in the number of shares of Common Stock outstanding due to the repurchase of Common Stock by the Company, unless and until such time as such person or any Affiliate or Associate of such person shall purchase or

otherwise become the Beneficial Owner of additional shares of Common Stock constituting 1% or more of the then outstanding shares of Common Stock or any other person (or persons) who is (or collectively are) the Beneficial Owner of shares of Common Stock constituting 1% or more of the then outstanding shares of Common Stock shall become an Affiliate or Associate of such person, unless, in either such case, such person, together with all Affiliates and Associates of such person, is not then the Beneficial Owner of 50% or more of the shares of Common Stock then outstanding.

(c) AFFILIATE.

"Affiliate" has the meaning ascribed to that term in Rule 405 of Regulation C.

(d) ASSOCIATE.

"Associate" shall mean, with reference to any person, (i) any corporation, firm, partnership, association, unincorporated organization or other entity (other than the Company or a subsidiary of the Company) of which that person is an officer or general partner (or officer or general partner of a general partner) or is, directly or indirectly, the Beneficial Owner of 10% or more of any class of its equity securities, (ii) any trust or other estate in which that person has a substantial beneficial interest or for or of which that person serves as trustee or in a similar fiduciary capacity and (iii) any relative or spouse of that person, or any relative of that spouse, who has the same home as that person.

(e) BENEFICIAL OWNER.

A specified person shall be deemed the "Beneficial Owner" of, and shall be deemed to "beneficially own," any securities: (i) of which that person or any of that person's Affiliates or Associates, directly or indirectly, is the "beneficial owner" (as determined pursuant to Rule 13d-3 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise has the right to vote or dispose of, including pursuant to any agreement, arrangement or understanding (whether or not in writing); provided, however, that a person shall not be deemed the "Beneficial Owner" of, or to "beneficially own," any security under this subparagraph (i) as a result of an agreement, arrangement or understanding to vote that security if that agreement, arrangement or understanding: (A) arises solely from a revocable proxy or consent given in response to a public (that is, not including a solicitation exempted by Exchange Act Rule 14a-2(b)(2)) proxy or consent solicitation made pursuant to, and in accordance with, the applicable provisions of the Exchange Act; and (B) is not then reportable by such person on Exchange Act Schedule 13D (or any comparable or successor report); (ii) which that person or any of that person's Affiliates or Associates, directly or indirectly, has the right or obligation to acquire (whether that right or obligation is exercisable or effective immediately or only after the passage of time or the occurrence of an event) pursuant to any agreement, arrangement or understanding (whether or not in writing) or on the exercise of conversion rights, exchange rights, other rights, warrants or options, or otherwise; provided, however, that a person shall not be deemed the "Beneficial Owner" of, or to "beneficially own," securities tendered pursuant to a tender or exchange offer made by that person or any of that person's Affiliates or Associates until those tendered securities are accepted for purchase or exchange; or (iii) which are beneficially owned, directly or indirectly, by (A) any other person (or any Affiliate or Associate thereof) with which the specified person or any of the specified person's Affiliates or Associates has any agreement, arrangement or understanding (whether or not in writing) for the purpose of acquiring, holding, voting (except pursuant to a revocable proxy or consent as described in the proviso to subparagraph (i) of this definition) or disposing of any voting securities of the Company or (B) any group (as that term is used in Exchange Act Rule 13d-5(b)) of which that specified person is a member; provided, however, that nothing in this definition shall cause a person engaged in business as an underwriter of securities to be the "Beneficial Owner" of, or to "beneficially own," any securities acquired through that person's participation in good faith in a firm commitment underwriting until the expiration of 40 days after the date of that acquisition. For purposes of this Agreement, "voting" a security shall include voting, granting a proxy, acting by consent making a request or demand relating to corporate action (including, without limitation, calling a stockholder meeting) or otherwise giving an authorization (within the meaning of Section 14(a) of the Exchange Act) in respect of such security.

(f) CAUSE.

"Cause" shall mean that the Executive has (i) willfully breached or habitually neglected (otherwise than by reason of injury, or physical or mental illness, or any disability as defined by the Americans with Disabilities Act of 1990, Public Law 101_336, 42 U.S.C.A. S 12101 et seq.) material duties which he was required to perform under the terms of this Agreement, or (ii) committed and been charged with act(s) of dishonesty or fraud.

(g) CHANGE OF CONTROL.

"Change of Control" shall mean the occurrence of the following events: (i) any person or entity becomes an Acquiring Person, or (ii) a merger of the Company with or into, or a sale by the Company of its properties and assets substantially as an entirety to, another person or entity; (iii) a majority of the incumbent board of directors cease for any reason to constitute at least a majority of the Board; and (iv) immediately after the occurrence of (i), (ii) or (iii) above, any person or entity, other than an Exempt Person, together with all Affiliates and Associates of such person or entity, shall be the Beneficial Owner of 50% or more of the total voting power of the then outstanding Voting Shares of the person or entity surviving that transaction (in the case or a merger or consolidation), or the person or entity acquiring those properties and assets substantially as an entirety.

(h) COMPANY.

"Company" shall mean (i) First Cash Financial Services, Inc., a Delaware corporation, and (ii) any person or entity that assumes the obligations of "the Company" hereunder, by operation of law, pursuant to Section 18 or otherwise.

(i) COMPENSATION PLAN.

"Compensation Plan" shall mean any compensation arrangement, plan, policy, practice or program established, maintained or sponsored by the Company or any subsidiary of the Company, or to which the Company or any subsidiary of the Company contributes, on behalf of any Executive Officer or any member of the immediate family of any Executive Officer by reason of his status as such, (i) including (A) any "employee pension benefit plan" (as defined in Section 3(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA")) or other "employee benefit plan" (as defined in Section 3(3) of ERISA), (B) any other retirement or savings plan, including any supplemental benefit arrangement relating to any plan intended to be qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended (the "Code"), or whose benefits are limited by the Code or ERISA, (C) any "employee welfare plan" (as defined in Section 3(1) of ERISA), (D) any arrangement, plan, policy, practice or program providing for severance pay, deferred compensation or insurance benefit, (E) any Incentive Plan and (F) any arrangement, plan, policy, practice or program (1) authorizing and providing for the payment or reimbursement of expenses attributable to air travel and hotel occupancy while traveling on business for the Company or (2) providing for the payment of business luncheon and country club dues, long-distance charges, mobile phone monthly air time or other recurring monthly charges or any other fringe benefit, allowance or accommodation of employment, but (ii) excluding any compensation arrangement, plan, policy, practice or program to the extent it provides for annual base salary.

(j) DISABILITY.

"Disability" shall mean that the Executive, with reasonable accommodation, has been unable to perform his essential duties under this Agreement for a period of at least six consecutive months as a result of his incapacity due to injury or physical or mental illness, any disability as defined in a disability insurance policy which provides coverage for the Executive, or any disability as defined by the Americans with Disabilities Act of 1990, Public Law 101_336, 42 U.S.C.A. S 12101 et seq.

(k) EMPLOYMENT.

"Employment" shall mean the salaried employment of the Executive by the Company or a subsidiary of the Company hereunder.

(l) EXECUTIVE OFFICER.

"Executive Officer" shall mean any of the chief executive officer, the chief operating officer, the chief financial officer, the president, any executive, regional or other group or senior vice president or any vice president of the Company.

(m) EXEMPT PERSON.

"Exempt Person" shall mean: (i)(A) the Company, any subsidiary of the Company, any employee benefit plan of the Company or any subsidiary of the Company and (B) any person organized, appointed or established by the Company for or pursuant to the terms of any such plan or for the purpose of funding any such plan or funding other employee benefits for employees of the Company or any subsidiary of the Company; (ii) the Executive, any Affiliate of the Executive which the Executive controls or any group (as that term is used in Exchange Act Rule 13d-5(b)) of which the Executive or any such Affiliate is a member.

(n) GOOD CAUSE.

"Good Cause" for the Executive's termination of his Employment shall mean: (i) any decrease in the annual base salary under Section 7(a) or any other violation hereof in any material respect by the Company; (ii) any material reduction in the Executive's compensation under Section 7; (iii) the assignment to the Executive of duties inconsistent in any material respect with the Executive's then current positions (including status, offices, titles and reporting requirements), authority, duties or responsibilities or any other action by the Company which results in a material diminution in those positions, authority, duties or responsibilities; (iv) any unapproved relocation of the Executive; or (v) the occurrence of a Change of Control. Good Cause shall not exist if the Company cures within the period prescribed herein.

(o) INCENTIVE PLAN.

"Incentive Plan" shall mean any compensation arrangement, plan, policy, practice or program established, maintained or sponsored by the Company or any subsidiary of the Company, or to which the Company or any subsidiary of the Company contributes, on behalf of any Executive Officer and which provides for incentive, bonus or other performance-based awards of cash, securities, the phantom equivalent of securities or other property, including any stock option, stock appreciation right and restricted stock plan, but excluding any plan intended to qualify as a plan under any one or more of Sections 401(a), 401(k) or 423 of the Code.

(p) OTHER EARNED COMPENSATION.

"Other Earned Compensation" shall mean all the compensation earned by the Executive prior to the termination date of his Employment as a result of his Employment (including compensation the payment of which has been deferred by the Executive, but excluding Accrued Salary and compensation to be paid to the Executive in accordance with the terms of any Compensation Plan), together with all accrued interest or earnings, if any, thereon, which has not been paid to the Executive as of that date.

(q) REIMBURSABLE EXPENSES.

"Reimbursable Expenses" shall mean the expenses incurred by the Executive on or prior to the termination date of his Employment which are to be reimbursed to the Executive under Section 7(c) and which have not been reimbursed to the Executive as of that date.

(r) SEVERANCE BENEFIT.

"Severance Benefit" shall mean all Compensation provided for under Section 7 through the remainder of the Executive's term of employment, it being the parties' intent that, except for a termination under Section 9(c), (f) or (g), the Executive shall receive all Compensation as if his term of employment continued as provided for under Section 4.

14. COVENANTS NOT TO COMPETE

(a) Executive's Acknowledgment. Executive agrees and acknowledges that in order to assure the Company that it will retain its value as a going concern, it is necessary that Executive undertake not to utilize his special knowledge of the business and his relationships with customers and suppliers to compete with the Company. Executive further acknowledges that:

(i) the Company is and will be engaged in the business of pawn shop services, pay day loan services and check cashing services;

(ii) Executive will occupy a position of trust and confidence with the Company prior to the date of this agreement and, during such period and Executive's employment under this agreement, Company's trade secrets and with other proprietary and confidential information concerning the Company;

(iii) the agreements and covenants contained in this Section 14 are essential to protect the Company and the goodwill of the business; and

(iv) Executive's employment with the Company has special, unique and extraordinary value to the Company and the Company would be irreparably damaged if Executive were to provide services to any person or entity in violation of the provisions of this agreement.

(b) Company's Acknowledgement. The Company hereby acknowledges that it will provide Executive with confidential and trade secret information relating to the operation of the Company's business, including but not limited to, customer lists, operating manuals, and financing operations.

(c) Competitive Activities. Executive hereby agrees that for a period commencing on the date hereof and ending two years following the later of (i) termination of Executive's employment with the Company for whatever reason, and (ii) the conclusion of the period, if any, during which the Company is making payments to Executive, he will not, directly or indirectly, as employee, agent, consultant, stockholder, director, co-partner or in any other individual or representative capacity, own, operate, manage, control, engage in, invest in or participate in any manner in, act as a consultant or advisor to, render services for (alone or in association with any person, firm, corporation or entity), or otherwise assist any person or entity (other than the Company) that engages in or owns, invests in, operates, manages or controls any venture or enterprise that directly or indirectly engages or proposes in engage in the business of pawnshops, check cashing services, payday loan services or proposes to in engage in the business of the distribution or sale of (i) products distributed, sold or licensed by the Company or services provided by the Company at the time of termination or (ii) products or services proposed at the time of such termination to be distributed, sold, licensed or provided by the Company within 50 miles of any of the Company's locations (the "Territory"); provided, however, that nothing contained herein shall be construed to prevent Executive from investing in the stock of any competing corporation listed on a national securities exchange or traded in the over-the-counter market, but only if Executive is not involved in the business of said corporation and if Executive and his associates (as such term is defined in Regulation 14(A) promulgated under the Securities Exchange Act of 1934, as in effect on the date hereof), collectively, do not own more than an aggregate of two percent of the stock of such corporation. With respect to the Territory, Executive specifically acknowledges that the Company has conducted the business throughout those areas comprising the Territory and the Company intends to continue to expand the business throughout the Territory.

(d) Blue Pencil. If an arbitrator shall at any time deem the terms of this agreement or any restrictive covenant too lengthy or the Territory too extensive, the other provisions of this section 14 shall nevertheless stand, the restrictive period shall be deemed to be the longest period permissible by law under the circumstances and the Territory shall be deemed to comprise the largest territory permissible by law under the circumstances. The arbitrator in each case shall reduce the restricted period and/or the Territory to permissible duration or size.

(e) Non-Solicitation of Employees. Executive agrees that while employed by the Company and for two (2) years after the cessation of the Executive's employment for whatever reason, the Executive will not recruit, hire or attempt to recruit or hire, directly or assisted by others, any other employee of the Company with whom the Executive had contact during the Executive=s employment with the Company. For the purposes of this paragraph Acontact@ means any interaction whatsoever between the Executive and the other employee.

(f) Non-Solicitation of Customers. Executive agrees that while employed by the Company and for two (2) years after the cessation of the Executive's employment for whatever reason, the Executive will not directly or indirectly, for himself or on behalf of any other person, partnership, company, corporation or other entity, solicit or attempt to solicit, for the purpose of engaging in competition with the Company,

(i) any person or entity whose account was serviced by Executive at the Company; or

(ii) any person or entity who is or has been a customer of the Company prior to Executive's termination; or

(iii) any person or entity the Company has targeted and contacted prior to Executive's termination for the purpose of establishing a customer relationship.

Executive agrees that these restrictions are necessary to protect Executive's legitimate business interests, and Executive agrees that these restrictions will not prevent Executive from earning a livelihood.

15. TAX INDEMNITY.

Should any of the payments of salary, other incentive or supplemental compensation, benefits, allowances, awards, payments, reimbursements or other perquisites, or any other payment in the nature of compensation, singularly, in any combination or in the aggregate, that are provided for hereunder to be paid to or for the benefit of the Executive be determined or alleged to be subject to an excise or similar purpose tax pursuant to Section 4999 of the Code, or any successor or other comparable federal, state or local tax law by reason of being a "parachute payment" (within the meaning of Section 280G of the Code), the parties agree to negotiate in good faith changes to this Agreement necessary to avoid such excise or similar purpose tax, without diminishing Executive's salary, other incentive or supplemental compensation, benefits, allowances, awards, payments, reimbursements or other perquisites, or any other payment in the nature of compensation. Alternatively, the Company shall pay to the Executive such additional compensation as is necessary (after taking into account all federal, state and local taxes payable by the Executive as a result of the receipt of such additional compensation) to place the Executive in the same after-tax position (including federal, state and local taxes) he would have been in had no such excise or similar purpose tax (or interest or penalties thereon) been paid or incurred. The Company hereby agrees to pay such additional compensation within the earlier to occur of (i) five business days after the Executive notifies the Company that the Executive intends to file a tax return taking the position that such excise or similar purpose tax is due and payable in reliance on a written opinion of the Executive's tax counsel (such tax counsel to be chosen solely by the Executive) that it is more likely than not that such excise tax is due and payable or (ii) 24 hours of any notice of or action by the Company that it intends to take the position that such excise tax is due and payable. The costs of obtaining the tax counsel opinion referred to in clause (i) of the preceding sentence shall be borne by the Company, and as long as such tax counsel was chosen by the Executive in good faith, the conclusions reached in such opinion shall not be challenged or disputed by the Company. If the Executive intends to make any payment with respect to any such excise or similar purpose tax as a result of an adjustment to the Executive's tax liability by any federal, state or local tax authority, the Company will pay such additional compensation by delivering its cashier's check payable in such amount to the Executive within five business days after the Executive notifies the Company of his intention to make such payment. Without limiting the obligation of the Company hereunder, the Executive agrees, in the event the Executive makes any payment pursuant to the preceding sentence, to negotiate with the Company in good faith with respect to procedures reasonably requested by the Company which would afford the Company the ability to contest the imposition of such excise or similar purpose tax; provided, however, that the Executive will not be required to afford the Company any right to contest the applicability of any such excise or similar purpose tax to the extent that the Executive reasonably determines (based upon the opinion of his tax counsel) that such contest is inconsistent with the overall tax interests of the Executive.

16. LOCATIONS OF PERFORMANCE.

The Executive's services shall be performed primarily in the vicinity of Arlington, Texas. The parties acknowledge, however, that the Executive will be required to travel in connection with the performance of his duties.

17. PROPRIETARY INFORMATION.

(a) The Executive agrees to comply fully with the Company's policies relating to non-disclosure of the Company's trade secrets and proprietary information and processes. Without limiting the generality of the foregoing, the Executive will not, during the term of his Employment, disclose any such secrets, information or processes to any person, firm, corporation, association or other entity for any reason or purpose whatsoever except as may be required by law or governmental agency or legal process, nor shall the Executive make use of any such property for his own purposes or for the benefit of any person, firm, corporation or other entity (except the Company or any of its subsidiaries) under any circumstances during or after the term of his Employment, provided that after the term of his Employment this provision shall not apply to secrets, information and processes that are then in the public domain (provided that the Executive was not responsible, directly or indirectly, for such secrets, information or processes entering the public domain without the Company's consent).

(b) The Executive hereby sells, transfers and assigns to the Company all the entire right, title and interest of the Executive in and to all inventions, ideas, disclosures and improvements, whether patented or unpatented, and copyrightable material, to the extent made or conceived by the Executive solely or jointly with others during the term of this Agreement The Executive shall communicate promptly and disclose to the Company, in such form as the Company requests, all information, details and data pertaining to the aforementioned and, whether during the term hereof or thereafter, the Executive shall execute and deliver to the Company such formal transfers and assignments and such other papers and documents as may be required of the Executive to permit the Company to file and prosecute any patent applications relating to same and, as to copyrightable material, to obtain copyright thereon.

(c) Trade secrets, proprietary information and processes shall not be deemed to include information which is: (i) known to the Executive at the time it is disclosed to him; (ii) publicly known (or becomes publicly known) without the fault or negligence of Executive; (iii) received from a third party without restriction and without breach of this Agreement; (iv) approved for release by written authorization of the Company; or (v) required to be disclosed by law or legal process; provided, however, that in the event of a proposed disclosure pursuant to this subsection (c)(v), the Executive shall give the Company prior written notice before such disclosure is made in a time and manner which will best provide the Company with the ability to oppose such disclosure.

18. ASSIGNMENT.

This Agreement may not be assigned by either party; provided that the Company may assign this Agreement (i) in connection with a merger or consolidation involving the Company or a sale of its business, properties and assets substantially as an entirety to the surviving corporation or purchaser as the case may be, so long as such assignee assumes the Company's obligations hereunder; and (ii) so long as the assignment in the reasonable discretion of Executive does not result in a materially increased risk of non-performance of the Company's obligations hereunder by the assignee. The Company shall require as a condition of such assignment any successor (direct or indirect (including, without limitation, by becoming the sole stockholder of the Company) and whether by purchase, merger, consolidation, share exchange or otherwise) to the business, properties and assets of the Company substantially as an entirety expressly to assume and agree to perform this Agreement in the same manner and to the same extent the Company would have been required to perform it had no such succession taken place. This Agreement shall be binding upon all successors and assigns. In the event of a Change of Control, and regardless of whether the Executive's employment is thereafter terminated, the Company shall cancel Executive's obligations under that certain promissory note dated December 31, 2000, in the principal amount of $1,529,828.00, plus all other loans and advances (principal and interest), and return to Executive, (or, in the case of termination under Section 9(a), the beneficiary the Executive has designated in writing to the Company to receive payment pursuant to Section 9(a) or in the absence of such designation, the Executive's estate) within ten days, all property securing the payment thereof. Any taxes due by Executive as a result of the forgiveness under this provision of the Executive's debt to the Company will be the sole obligation of the Company.

19. NOTICES.

Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and sent by registered or certified mail to the Executive at his residence maintained on the Company's records, or to the Company at its address at 690 E. Lamar Blvd. Suite 400, Arlington, Texas 76011, Attention: Corporate Secretary, or such other addresses as either party shall notify the other in accordance with the above procedure.

20. FORCE MAJEURE.

Neither party shall be liable to the other for any delay or failure to perform hereunder, which delay or failure is due to causes beyond the control of said party, including, but not limited to: acts of God; acts of the public enemy; acts of the United States of America or any state, territory or political subdivision thereof or of the District of Columbia; fires; floods; epidemics; quarantine restrictions; strikes; or freight embargoes; provided, however, that this Section 20 will not relieve the Company of any of its payment obligations to the Executive under this Agreement. Notwithstanding the foregoing provisions of this Section 20, in every case the delay or failure to perform must be beyond the control and without the fault or negligence of the party claiming excusable delay.

21. INTEGRATION.

This Agreement represents the entire agreement and understanding between the parties as to the subject matter hereof and supersedes all prior or contemporaneous agreements whether written or oral. No waiver, alteration or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by duly authorized representatives of the parties hereto.

22. WAIVER.

Failure or delay on the part of either party hereto to enforce any right, power or privilege hereunder shall not be deemed to constitute a waiver thereof. Additionally, a waiver by either party of a breach of any promise herein by the other party shall not operate as or be construed to constitute a waiver of any subsequent breach by such other party.

23. SAVINGS CLAUSE.

If any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall to any extent be invalid or

unenforceable, the remainder of this Agreement, or the application of such term, covenant or condition to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term, covenant or condition of this Agreement shall be valid and enforced to the fullest extent permitted by law.

24. AUTHORITY TO CONTRACT.

The Company warrants and represents to the Executive that the Company has full authority to enter into this Agreement and to consummate the transactions contemplated hereby and that this Agreement is not in conflict with any other agreement to which the Company is a party or by which it may be bound. The Company further warrants and represents to the Executive that the individual executing this Agreement on behalf of the Company has the full power and authority to bind the Company to the terms hereof and has been authorized to do so in accordance with the Company's articles or certificate of incorporation and bylaws.

25. PAYMENT OF EXPENSES.

If at any time during the term hereof or afterwards: (a) there should exist a dispute or conflict between the Executive and the Company or another Person as to the validity, interpretation or application of any term or condition hereof, or as to the Executive's entitlement to any benefit intended to be bestowed hereby, which is not resolved to the satisfaction of the Executive, (b) the Executive must (i) defend the validity of this Agreement or (ii) contest any determination by the Company concerning the amounts payable (or reimbursable) by the Company to the Executive or (c) the Executive must prepare responses to an Internal Revenue Service ("IRS") audit of, or otherwise defend, his personal income tax return for any year the subject of any such audit, or an adverse determination, administrative proceedings or civil litigation arising therefrom, which is occasioned by or related to an audit by the IRS of the Company's income tax returns, then the Company hereby unconditionally agrees: (a) on written demand of the Company by the Executive, to provide sums sufficient to advance and pay on a current basis (either by paying directly or by reimbursing the Executive) not less than 30 days after a written request therefor is submitted by the Executive, all the Executive's costs and expenses (including, without limitation, attorney's fees, expenses of investigation, travel, lodging, copying, delivery services and disbursements for the fees and expenses of experts, etc.) incurred by the Executive in connection with any such matter; (b) the Executive shall be entitled, on demand in accordance with Section 27, below, to the entry of a mandatory injunction without the necessity of posting any bond with respect thereto which compels the Company to pay or advance such costs and expenses on a current basis; and (c) the Company's obligations under this Section 25 will not be affected if the Executive is not the prevailing party in the final resolution of any such matter unless it is determined pursuant to Section 27 that, in the case of one or more of such matters, the Executive has acted in bad faith or without a reasonable basis for his position, in which event and, then only with respect to such matter or matters, the successful or prevailing party or parties shall be entitled to recover from the Executive reasonable attorneys' fees and other costs incurred in connection with that matter or matters (including the amounts paid by the Company in respect of that matter or matters pursuant to this Section 25), in addition to any other relief to which it or they may be entitled.

26. REMEDIES.

In the event of a breach by the Executive of Section 14 or 17 of this Agreement, in addition to other remedies provided by applicable law, the Company will be entitled to issuance of a temporary restraining order or preliminary injunction enforcing its rights under such Section.

27. ARBITRATION.

This Agreement Is Subject to Binding Arbitration. Any dispute or controversy arising under or in connection with this Agreement or in any manner associated with Employee's employment (other than those described in Section 26 _ Remedies) shall be settled exclusively by arbitration in Arlington, Texas, in accordance with the rules of the American Arbitration Association then in effect. The parties agree to execute and be bound by the mutual agreement to arbitrate claims attached hereto as Attachment A.

28. GOVERNING LAW.

This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

29. WAIVER OF ACTUAL OR POTENTIAL CONFLICTS OF INTEREST

Should it become necessary for Executive to seek to enforce the terms of this Agreement, the Company consents to Executive's use of counsel which either then or may have in the past represented the Company, provided that counsel agrees to undertake Executive's representation, and such representation and waiver of actual or potential conflicts of interest is in accordance with the Texas State Bar Rules, including the Texas Disciplinary Rules of Professional Conduct. To the extent permitted by the Rules, the Company waives any such actual or potential conflict of interest arising thereby.

30. COUNTERPARTS.

This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

31. INDEMNIFICATION.

The Executive shall be indemnified by the Company to the maximum permitted by the law of the state of the Company's incorporation, and by the law of the state of incorporation of any subsidiary of the Company of which the Executive is a director or an officer or employee, as the same may be in effect from time to time.

32. INTEREST.

If any amounts required to be paid or reimbursed to the Executive hereunder are not so paid or reimbursed at the times provided herein (including amounts required to be paid by the Company pursuant to Sections 7, 15 and 25), those amounts shall bear interest at the rate of 7%, from the date those amounts were required to have been paid or reimbursed to the Executive until those amounts are finally and fully paid or reimbursed; provided, however, that in no event shall the amount of interest contracted for, charged or received hereunder exceed the maximum non-usurious amount of interest allowed by applicable law.

33. TIME OF THE ESSENCE.

Time is of the essence with respect to any act required to be performed by this Agreement.

34. PRIOR INSTRUMENTS UNAFFECTED.

Except for the Old Employment Agreement which is being terminated pursuant to this Agreement, all prior instruments between the Company and Executive shall remain in full force and effect and the terms and conditions thereof shall not be affected by this Agreement.

FIRST CASH FINANCIAL SERVICES, INC.	EXECUTIVE
/S/ PHILLIP E. POWELL	/S/ RICK L. WESSEL
Phillip E. Powell, Chief Executive Officer and Chairman of the Board	Rick L. Wessel

ATTACHMENT "A"

MUTUAL AGREEMENT TO ARBITRATE

1. I, Rick L. Wessel, recognize that differences could arise between First Cash Financial Services, Inc. ("the Company") and me during or following my employment with the Company. I understand and agree that by entering into this Mutual Agreement to Arbitrate ("Agreement"), I gain the benefits of a speedy, impartial dispute-resolution procedure.

2. I understand that any reference in this Agreement to the Company will be a reference also to all stockholders, directors, officers, employees, parents, subsidiaries and affiliated entities, all benefit plans, the benefit plans' sponsors, fiduciaries, administrators, and all successors and assigns of any of them.

Claims Covered by the Agreement

3. The Company and I mutually agree to the resolution by arbitration of all claims or controversies ("claims"), whether or not arising out of my employment (or its termination), that the Company may have against me or that I may have against the Company. The claims covered by this Agreement include, but are not limited to, claims under my Employment Agreement, claims for wages or other compensation due; for breach of any contract or covenant (express or implied); tort claims; claims for discrimination (including, but not limited to, race sex, color, religion, national origin, age (state or federal Age Discrimination in Employment Act), marital status, veterans status, sexual preference, medical condition, handicap or disability); claims for benefits (except where an employee benefit or pension plan specifies that its claims procedure shall culminate in an arbitration procedure different from this one); and claims for violation of any federal, state, or other law, statute, regulation, or ordinance, except claims excluded in the following paragraphs.

Claims Not Covered by the Agreement

4. Claims I may have for workers' compensation or unemployment compensation benefits are not covered by this Agreement.

Arbitration

5. (a) Procedure for Injunctive Relief. In the event either the Company or myself seeks injunctive relief, the claim shall be administratively expedited by the American Arbitration Association ("AAA"), which shall appoint a single, neutral arbitrator for the limited purpose of deciding such claim. Such arbitrator shall be a qualified member of the State Bar of Texas in good standing, and preferably shall be a retired state or federal district judge. The single arbitrator shall decide the claim for injunctive relief immediately on hearing or receiving the parties' submissions (unless, in the interests of justice, he must rule ex parte); provided, however, that the single arbitrator shall rule on such claims within 24 hours of submission of the claim to the AAA. The single arbitrator's ruling shall not extend beyond 14 calendar days and on application by the claimant, up to an additional 14 days following which, after a hearing on the claim for injunctive relief, a temporary injunction may issue pending the award. Any relief granted under this procedure for injunctive relief shall be specifically enforceable in Harris County District Court on an expedited, ex parte basis and shall not be the subject of any evidentiary hearing or further submission by either party, but the court, on application to enforce a temporary order, shall issue such orders as necessary to its enforcement.

(b) Procedure after a Claim for Injunctive Relief or where no Claim for Injunctive Relief Is Made. The arbitrator shall be selected as

follows: in the event the Company and I agree on one arbitrator, the arbitration shall be conducted by such arbitrator. In the event the Company and I do not agree, the Company and I shall each select one independent, qualified arbitrator, and the two arbitrators so selected shall select the third arbitrator. The arbitrator(s) are herein referred to as the "Panel." The Company reserves the right to object to any individual arbitrator who shall be employed by or affiliated with a competing organization.

(c) The Arbitration shall take place at Arlington, Texas, or any other location mutually agreeable to us. At the request of either of us, arbitration proceedings will be conducted in the utmost secrecy; in such case all documents, testimony and records shall be received, heard and maintained by the Panel in secrecy, available for inspection only by the Company or me and our respective attorneys and our respective experts, who shall agree in advance and in writing to receive all such information confidentially and to maintain such information in secrecy until such information shall become generally known. The Panel shall be able to award any and all relief, including relief of an equitable nature. The award rendered by the Panel may be enforceable in any court having jurisdiction thereof.

(d) The Company will pay all the fees and out-of-pocket expenses of each arbitrator selected pursuant to this Section 5 and the AAA. In addition, the Company will pay my reasonable attorneys' fees, unless the arbitration is the result of a termination for cause as defined in Section 13(f)(ii) of the Executive Employment Agreement to which this Attachment is appended.

Requirements for Modification or Revocation

6. This Agreement to arbitrate shall survive the termination of my employment. It can only be revoked or modified by a writing signed by the Company and I, which specifically states a mutual intent to revoke or modify this Agreement.

Sole and Entire Agreement

7. This is the complete agreement of us on the subject of arbitration of disputes [except for any arbitration agreement in connection with any pension or benefit plan].

This Agreement supersedes any prior or contemporaneous oral or written understanding on the subject.

8. Neither of us is relying on any representations, oral or written, on the subject of the effect, enforceability or meaning of this Agreement, except as specifically set forth in this Agreement.

Construction

9. If any provision of this Agreement is found to be void or otherwise unenforceable, in whole or in part, such adjudication shall not affect the validity of the remainder of the Agreement.

Consideration

10. The promises by the Company and by me to arbitrate differences, rather than litigate them before courts or other bodes, provide consideration for each other. In addition, I have entered into an Employment Agreement as further consideration for entering into this Agreement.

Not an Employment Agreement

11. This Arbitration Agreement is purely procedural. It does not provide any substantive rights in addition to those provided by applicable law or my Employment Agreement.

Voluntary

12. I acknowledge that I have carefully read this agreement, that I understand its terms, that all understandings and agreements between the company and me relating to the subjects covered in the agreement are contained in it, and that I have entered into the agreement voluntarily and not in reliance on any promises or representations by the company other than those contained in this agreement itself.

13. The Age Discrimination in Employment Act protects individuals over 40 years of age from age discrimination. The ADEA contains some special requirements before an employee can give up the right to file a lawsuit in court. The following provisions are designed to comply with those requirements.

a. I agree that this Agreement to arbitrate is valuable to me, because it permits a faster resolution of claims that I would receive in court.

b. I have been advised to consult an attorney before signing this.

c. I have 21 days to consider this Agreement. However, I may sign it sooner if I wish to do so.

d. I have 7 days following my signing this Agreement to revoke my signature, and the Agreement will not be legally binding until the 7 day period has gone by.

33. I FURTHER ACKNOWLEDGE THAT I HAVE BEEN GIVEN THE OPPORTUNITY TO DISCUSS THIS AGREEMENT WITH MY PRIVATE LEGAL COUNSEL AND HAVE AVAILED MYSELF TO THAT OPPORTUNITY TO THE EXTENT I WISH TO DO SO.

First Cash Financial Services, Inc.	Executive
/S/ PHILLIP E. POWELL	/S/ RICK L. WESSEL
Phillip E. Powell, Chief Executive Officer and Chairman of the Board	Rick L. Wessel

Exhibit 21.0

FIRST CASH FINANCIAL SERVICES, INC.
SUBSIDIARIES

Subsidiary Name	Country/State of Incorporation	Percentage Owned by Registrant
American Loan and Jewelry, Inc.	Texas 100%	
Famous Pawn, Inc.	Maryland	100%
JB Pawn, Inc.	Texas	100%
Miraglia, Inc.	California	100%
Capital Pawnbrokers, Inc.	Maryland	100%
Silver Hill Pawn, Inc.	Maryland	100%
Elegant Floors, Inc.	Maryland	100%
One Iron Ventures, Inc.	Illinois	100%
First Cash, S.A. De C.V.	Mexico	100%
First Cash, Ltd.	Texas	100%
First Cash Corp	Delaware	100%
First Cash Management, LLC	Delaware	100%
First Cash, Inc.	Nevada	100%

Exhibit 23.1

INDEPENDENT AUDITORS' CONSENT

We consent to the incorporation by reference in Registration Statement No. 333-71077 of First Cash Financial Services, Inc. on Form S-3 and Registration Statement No. 333-73391 on Form S-8 of our report dated February 6, 2001 (which report expresses an unqualified opinion and includes an explanatory paragraph relating to the Company's change in method of accounting for income recognition on pawn loans in 2000), appearing in this Annual Report on Form 10-K of First Cash Financial Services, Inc. for the year ended December 31, 2000.

DELOITTE & TOUCHE LLP
Fort Worth, Texas
March 30, 2001

Exhibit 23.2

CONSENT

The Board of Directors
First Cash Financial Services, Inc.

We consent to the incorporation by reference of our legal opinion contained in the Registration Statement on Form S-3 dated January 22, 1999, File No. 333-71077 and in the Registration Statement on Form S-8 dated March 5, 1999, File No. 333-73391.

BREWER & PRITCHARD, P.C.
Houston, Texas
March 28, 2001