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, 2004, 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. [ ]

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Securities Exchange Act). Yes [X] No [ ]

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 June 30, 2004, the last trading date of registrant's most recently completed second fiscal quarter is $276,126,000.

As of March 10, 2005, there were 16,080,140 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 May 26, 2005, 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, 2004

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PART I

Forward-Looking Information

This annual report may contain forward-looking statements about the business, financial condition and prospects of First Cash Financial Services, Inc. Forward-looking statements can be identified by the use of forward-looking terminology such as "believes," "projects," "expects," "may," "estimates," "should," "plans," "intends," "could," or "anticipates" or the negative thereof, or other variations thereon, or comparable terminology, or by discussions of strategy. Forward-looking statements in this annual report include, without limitation, the Company's liquidity forecast for 2005 and its expectations for new store openings and acquisitions in 2005. These statements are made to provide the public with management's assessment of the Company's business. 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. Security holders are cautioned that such forward-looking statements involve risks and uncertainties. The forward-looking statements contained in this annual report speak only as of the date of this statement, 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. Certain factors may cause results to differ materially from those anticipated by some of the statements made in this annual report. Such factors are difficult to predict and many are beyond the control of the Company. Recently revised federal regulations affecting the payday advance industry could affect the Company's financial results and growth expectations in certain markets; however, the impact of the revised regulations cannot be estimated at the current time. Other such factors may include changes in regional, national or international economic conditions, changes or increases in competition, the ability to open and integrate new stores, the ability to maintain favorable banking relationships as it relates to short-term lending products, changes in governmental regulations, unforeseen litigation, changes in interest rates, changes in tax rates or policies, changes in gold prices, changes in foreign currency exchange rates, future business decisions, and other uncertainties.

Stock Split

In March 2004, the Company's Board of Directors approved a three-for-two stock split in the form of a stock dividend to shareholders of record on March 22, 2004. The additional shares were distributed on April 6, 2004. All share and per share amounts (except authorized shares, treasury shares and par value) have been retroactively adjusted to reflect the split.

Item 1. Business

General

First Cash Financial Services, Inc. (the "Company") is a leading provider of specialty consumer finance products. The Company currently has 292 locations in eleven U.S. states and five states in Mexico and is the nation's third largest publicly traded pawnshop operator. The Company's pawn stores engage in both consumer finance and retail sales activities, and are a convenient source for small consumer loans, advancing money against pledged tangible personal property such as jewelry, electronic equipment, tools, sporting goods and musical equipment. The pawn stores also retail previously owned merchandise acquired through collateral forfeitures and over-the-counter purchases from customers. In addition, many of the Company's pawn stores offer short-term advances, which are also known as payday loans.

The Company also operates stand-alone payday advance stores in several U.S. states. These stores provide a broad range of consumer financial services products, including payday, or short-term advances, check cashing, money order sales, money transfers and bill payment services. In addition, the Company is a 50% partner in Cash & Go, Ltd., a Texas limited partnership, which currently owns and operates 40 kiosks located inside convenience stores, which offer short-term advances and check cashing.

For the year ended December 31, 2004, the Company's revenues were derived as follows: 48% from merchandise sales, 19% from pawn lending activities, 30% from short-term advance lending activities, and 3% from other sources, primarily check cashing fees.

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., WR Financial, Inc., Famous Pawn, Inc., JB Pawn, Inc., Cash & Go, Inc., One Iron Ventures, Inc., Capital Pawnbrokers, Inc., Silver Hill Pawn, Inc., Elegant Floors, Inc., First Cash, S.A. de C.V., American Loan Employee Services, S.A. de C.V., First Cash, Ltd., First Cash Corp., First Cash Management, LLC, First Cash, Inc., FCFS MO, Inc., FCFS OK, Inc., and FCFS SC, 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

Specialty consumer finance represents a rapidly growing segment of the overall financial services industry. This segment focuses on providing a quick and convenient source of short-term credit to unbanked, underbanked and credit-challenged customers. This segment of consumers is typically not effectively or efficiently served by traditional lenders such as banks, credit unions or credit-card servicers. First Cash competes directly in the specialty consumer finance industry through both its pawn loan product and its short-term or payday advance product.

The pawnshop industry in the United States is an established industry, with the highest concentration of pawnshops being in the Southeast and Southwest regions of the country. 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. Management believes the U.S. pawnshop industry is highly fragmented with approximately 15,000 stores in the country. The three major publicly traded pawnshop companies currently operate approximately 1,000 of the pawnshops in the United States. The Company believes that individuals operating one to three locations own the majority of pawnshops. 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 pawnshop industry in Mexico is substantially underdeveloped as compared to the U.S. Management believes the Mexican pawnshop industry is somewhat fragmented, as in the U.S., but with fewer than 2,000 stores in the entire country. Management estimates that the three largest operators, including First Cash, account for approximately 20% of all pawn stores. First Cash is one of few U.S. companies with a presence in Mexico and the only major publicly traded U.S. company that is doing business there. The Company currently operates over 100 pawnshops in Mexico and sees significant opportunity due to the large potential consumer base and limited competition in new and existing Mexican markets.

The short-term or payday advance industry is a relatively new industry and is experiencing rapid growth in the U.S. A leading industry analyst estimates that there are over 21,500 payday advance locations throughout the United States. The number of industry-wide payday advance locations is expected to double over the next decade. There are several privately held chains that operate from 100 up to approximately 1,200 stores each. The eight largest publicly held operators of payday advance stores, which includes First Cash Financial Services, Inc., operate a combined total of over 5,700 stores. There is currently not a similar short-term or payday advance industry in Mexico due to relatively few Mexican consumers that utilize checking accounts in a manner that is conducive to payday advance lending.

Business Strategy

The Company's primary business plan is to significantly expand its operations by opening new pawnshops and payday advance stores. In addition, it will continue to remain focused on increasing the revenues and operating profits in its existing stores.

New Store Openings

The Company has opened 118 new pawn stores and 66 new payday advance stores since its inception and currently intends to open both additional pawn stores and payday advance stores in locations where management believes appropriate demand and other favorable conditions exist. During the years ended December 31, 2004, 2003 and 2002, the Company opened 40, 31 and 25 new pawn stores, respectively, and over the same three years, the Company opened 12, 16 and 13 new payday advance stores, respectively.

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 open for business within six to eight weeks. The investment required to open a new pawn store includes store operating cash, inventory, funds available for pawns loans, leasehold improvements, 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 $335,000 is required to fund a new pawn store for the first six months of operation. The Company also estimates that between $200,000 and $335,000 is required to fund a new payday advance store for the first six months of operation, which includes investments for leasehold improvements, security and computer equipment, funds available for short-term advances, store operating cash, and start-up losses.

The Company currently plans to continue its expansion in existing markets, with the primary focus being pawn stores, primarily in Mexico, and secondarily, payday advance stores in the U.S. The Company continues to evaluate new markets with favorable demographics and regulatory environments. The Company has an organizational structure that it believes is capable of supporting a larger, multi-country and multi-state store base.

Enhance Productivity of Existing and Newly Opened Stores

The primary factors affecting the profitability of the Company's existing store base are the volume of retail sales, the gross profit on retail sales, the level of pawn loans outstanding, the level of short-term advances outstanding, the volume of check cashing and other consumer financial services, and the control of store expenses, including the loss provision expense related to short-term advances. 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/short-term advance stores and to make customers feel more comfortable. In addition to well-lit parking facilities, the stores' exteriors typically 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 stores and improved merchandise presentation by categorizing items into departments, improving the lighting and installing better in-store signage.

The Company has implemented an employee-training program for both store and corporate-level personnel that stresses productivity and professionalism. The Company utilizes a proprietary computer information system that provides fully integrated functionality to support point-of-sale retail operations, inventory management and loan processing. Each store is connected on a real-time basis to a secured off-site data center located in Allen, Texas, that houses the centralized database and operating system. The system provides management the ability to continuously monitor store transactions and operating results. The Company maintains a well-trained internal audit staff that conducts regular store visits to test compliance with financial and operational controls. 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.

Acquisitions

Because of the highly fragmented nature of both the pawn industry and the payday advance industry, as well as the availability of certain regional chains and "mom & pop" sole proprietors willing to sell their stores, the Company believes that certain acquisition opportunities may arise from time to time. 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 includes an evaluation of the volume of annual pawn transactions, outstanding receivable 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 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 short-term advance product.

Pawn Lending Activities

The Company's pawn stores advance 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 the only security to the Company for the repayment of the pawn, as pawns cannot result in 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. Receivables from pawn loans at December 31, 2004 and 2003 were $23,429,000 and $20,037,000, respectively.

At the time a pawn transaction is entered into, an agreement, commonly referred to as a pawn ticket, is delivered to the borrower for signature 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.

Pledged property is held through the term of the pawn, which is 30 days in Texas, South Carolina, Missouri, Virginia, and Oklahoma, with an automatic extension period of 15 to 60 days depending on state laws, unless the pawn is earlier paid or renewed. In Maryland, Washington, D.C., and Mexico, pledged property is held for 30 days. In the event the borrower does not pay or renew a pawn within 90 days in South Carolina and Missouri, 60 days in Texas and Oklahoma, 45 days in Virginia, and 30 days in Maryland, Washington, D.C., and Mexico, the unredeemed collateral is forfeited to the Company and becomes inventory available for general liquidation or sale in one of the Company's stores. If a pawn 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 principal amount of the loan, exclusive of accrued interest.

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 pawn 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, on-line auction sites and newspapers. The Company also utilizes its integrated computer information system 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 pawn 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 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 pawned.

The Company contracts for a pawn service charge in lieu of interest to compensate it for the pawn loan. The statutory service charges on pawns at its Texas stores range from 12% to 240% on an annualized basis depending on the size of the pawn, and from 39% to 240% on an annualized basis at the Company's Oklahoma stores. Pawns made in the Maryland stores bear service charges of 144% to 240% on an annualized basis with a $6 minimum charge per month, while pawns in Virginia earn 120% to 144% annually with a $5 minimum charge per month. In Washington, D.C., a flat $2 charge per month applies to all pawns up to $40, and an 18% to 60% annualized service charge applies to pawns of greater than $40. In Missouri, pawns bear a total service and storage charge of 180% to 240% on an annualized basis with a $2.50 minimum charge per month, and South Carolina rates range from 100% to 300%. In Mexico, pawns bear an annualized rate of 240%. As of December 31, 2004, the Company's average pawn per pawn ticket was approximately $62. Service charge revenues for pawns during the fiscal years ended December 31, 2004, 2003 and 2002 were $34,663,000, $28,804,000 and $21,723,000, respectively, and accounted for approximately 39%, 40% and 37%, respectively, of the Company's total service charge revenues. For the fiscal years ended December 31, 2004, 2003 and 2002, the Company's annualized yields on average pawn balances were 159%, 157% and 143%, respectively.

Short-term Advance Activities

The Company's short-term (or payday) advance stores and selected pawn stores, make short-term advances for a term of thirty days or less. To qualify for a short-term 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 customer's check into its checking account. Receivables from short-term advances, net of short-term advance loss valuation allowances, at December 31, 2004 and 2003 were $15,465,000 and $13,759,000, respectively. Short-term advance transactions are subject to federal truth-in-lending regulations and fair debt collection practice regulations. In addition, state and federal regulations exist in certain markets, which, among other things, limit the number of consecutive short-term advances a customer can obtain or limit the total transactions over a specified time period.

Fees charged for short-term advances are generally regulated by state law and range from 13.9% to 40% of the amount advanced per transaction. Service charge revenues for short-term advances during the fiscal years ended December 31, 2004, 2003 and 2002 were $54,123,000, $42,939,000 and $36,473,000, respectively, and accounted for approximately 61%, 60% and 63%, respectively, of the Company's total service charge revenues.

The bank returns a significant number of customer short-term advance checks deposited by the Company because there are insufficient funds in the customer's account. However, the Company subsequently collects a large percentage of these bad debts by redepositing the customer's check or subsequent cash repayment by the customer. The profitability of the Company's short-term advance operations is dependent upon adequate collection of these returned items. The short-term loss valuation allowances were $552,000 and $497,000 at December 31, 2004 and 2003, respectively.

Merchandise Sales

The Company's merchandise sales are primarily retail sales to the general public in its pawn stores. The items retailed are primarily used jewelry, consumer electronics, tools, musical instruments, and sporting goods. The Company also melts down limited quantities of scrap gold jewelry and sells the gold at market commodity prices. Total merchandise sales during the years ended December 31, 2004, 2003 and 2002 accounted for approximately 48% of the Company's total revenues in each of these periods. For the years ended December 31, 2004, 2003 and 2002 the Company realized gross profit margins on merchandise sales of 40%, 41% and 42%, respectively.

The Company acquires merchandise inventory primarily through forfeited pawns and purchases of used goods directly from the general public. Merchandise acquired by the Company through defaulted pawns is carried in inventory at the amount of the related pawn loan, exclusive of any accrued service charges. 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 provide a standard or automatic warranty on merchandise sold. 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.

Operations and Locations

As of December 31, 2004, the Company operated stores in the following markets:

	Pawn Stores	Payday Advance Stores	Total Stores
United States:			
Texas (1)................	58	46	104
Maryland.................	21	-	21
California...............	-	15	15
Illinois.................	-	10	10
District of Columbia (1).	2	7	9
South Carolina (1).......	8	-	8
Oregon...................	-	6	6
Washington...............	-	3	3
Missouri.................	3	-	3
Oklahoma (1).............	3	-	3
Virginia.................	2	-	2
Mexico:			
Tamaulipas...............	28	-	28
Nuevo Leon...............	27	-	27
Coahuila.................	22	-	22

Chihuahua................	21	-	21
Durango..................	2	-	2
Total	197	87	284

(1) Pawn stores in these markets also offer the payday or short-term advance product.

In addition, at December 31, 2004, the Company's 50% owned joint venture, Cash & Go, Ltd., operated a total of 40 kiosks located inside convenience stores in the state of Texas.

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 metropolitan area, the greater Houston metropolitan area, the Rio Grande Valley area, the Corpus Christi area, the El Paso area, the central Texas area (Austin, San Antonio and surrounding cities) and the west Texas 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, in the Pacific Northwest, and in northern Mexico.

Financial information about geographic areas is provided in Note 13 of the Notes to the Consolidated Financial Statements.

Pawn Store Operations

The typical Company pawn store is a freestanding 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 merchandise sales, service charge revenues, pawns 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 customers by lending a competitive percentage of the estimated sale value of items presented for pledge and by providing quick financing, renewal and redemption services in an appealing atmosphere.

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 supervisor reports to one of three regional vice-presidents.

The Company believes that profitability of its pawnshops is dependent, among other factors, upon its employees' ability to make pawns 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 pawn 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 on sales, gross profit and special promotional contests.

Payday Advance Operations

The Company's payday advance locations are typically part of a 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 typically 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 payday advance stores allow a store manager or clerk to recall rapidly customer check cashing histories, short-term advance histories, and other vital information. The Company attempts to attract customers primarily through television advertisements and yellow page advertisements.

Each check cashing/short-term loan store employs a manager, and between one 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 store manager reports to an area supervisor who typically oversees two to five store managers. Each supervisor reports to one of two regional vice-presidents.

The kiosks operated by the Cash & Go, Ltd., joint venture are located inside convenience stores. Each kiosk is a physically secured area with its own counter space within the convenience store. Each kiosk is typically staffed by one or two employees at any point in time.

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/short-term advance operators. There are three publicly held pawnshop operators and five publicly held payday advance/check cashing operators, all of which have more locations than the Company. There are several privately held operators of payday advance stores, some of which are significantly larger than the Company. In addition, both the pawnshop and 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 pawns and short-term 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 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, 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.

Governmental Regulation

General

The Company is subject to extensive regulation in most jurisdictions in which it operates, including jurisdictions that regulate pawn lending, short-term advances and check cashing. The Company's pawnshop and short-term advance operations in the United States are subject to, and must comply with, extensive regulation, supervision and licensing from various federal, state and local statutes, ordinances, and regulations. These statutes prescribe, among other things, the general terms of the loans and the service charges and/or interest rates that may be charged. These regulatory agencies have broad discretionary authority. The Company is also subject to federal and state regulation relating to the reporting and recording of certain currency transactions. The Company's pawnshop operations in Mexico are also subject to, and must comply with, general business, tax and consumer protection regulations from various federal, state and local governmental agencies in Mexico. There can be no assurance that additional state or federal statutes or regulations in either the United States or Mexico will not be enacted or that existing laws and regulations will not be amended at some future date which could inhibit the ability of the Company to offer pawn loans and short-term advances, 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 and Local Regulations

The Company operates in seven states that have licensing and/or fee regulations on pawns, 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 pawnbroker. 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.

Under some county and municipal ordinances, pawn stores must provide local law enforcement agencies with copies of all daily transactions involving pawns and over-the-counter purchases. These daily transaction reports are designed to provide the local law enforcement officials 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. Goods held to secure pawns 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. 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 also operates in states that have licensing, and/or fee regulations on check cashing and payday or short-term advances, including California, Washington, Oklahoma, 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 short-term advance provider. 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.

In Texas, which does not have favorable short-term lending service charge rates, the Company has entered into an agreement with County Bank of Rehoboth Beach, Delaware, a federally insured State of Delaware chartered financial institution, to act as a loan servicer within the State of Texas for County Bank. The Company is licensed as a regulated servicing agent by the State of Texas. As compensation for the Company acting as County Bank's loan servicer, the Company is entitled to purchase a participation in the loans made by County Bank. The Company's ability to continue to maintain its current relationship with County Bank and to continue to service County Bank loans within the state of Texas is subject to County Bank's ability to continue to export its loan product to the state of Texas. There can be no assurance that County Bank will be able to continue to export its loan product to the state of Texas, and the bank's failure to do so could have a materially adverse impact on the Company's operations and financial condition.

Federal Regulations

There is currently no direct federal regulation of the pawn and payday advance industry. The federal government does, however, regulate the ability of national and state chartered banks to participate in the payday advance industry. The U.S. Office of Comptroller of the Currency has significantly restricted the ability of nationally chartered banks to establish or maintain relationships with loan servicers in order to make out-of-state payday advance loans. The Company does not currently maintain nor intend in the future to establish loan-servicing relationships with nationally chartered banks. In 2003, the Federal Deposit Insurance Corporation ("FDIC"), which regulates the ability of state chartered banks to enter into relationships with out of state payday loan servicers, issued guidelines under which such arrangements are permitted. Texas is the only state in which the Company functions as loan servicer through a relationship with a state chartered bank, County Bank of Rehoboth Beach, Delaware, that is subject to the FDIC guidelines for payday lending.

On March 2, 2005, the FDIC issued revised payday lending guidelines for FDIC-supervised banks, such as County Bank. The revised guidelines include a requirement that such banks develop procedures to ensure that a payday loan is not provided to any customer with payday loans outstanding from any bank for more than three months in the previous twelve months. It currently remains to be determined what procedures may be proposed by the lending banks or accepted by the FDIC in order to meet these guidelines. The Company and County Bank are currently in the process of reviewing the revised guidelines and expect to implement any necessary changes in lending procedures to comply with them. The Company's payday advance revenues from Texas locations totaled $30,554,000 in Fiscal 2004 and represented approximately 17% of the Company's total revenues for 2004. The Company expects that implementation of the revised guidelines could have a negative effect on some portion of its payday lending revenues in its Texas locations, which are the Company's only locations which currently use a bank relationship subject to the FDIC's payday lending guidelines. Until the Company and County Bank complete their review of the revised guidelines and the FDIC approves the revised procedures expected to be developed by County Bank and/or other banks providing payday loans, the exact timing and amount of the financial impact of the revised guidelines cannot be estimated.

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.

The Money Laundering Suppression Act of 1994 added a section to the Bank Secrecy Act requiring the registration of "money services businesses," like the Company, that engage in check cashing, currency exchange, money transmission, or the issuance or redemption of money orders, traveler's checks, and similar instruments. The purpose of the registration is to enable governmental authorities to better enforce laws prohibiting money laundering and other illegal activities. The regulations require money services businesses to register with the Treasury Department by filing a form, adopted by the Financial Crimes Enforcement Network of the Treasury Department ("FinCEN"), and to re-register at least every two years thereafter. The regulations also require that a money services business maintain a list of names and addresses of, and other information about, its agents and that the list be made available to any requesting law enforcement agency (through FinCEN). The agent list must be updated annually.

In March 2000, FinCEN adopted additional regulations, implementing the Bank Secrecy Act that is also addressed to money services businesses. These regulations require money services businesses, such as the Company, to report suspicious transactions involving at least $2,000 to FinCEN. The regulations generally describe three classes of reportable suspicious transactions - one or more related transactions that the money services business knows, suspects, or has reason to suspect (1) involve funds derived from illegal activity or are intended to hide or disguise such funds, (2) are designed to evade the requirements of the Bank Secrecy Act, or (3) appear to serve no business or lawful purpose.

Under the USA PATRIOT Act passed by Congress in 2001, the Company is required to maintain an anti-money laundering compliance program. The program must include (1) the development of internal policies, procedures and controls; (2) the designation of a compliance officer; (3) an ongoing employee-training program; and (4) an independent audit function to test the program. The United States Department of Treasury is expected to issue regulations specifying the appropriate features and elements of the anti-money laundering compliance programs for the pawnbrokering and short-term advance industries.

The Gramm-Leach-Bliley Act requires the Company to generally protect the confidentiality of its customers' nonpublic personal information and to disclose to its customers its privacy policy and practices, including those regarding sharing the customers' nonpublic personal information with third parties. Such disclosure must be made to customers at the time the customer relationship is established, at least annually thereafter, and if there is a change in the Company's privacy policy.

With respect to firearms sales, the Company must comply with the regulations promulgated by the Department of the Treasury-Bureau of Alcohol, Tobacco and Firearms, which requires firearms dealers to maintain a permanent written record of all firearms that it receives or sells. The Company does not currently take firearms as pawn collateral nor does it sell firearms to the public.

Proposed Regulations

Governmental action to prohibit or restrict payday or short-term advances has been advocated over the past few years by consumer advocacy groups and by media reports and stories. The consumer groups and media stories typically focus on the cost to a consumer for that type of short-term advance, which is higher than the interest generally charged by credit-card issuers to a more creditworthy consumer. The consumer groups and media stories often characterize short-term advance activities as abusive toward consumers. During the last few years, legislation has been introduced in the United States Congress and in certain state legislatures, and regulatory authorities have proposed or publicly addressed the possibility of proposing regulations, that would prohibit or restrict short-term advances.

Legislation and regulatory action at the state level that affects consumer lending has recently become effective in a few states and may be passed in other states. The Company intends to continue, with others in the short-term advance industry, to oppose legislative or regulatory action that would prohibit or restrict consumer access to the payday advance product. If legislative or regulatory action with that effect were taken on the federal level or in states such as Texas, in which the Company has a significant number of stores, that action could have a material, adverse effect on the Company's payday advance-related activities and revenues. 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 would have a materially adverse impact on the Company's operations and financial condition.

Employees

The Company had approximately 1,822 employees as of March 10, 2005, including approximately 103 persons employed in executive, administrative and accounting functions. In addition, Cash & Go, Ltd. had approximately 92 employees as of March 10, 2005. None of the Company's employees are covered by collective bargaining agreements. The Company considers its employee relations to be satisfactory.

First Cash Website

The Company's primary website is at http://www.firstcash.com. The Company makes available, free of charge, at its corporate website its annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities and Exchange Act of 1934, as amended, as soon as reasonably practicable after they are electronically filed with the SEC.

Insurance

The Company maintains fire, casualty, theft and public liability insurance for each of its pawn stores and check cashing/short-term 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., Oklahoma, as well as excess employer's indemnification insurance in Texas and equivalent coverage in Mexico. The Company is a non-subscriber under the Texas Workers' Compensation Act.

Item 2. Properties

The Company owns the real estate and buildings for three of its pawn stores and leases 290 pawn and check cashing/short-term advance locations that are currently open or are in the process of opening. Leased facilities are generally leased for a term of three to five years with one or more options to renew. The Company's existing leases expire on dates ranging between 2005 and 2016. All current store leases provide for specified periodic rental payments ranging from approximately $600 to $9,600 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 materially adverse effect on the Company's operations. The Company's strategy is generally to lease, rather than purchase, space for its pawnshop and payday advance 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 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 18,000 square feet in Arlington, Texas for its executive offices. The lease, which expires April 30, 2010, currently provides for monthly rental payments of approximately $24,000. The Company's 50% owned joint venture, Cash & Go, Ltd. leases its kiosk locations under operating leases generally with terms ranging from one to five years, with renewal options for certain locations. The joint venture's existing leases expire on dates ranging between 2005 and 2009. All current Cash and Go, Ltd. leases provide for specified periodic rental payments ranging from approximately $1,100 to $1,700 per month.

Item 3. Legal Proceedings

The Company is from time to time a defendant (actual or threatened) in certain lawsuits and arbitration claims encountered in the ordinary course of its business, the resolution of which, in the opinion of management, should not have a materially 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 2004.

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, which have been adjusted for the Company's stock split on April 6, 2004.

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2004				
High	$24.30	$24.73	$21.42	$27.35
Low	16.93	19.60	16.85	20.34
2003				
High	$ 7.15	$10.09	$15.99	$18.03
Low	5.71	6.63	9.40	13.36

On March 10, 2005, the closing sales price for the Common Stock as reported by the Nasdaq National Market was $21.20 per share. On March 10, 2005, there were approximately 58 stockholders of record of the Common Stock.

No cash dividends have been paid by the Company on its Common Stock. The dividend and earning retention policies are reviewed by the Board of Directors of the Company from time to time in light of, among other things, the Company's earnings, cash flows, and financial position. The Company's revolving credit facility contains provisions that allow the Company to pay cash dividends within certain parameters.

During the period from October 1, 2004 through December 31, 2004, the Company issued 486,000 shares of common stock relating to the exercise of outstanding stock options and warrants for an aggregate exercise price of $7,395,000, including income tax benefit. While the issuance of the derivative securities to officers and employees was exempt under Section 4(2) of the Act, the resale was registered under the Act.

Issuer Purchases of Equity Securities

In July 2004, the Company's Board of Directors authorized a stock repurchase program to permit future repurchases of up to 1,600,000 shares of the Company's outstanding common stock. The following table provides the information with respect to purchases made by the Company of shares of its common stock during each month of 2004 that the program was in effect.

	Total Number Of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plan	Maximum Number Of Shares that May Yet Be Purchased Under the Plan
July 1 through July 31, 2004	270,983	$20.02	270,983	1,329,017
August 1 through August 31, 2004	337,032	19.02	337,032	991,985
September 1 through September 30, 2004	14,700	19.06	14,700	977,285
October 1 through December 31, 2004	-	-	-	977,285
Total	622,715	$19.46	622,715	

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,

	2004	2003	2002	2001	2000
	(in thousands, except per share amounts and certain operating data)				
Income Statement Data:					
Revenues:					
Merchandise sales	$ 86,745	$ 69,808	$ 56,916	$ 53,893	$ 53,177
Pawn service charges	34,663	28,804	21,723	19,714	20,585
Short-term advance service charges	54,123	42,939	36,473	33,314	26,012
Check cashing fees	3,030	2,749	2,659	2,264	2,216
Other	1,252	1,168	1,022	1,242	1,737
	179,813	145,468	118,793	110,427	103,727
Cost of Revenues:					
Cost of goods sold	52,056	41,110	32,890	34,619	34,366
Short-term advance loss provision	11,559	9,879	8,669	8,684	6,346
Check cashing returned items expense	252	233	258	195	153
	63,867	51,222	41,817	43,498	40,865
Gross Profit	115,946	94,246	76,976	66,929	62,862
Expenses:					
Store operating expenses	61,063	51,814	45,163	39,782	38,337
Interest expense	73	472	939	2,307	3,749
Interest income	(67)	(595)	(645)	(912)	(890)
Depreciation	4,173	3,019	2,548	2,283	2,612
Amortization	-	-	-	1,530	1,694
Administrative expenses	17,837	14,807	11,580	9,420	8,217
	83,079	69,517	59,585	54,410	53,719
Income before income taxes	32,867	24,729	17,391	12,519	9,143
Provision for income taxes	12,161	9,397	6,451	4,507	3,476
Income from continuing operations	20,706	15,332	10,940	8,012	5,667
Discontinued operations					
Income (loss) from discontinued operations, net of taxes	-	-	-	33	(765)
Loss on sale of subsidiary, net of tax	-	-	-	(175)	-
Income (loss) from discontinued operations	-	-	-	(142)	(765)
Cumulative effect of change in accounting principle, net of taxes	-	(357)	-	-	(2,287)
Net income	$ 20,706	$ 14,975	$ 10,940	$ 7,870	$ 2,615
Net income per share:					
Basic:					
Income from continuing operations	$ 1.31	$ 1.09	$ 0.83	$ 0.61	$ 0.42
Income (loss) from discontinued operations	-	-	-	(0.01)	(0.05)
Cumulative effect of change in accounting principle	-	(0.02)	-	-	(0.17)
Net income	$ 1.31	$ 1.07	$ 0.83	$ 0.60	$ 0.20
Diluted:					
Income from continuing operations	$ 1.22	$ 0.97	$ 0.76	$ 0.58	$ 0.42
Income (loss) from discontinued operations	-	-	-	(0.01)	(0.05)
Cumulative effect of change in accounting principle	-	(0.02)	-	-	(0.17)
Net income	$ 1.22	$ 0.95	$ 0.76	$ 0.57	$ 0.20
Unaudited pro forma amounts assuming retroactive application of change in accounting principle:					
Revenues from continuing					

operations	$ 179,813	$ 152,162	$ 125,886	$ 117,260	$ 107,239
Income from continuing operations	20,706	15,362	10,790	7,951	5,564
Basic earnings per share from continuing operations	1.31	1.09	0.83	0.61	0.42
Diluted earnings per share from continuing operations	1.22	0.97	0.76	0.58	0.42
Operating Data:					
Company operated stores:					
Locations in operation:					
Beginning of the year	235	190	158	148	147
Acquisitions	-	-	-	7	2
Opened	52	47	38	11	2
Consolidated/closed	(3)	(2)	(6)	(8)	(3)
End of the year	284	235	190	158	148
End of year location counts:					
Pawn-only stores	127	89	57	35	36
Pawn stores offering payday advances	70	71	74	77	80
Payday advance stores	87	75	59	46	32
End of the year	284	235	190	158	148
Pawn receivables	$ 23,429	$ 20,037	$ 16,624	$ 13,849	$ 14,142
Average pawn receivables balance per pawn store	$ 119	$ 125	$ 127	$ 124	$ 122
Average inventory per pawn store	$ 90	$ 97	$ 104	$ 113	$ 148
Annualized inventory turnover	3.1x	2.8x	2.7x	2.3x	1.8x
Gross profit percentage on merchandise sales	40.0%	41.1%	42.2%	35.8%	35.4%
Short-term advance receivables in pawn stores	$ 2,974	$ 3,414	$ 3,550	$ 4,200	$ 3,911
Average short-term advance receivables in pawn stores offering short-term advances	43	47	51	57	51
Short-term advance receivables in payday advance stores (excluding Cash & Go, Ltd.)	$ 10,967	$ 8,609	$ 7,140	$ 5,507	$ 3,990
Average short-term advance receivables in payday advance stores (excluding Cash & Go, Ltd.)	126	115	121	120	125
Cash & Go, Ltd. joint venture kiosks:					
End of year location counts	40	40	59	59	32
Short-term advance receivables	$ 1,524	$ 1,736	$ 1,790	$ 1,885	$ 1,364
Average receivables balance per location	$ 38	$ 43	$ 30	$ 32	$ 43
Balance Sheet Data:					
Working capital	$ 79,985	$ 60,840	$ 47,187	$ 8,540	$ 41,835
Total assets	160,939	140,064	130,999	122,806	119,118
Long-term liabilities	7,351	11,955	33,525	5,277	44,833
Total liabilities	16,893	22,841	44,479	48,703	53,464
Stockholders' equity	144,046	117,223	86,520	74,103	65,654

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

Special Note Regarding Forward-Looking Statements

Some of the statements in this Management's Discussion and Analysis of Financial Condition and Results of Operations, and elsewhere in this Annual Report on Form 10-K, are "forward-looking statements," as that term is defined in the Private Securities Litigation Reform Act of 1995. These forward-looking statements include statements regarding our business, financial condition, results of operations, cash flows, strategies and prospects. Forward-looking statements can be identified by the fact that these statements do not relate strictly to historical or current matters. Rather, forward-looking statements relate to anticipated or expected events, activities, trends or results. Because forward-looking statements relate to matters that have not yet occurred, these statements are inherently subject to risks and uncertainties. Many factors could cause our actual activities or results to differ materially from the activities and results anticipated in forward-looking statements. These factors include those described under the caption "Forward-Looking Information" in Part I of this document and under the caption "Quantitative and Qualitative Disclosures about Market Risk" in Item 7a of this document. The Company does not undertake any obligation or duty to update forward-looking statements to reflect either the occurrence or non-occurrence of any of the risk factors, or to reflect any other future event or circumstance.

General

The Company's pawn store revenues are derived primarily from service charges on pawns, service charges from short-term advances, also known as payday loans, and the sale of unredeemed goods, or "merchandise sales." Pledged property is held through the term of the pawn, which is 30 days in Texas, South Carolina, Missouri, Virginia, and Oklahoma, with an automatic extension period of 15 to 60 days depending on state laws, unless the pawn is earlier paid or renewed. In Maryland, Washington, D.C., and Mexico, pledged property is held for 30 days. In the event the borrower does not pay or renew a pawn within 90 days in South Carolina and Missouri, 60 days in Texas and Oklahoma, 45 days in Virginia, and 30 days in Maryland, Washington, D.C., and Mexico, 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 statutory service charges on pawns at its Texas stores range from 12% to 240% on an annualized basis depending on the size of the pawn, and from 39% to 240% on an annualized basis at the Company's Oklahoma stores. Pawns made in the Maryland stores bear service charges of 144% to 240% on an annualized basis with a $6 minimum charge per month, while pawns in Virginia earn 120% to 144% annually with a $5 minimum charge per month. In Washington, D.C., a flat $2 charge per month applies to all pawns up to $40, and an 18% to 60% annualized service charge applies to pawns of greater than $40. In Missouri, pawns bear a total service and storage charge of 180% to 240% on an annualized basis with a $2.50 minimum charge per month, and South Carolina rates range from 100% to 300%. In Mexico, pawns bear an annualized rate of 240%. The Company accrues pawn service charge revenue on a constant-yield basis over the life of the pawn for all pawns that the Company deems collection to be probable based on historical pawn redemption statistics. If a pawn 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 principal amount of the loan, exclusive of accrued interest.

The Company's check cashing and short-term advance revenues are derived primarily from check cashing fees, fees on short-term advances, and fees from the sale of money orders and wire transfers. Short-term advances carry a 13.9% to 40% service charge, which varies by state and life of the advance. The Company recognizes service charge income on short-term advances on a constant-yield basis over the life of the advance, which is generally 30 days or less. The net defaults on short-term advances and changes in the short-term advance valuation reserve are charged to the short-term advance loss provision.

	Year Ended December 31,		
	2004	2003	2002
Total receivable balances at end of period, in thousands:			
Pawn receivables	$ 23,429	$ 20,037	$ 16,624
Short-term advance receivables	15,465	13,759	10,690

	2004	2003	2002
Annualized yield:			
Pawn receivables	159%	157%	143%
Short-term advance receivables, net of loss provision	291%	291%	273%
Net loss provision on short-term advance receivables as a percentage of service charges	21%	23%	24%
Number of locations at end of period:			
Pawn-only stores	127	89	57
Pawn stores also offering short-term advances	70	71	74
Payday advance stores	87	75	59
Cash & Go, Ltd. joint venture kiosks	40	40	59
Average receivable balances per location at end of period, in thousands:			
Pawn receivables in pawn stores	$ 119	$ 125	$ 127
Short-term advances in pawn stores	43	47	51
Short-term advances in check cashing/short-term advance stores	126	115	121
Short-term advances in Cash & Go, Ltd. joint venture kiosks	38	43	30
Average outstanding receivable transaction:			
Pawn receivables	$ 62	$ 61	$ 65
Short-term advance receivables	391	381	374

The annualized yield on pawn receivables is calculated by dividing total pawn service charges by the average pawn receivable balance for the year. The annualized yield, net of loss provision, for short-term advances is calculated by dividing total short-term advance service charges, net of the short-term advance loss provision, by the average short-term advance receivable balance for the year.

Stores included in the same-store revenue calculations are those stores that were opened prior to the beginning of the prior year comparative fiscal period and are still open. Also included are stores that were relocated during the year within a specified distance serving the same market, where there is not a significant change in store size and where there is not a significant overlap or gap in timing between the opening of the new store and the closing of the existing store. During the periods reported, the Company has not had store expansions that involved a significant change in the size of retail showrooms, and accordingly, no expanded stores have been excluded from the same-store calculations. Sales of scrap jewelry are included in same-store revenue calculations. Revenues from the Cash & Go, Ltd. kiosks are not included in same-store calculations for 2004 as the revenues from the kiosks were not included in the consolidated revenues for Fiscal 2003.

Although the Company has had significant increases in revenues due primarily 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. Store 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 and security. 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.

	Year Ended December 31,		
	2004	2003	2002
Income statement items as a percent of total revenues:			
Revenues:			
Merchandise sales	48.2%	48.0%	47.9%
Pawn service charges	19.3	19.8	18.3
Short-term advance service charges	30.1	29.5	30.7
Check cashing fees	1.7	1.9	2.1
Other	0.7	0.8	1.0
Cost of Revenues:			
Cost of goods sold	29.0%	28.3%	27.7%
Short-term advance loss provision	6.4	6.8	7.3
Check cashing returned items expense	0.1	0.2	0.2

Expenses:			
Store operating expenses	34.0%	35.6%	38.0%
Administrative expenses	9.9	10.2	9.7
Depreciation	2.3	2.1	2.1
Interest expense	-	0.3	0.8
Interest income	-	(0.4)	(0.6)
Gross profit as a percent of merchandise sales	40.0%	41.1%	42.2%
Short-term advance loss provision as a percentage of short-term advance service charges	21.4%	23.0%	23.8%

Critical Accounting Policies

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, 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. The significant accounting policies that we believe are the most critical to aid in fully understanding and evaluating our reported financial results include the following:

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 addition, effective December 31, 2003, the accompanying consolidated financial statements also include the accounts of Cash & Go, Ltd., a Texas limited partnership, which owns financial services kiosks inside convenience stores. The Company has a 50% ownership interest in the partnership, which it has historically accounted for by the equity method of accounting as neither partner has control. Through December 31, 2003, the Company recorded its 50% share of the partnership's earnings or losses in its consolidated financial statements. Effective December 31, 2003, when the Company adopted FASB Interpretation No. 46(R) - Consolidation of Variable Interest Entities, the Company included the balance sheet accounts of Cash & Go, Ltd., in its consolidated financial statements. The Company recorded a non-recurring change in accounting principle charge of $357,000 net of income tax benefit on December 31, 2003, in order to reflect the other partner's share of accumulated losses in the partnership. The consolidated operating results for the fiscal periods beginning on or after January 1, 2004 include the operating results of Cash & Go, Ltd.

Receivables and income recognition - Receivables on the balance sheet consist of pawn and short-term advances. Pawns 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 pawn for all pawns that the Company deems collection to be probable based on historical pawn redemption statistics. If the pawn is not repaid, the principal amount pawned becomes the carrying value of the forfeited collateral (inventory), which is held for sale. Short-term advances are made for thirty days or less. The Company recognizes the service charges associated with short-term advances on a constant-yield basis over the term of the short-term advance.

Short-term advance loss provision - An allowance is provided for losses on active short-term advances and service charges receivable based upon expected default rates, net of estimated future recoveries of previously defaulted short-term advances and service charges receivable. The Company considers short-term advances to be in default if they are not repaid on the due date, and writes off the principal amount and service charges receivable as of the default date, leaving only active advances in the reported balance. Net defaults and changes in the short-term advance allowance are charged to the short-term advance loss provision.

Inventories - Inventories represent merchandise purchased directly from the public and merchandise acquired from forfeited pawns. Inventories purchased directly from customers are recorded at cost. Inventories from forfeited pawns are recorded at the amount of the pawn 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.

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 asset and the estimated fair value of the related asset. Management does not believe any assets have been impaired at December 31, 2004.

Goodwill - 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, net of accumulated amortization was $53,237,000 as of December 31, 2004 and 2003. Excess purchase price over net assets acquired was amortized on a straight-line basis over an estimated useful life of forty years through December 31, 2001. The Company adopted Statement of Financial Accounting Standards ("SFAS") No. 142, Goodwill and Other Intangible Assets, effective January 1, 2002. Under SFAS No. 142, goodwill is not amortized, but reviewed for impairment annually, or more frequently if certain indicators arise. The Company completed the transitional fair value impairment test and determined that no impairment of recorded goodwill existed at January 1, 2002. The Company has also determined that no impairment existed at December 31, 2002, 2003 and 2004. Subsequent impairment losses, if any, will be reflected in operating income or loss in the consolidated statement of income for the period in which such loss is realized.

Results of Operations

Twelve Months Ended December 31, 2004 Compared to Twelve Months Ended December 31, 2003

Total revenues increased 24% to $179,813,000 for the fiscal year ended December 31, 2004 ("Fiscal 2004") as compared to $145,468,000 for the fiscal year ended December 31, 2003 ("Fiscal 2003"). The change was comprised of an increase in revenues of $15,934,000 generated by the 99 new pawn and payday advance stores that were opened during Fiscal 2003 and Fiscal 2004, a same-store increase totaling $14,056,000 at the 185 stores that were in operation during all of Fiscal 2003 and Fiscal 2004, an increase of $5,679,000 related to the consolidation of the 40 Cash & Go, Ltd. kiosks, net of a decrease in revenues of $1,324,000 from stores closed or consolidated during Fiscal 2003 and Fiscal 2004. Same-store revenues increased 10% due to the maturation of 38 stores opened in Fiscal 2002 and a net overall increase in revenues in the Company's mature stores. Of the $34,345,000 increase in total revenues, 49%, or $16,937,000, was attributable to increased merchandise sales, 17%, or $5,859,000 was attributable to an increase in pawn service charges, 33%, or $11,184,000 was attributable to an increase in short-term advance service charges, and 1% or $365,000 was attributable to other income, comprised primarily of check cashing fees. A significant component of the increase in merchandise sales was non-retail, bulk sales of scrap jewelry merchandise, which increased from $9,941,000 in Fiscal 2003 to $16,664,000 in Fiscal 2004. As a percentage of total revenues, merchandise sales remained unchanged at 48% during Fiscal 2004 and Fiscal 2003, pawn service charges decreased from 20% to 19%, short-term advance service fees increased from 29% to 30%, and check cashing fees and other income as a percentage of total revenues remained unchanged at 3% during Fiscal 2003 and Fiscal 2004.

The pawn receivables balance increased 17% from $20,037,000 at December 31, 2003 to $23,429,000 at December 31, 2004. Of the $3,392,000 increase, an increase of $2,082,000 was attributable to the growth in same-store pawn receivable balances at the stores which were in operation as of December 31, 2004 and 2003, and an increase of $1,310,000 was attributable to the 40 new pawn stores opened since December 31, 2003. The net short-term advance receivables balance increased 12% from $13,759,000 at December 31, 2003 to $15,465,000 at December 31, 2004. Of the $1,706,000 increase, a same-store increase of $1,146,000 was attributable to the growth in short-term advance receivable balances at the stores that were in operation as of December 31, 2004 and 2003 and an increase of $560,000 was attributable to the 12 new payday advance stores opened since December 31, 2003. The Company's loss provision reserve on short-term advance receivables increased from $497,000 at December 31, 2003 to $552,000 at December 31, 2004.

Gross profit margins on total merchandise sales were 40% during Fiscal 2004 compared to 41% during Fiscal 2003. This decrease was primarily the result of the increased mix of non-retail bulk sales of scrap jewelry, which is typically sold at lower profit margins. Retail merchandise margins, which exclude bulk scrap jewelry sales, decreased from 45% during Fiscal 2003 compared to 44% during Fiscal 2004. The Company's loss provision relating to short-term advances increased from $9,879,000 in Fiscal 2003 to $11,559,000 in Fiscal 2004. As a percentage of short-term advance service charge revenues, the loss provision decreased from 23% during Fiscal 2003 to 21% during Fiscal 2004. This decrease was due in part to the consolidation of the Cash & Go, Ltd. joint venture, which is a more mature group of stores with a lower than average loss provision expense.

Operating expenses increased 18% to $61,063,000 during Fiscal 2004 compared to $51,814,000 during Fiscal 2003, primarily as a result of the consolidation of Cash & Go, Ltd.'s operating results and the net addition of 49 pawn and payday advance stores in Fiscal 2004, which is a 21% increase in store count. Administrative expenses increased 20% to $17,837,000 during Fiscal 2004 compared to $14,807,000 during Fiscal 2003 primarily as a result of the consolidation of Cash & Go, Ltd.'s operating results and increased costs related to additional administrative personnel, accounting and legal fees, and other expenses necessary to support the Company's growth strategy and increase in store counts. Interest expense decreased to $73,000 in Fiscal 2004 compared to interest expense of $472,000 in Fiscal 2003 as a result of lower average outstanding debt balances during Fiscal 2004. Interest income decreased from $595,000 in Fiscal 2003 to $67,000 in Fiscal 2004, due primarily to the elimination of interest income associated with the consolidation of Cash & Go, Ltd.

For Fiscal 2004 and 2003, the Company's effective federal income tax rates of 37% and 38%, respectively, differed from the statutory tax rate of approximately 34% primarily as a result of state and foreign income taxes.

Twelve Months Ended December 31, 2003 Compared to Twelve Months Ended December 31, 2002

Total revenues increased 22% to $145,468,000 for the fiscal year ended December 31, 2003 ("Fiscal 2003") as compared to $118,793,000 for the fiscal year ended December 31, 2002 ("Fiscal 2002"). The change was comprised of an increase in revenues of $15,193,000 generated by the 85 new pawn and check cashing/short-term advance stores that were opened during Fiscal 2002 and Fiscal 2003, a same-store increase totaling $13,121,000 at the 150 stores that were in operation during all of Fiscal 2002 and Fiscal 2003, net of a decrease in revenues of $1,639,000 from the 8 stores closed or consolidated during Fiscal 2002 and Fiscal 2003. Of the $26,675,000 increase in total revenues, 48%, or $12,892,000, was attributable to increased merchandise sales, 27%, or $7,081,000 was attributable to an increase in pawn service charges, 24%, or $6,466,000 was attributable to an increase in short-term advance service charges, and less than 1% or $236,000 was attributable to other income, comprised primarily of check cashing fees. A significant component of the increase in merchandise sales was non-retail bulk sales of scrap jewelry merchandise, which increased from $3,287,000 in Fiscal 2002 to $9,941,000 in the Fiscal 2003. As a percentage of total revenues, merchandise sales remained unchanged at 48% during Fiscal 2002 and Fiscal 2003, pawn service charges increased from 18% to 20%, short-term advance service fees decreased from 31% to 29% during Fiscal 2002 and Fiscal 2003, and check cashing fees and other income as a percentage of total revenues remained unchanged at 3% during Fiscal 2002 and Fiscal 2003.

The pawn receivables balance increased 21% from $16,624,000 at December 31, 2002 to $20,037,000 at December 31, 2003. Of the $3,413,000 increase, an increase of $2,579,000 was attributable to the growth in same-store pawn receivable balances at the stores which were in operation as of December 31, 2003 and 2002, and an increase of $834,000 was attributable to the 31 new pawn stores opened since December 31, 2002. The net short-term advance receivables balance increased 29% from $10,690,000 at December 31, 2002 to $13,759,000 at December 31, 2003. Of the $3,069,000 increase, a same-store increase of $700,000 was attributable to the growth in short-term advance receivable balances at the stores which were in operation as of December 31, 2003 and 2002, an increase of $633,000 was attributable to the 16 new payday advance stores opened since December 31, 2002 and an increase of $1,736,000 was attributable to the consolidation of the 40 Cash & Go, Ltd. kiosks. The Company's loss provision reserve on short-term advance receivables increased from $422,000 at December 31, 2002 to $497,000 at December 31, 2003.

Gross profit margins on total merchandise sales were 41% during Fiscal 2003 compared to 42% during Fiscal 2002. This decrease was primarily the result of the increased mix of non-retail bulk sales of scrap jewelry, which is typically sold at lower profit margins. Retail merchandise margins, which exclude bulk scrap jewelry sales, were 45% during Fiscal 2003 as compared to 44% in Fiscal 2002. The Company's loss provision relating to short-term advances increased from $8,669,000 in Fiscal 2002 to $9,879,000 in Fiscal 2003. As a percentage of short-term advance service charge revenues, the loss provision decreased from 24% during Fiscal 2002 to 23% during the Fiscal 2003. Management considers this increase to be within the expected range of variability.

Operating expenses increased 15% to $51,814,000 during Fiscal 2003 compared to $45,163,000 during Fiscal 2002, primarily as a result of the net addition of 45 pawn and payday advance stores in Fiscal 2003, which is a 24% increase in store count. Administrative expenses increased 28% to $14,807,000 during Fiscal 2003 compared to $11,580,000 during Fiscal 2002 primarily as a result of increased costs related to additional administrative personnel, accounting and legal fees, and other expenses necessary to support the Company's growth strategy and increase in store counts. Interest expense decreased to $472,000 in Fiscal 2003 compared to interest expense of $939,000 in Fiscal 2002 as a result of lower average outstanding debt balances during Fiscal 2003. Interest income decreased from $645,000 in Fiscal 2002 to $595,000 in Fiscal 2003, due primarily to a lower average note receivable balance from Cash & Go, Ltd.

For Fiscal 2003 and 2002, the Company's effective federal income tax rates of 38% and 37%, respectively, differed from the statutory tax rate of approximately 34% primarily as a result of state and foreign income taxes.

Liquidity and Capital Resources

The Company's operations and growth have been financed with funds generated from operations and bank borrowings.

The Company maintains a long-term line of credit with two commercial lenders (the "Credit Facility"). The Credit Facility provides a $25,000,000 long-term line of credit that matures on April 15, 2006 and bears interest at the prevailing LIBOR rate (which was approximately 2.4% at December 31, 2004) plus a fixed interest rate margin of 1.375%. Amounts available under the Credit Facility are limited to 300% of the Company's earnings before income taxes, interest, depreciation and amortization for the trailing twelve months. At December 31, 2004, no amounts were outstanding under the Credit Facility and the Company had $25,000,000 available for borrowings. 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 the requirements and covenants of the Credit Facility as of December 31, 2004 and March 10, 2005. 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's Credit Facility contains provisions that allow the Company to repurchase stock and/or pay cash dividends within certain parameters. Substantially all of the unencumbered assets of the Company have been pledged as collateral against indebtedness under the Credit Facility.

As of December 31, 2004, the Company's primary sources of liquidity were $26,232,000 in cash and cash equivalents, $4,512,000 in service charges receivable, $38,894,000 in pawn and short-term advance receivables, $17,644,000 in inventories and $25,000,000 of available and unused funds under the Company's Credit Facility. The Company had working capital as of December 31, 2004 of $79,985,000 and an equity-to-liabilities ratio of 9 to 1.

The Company utilized positive cash flows from operations in 2004 to fund investing and financing activities primarily related to opening new stores, fund growth of receivables and inventory balances in existing stores, to reduce outstanding debt and to purchase treasury stock. Net cash provided by operating activities of the Company during the year ended December 31, 2004 was $44,128,000, consisting primarily of income before change in accounting of $20,706,000 plus adjustments for depreciation expense of $4,173,000, the tax benefit from the exercise of employee stock options of $8,736,000 and the provision for short-term advance loss provision of $11,559,000, changes in accrued service charges receivable, inventories, prepaid expenses and accounts payable of $594,000, $720,000, $530,000 and $1,344,000, respectively, in addition to an increase in deferred income taxes of $2,142,000. Net cash used for investing activities during the year ended December 31, 2004 was $25,124,000, which was primarily comprised of cash used to fund pawn receivables of $4,728,000, cash used to fund short-term advance receivables of $13,265,000 and cash paid for fixed asset additions of $7,131,000. The opening of 52 new stores in 2004 contributed significantly to the increased funding of receivables and the volume of fixed asset additions. Net cash used by financing activities was $8,619,000 during the year ended December 31, 2004, which consisted of net repayments of the Company's debt of $6,000,000 and $13,463,000 used to purchase treasury stock, net of proceeds from exercises of stock options and warrants of $10,844,000. The non-recurring cash flows from the proceeds from exercises of stock options and warrants were primarily utilized to reduce the Company's debt and purchase treasury stock.

For purposes of its internal liquidity assessments, the Company considers net cash changes in pawn receivables and short-term advance receivables to be closely related to operating cash flows, although in the Statements of Cash Flows these are classified as investing cash flows. For Fiscal 2004, total cash flows from operations were $44,128,000 while net cash outflows related to pawn receivables and short-term advance receivables were $4,728,000 and $13,265,000, respectively. The combined net cash flows from operations and pawn and short-term advance receivables totaled $26,135,000 for Fiscal 2004. For Fiscal 2003, total cash flows from operations were $32,606,000 while net cash outflows related to pawn receivables and short-term advance receivables were $4,635,000 and $11,211,000, respectively. The combined net cash flows from operations and pawn and short-term advance receivables totaled $16,760,000 for Fiscal 2003. For Fiscal 2002, cash flows from operations were $23,333,000 and net cash outflows related to pawn receivables and short-term advance receivables were $3,413,000 and $9,652,000, respectively. The combined net cash flows from operations and pawn and short-term advance receivables totaled $10,268,000 for Fiscal 2002.

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 pawn redemption by increasing or decreasing the amount pawned in relation to the resale value of the pledged property. Tighter credit decisions generally result in smaller pawns in relation to the estimated resale value of the pledged property and can thereby decrease the Company's aggregate pawn balance and, consequently, decrease pawn service charges. Additionally, small advances in relation to the pledged property's estimated resale value tend to increase pawn redemptions and improve the Company's liquidity. Conversely, providing larger pawns 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 pawn balances can result in an increase in pawn 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 pawns by repaying all accrued service fees on such pawns, effectively creating a new pawn transaction.

The amount of short-term advances outstanding and related potential loss provision expense also affect the profitability and liquidity of the Company. An allowance for losses is provided on active short-term advances and service charges receivable, based upon expected default rates, net of estimated future recoveries of previously defaulted short-term advances and service charges receivable. The Company considers short-term advances to be in default if they are not repaid on the due date, and writes off the principal amount and service charges receivable as of the default date, leaving only active receivables in the reported balances. Net defaults and changes in the short-term advance allowance are charged to the short-term advance loss provision.

In addition to these factors, merchandise sales and the pace of store expansions affect the Company's liquidity. Management believes that the Credit Facility and cash generated from operations will be sufficient to accommodate the Company's current operations for Fiscal 2005. 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 may 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 primarily through new store openings. During Fiscal 2005, the Company currently plans to open approximately 60 new stores, comprised of both payday advance locations, primarily located in Texas, and pawnshops, primarily in Mexico. This expansion is expected to be funded entirely through operating cash flows. While the Company continually looks for, and is presented with potential acquisition candidates, the Company has no definitive plans or commitments for further acquisitions. If the Company encounters an attractive opportunity to acquire new stores 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, 2005 and March 10, 2005, the Company opened 4 new check cashing/short-term advance locations and 5 pawnshops, while 1 pawnshop located in the U.S. was closed.

Contractual Commitments

A tabular disclosure of contractual obligations at December 31, 2004, including Cash & Go, Ltd., is as follows:

	Payments due by period (in thousands)				
	Total	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
Operating leases	$42,771	$10,870	$18,570	$ 9,066	$ 4,265
Employment contracts					

for Chief Executive Officer and President	5,250	1,050	3,150	1,050	-
Total	$48,021	$11,920	$21,720	$10,116	$ 4,265

Off-Balance Sheet Arrangements

As of December 31, 2004, the Company had no off-balance sheet arrangements.

Inflation

The Company does not believe that inflation has had a material effect on the amount of pawns and short-term 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 merchandise sales occurring during the first and fourth calendar quarters of each year. The Company's lending and short-term advance activities are also seasonal, with the highest volume of lending activity occurring during the third and fourth calendar quarters of each year.

Recent Regulatory Pronouncements

In 2003, the Federal Deposit Insurance Corporation ("FDIC"), which regulates the ability of state chartered banks to enter into relationships with out of state payday loan servicers, issued guidelines under which such arrangements are permitted. Texas is the only state in which the Company functions as loan servicer through a relationship with a state chartered bank, County Bank of Rehoboth Beach, Delaware, that is subject to the FDIC guidelines for payday lending.

On March 2, 2005, the FDIC issued revised payday lending guidelines for FDIC-supervised banks, such as County Bank. The revised guidelines include a requirement that such banks develop procedures to ensure that a payday loan is not provided to any customer with payday loans outstanding from any bank for more than three months in the previous twelve months. It currently remains to be determined what procedures may be proposed by the lending banks or accepted by the FDIC in order to meet these guidelines. The Company and County Bank are currently in the process of reviewing the revised guidelines and expect to implement any necessary changes in lending procedures to comply with them. The Company's payday advance revenues from Texas locations totaled $30,554,000 in Fiscal 2004 and represented approximately 17% of the Company's total revenues for 2004. The Company expects that implementation of the revised guidelines could have a negative effect on some portion of its payday lending revenues in its Texas locations, that are the Company's only locations which currently use a bank relationship subject to the FDIC's payday lending guidelines. Until the Company and County Bank complete their review of the revised guidelines and the FDIC approves the revised procedures expected to be developed by County Bank and/or other banks providing payday loans, the exact timing and amount of the financial impact of the revised guidelines cannot be estimated.

Recent Accounting Pronouncements

In December 2004, the Financial Accounting Standards Board ("FASB") enacted Statement of Financial Accounting Standards 123-revised 2004 ("SFAS 123R"), Share-Based Payments, which replaces Statement of Financial Accounting Standards No. 123 ("SFAS 123"), Accounting for Stock-Based Compensation, and supersedes APB Opinion No. 25 ("APB 25"), Accounting for Stock Issued to Employees. SFAS 123R requires the measurement of all employee share-based payments to employees, including grants of employee stock options, using a fair-value-based method and the recording of such expense in the consolidated statements of income.

The accounting provisions of SFAS 123R will be effective for the Company for reporting periods beginning after July 1, 2005. The pro forma disclosures previously permitted under SFAS 123 no longer will be an alternative to financial statement recognition. See Note 2 of the Notes to Consolidated Financial Statements for the pro forma net income and net income per share amounts, for Fiscal 2002 through Fiscal 2004, as if the Company had used a fair-value-based method similar to the methods required under SFAS 123R to measure compensation expense for employee stock incentive awards. The Company is evaluating the terms and structure of its current share based payments and does not expect the adoption to have a significant, adverse impact on the consolidated statements of income and net income per share as it relates to current granted options and warrants as of the date of the adoption.

In January 2003, the FASB issued Interpretation No. 46(R) ("FIN 46"), Consolidation of Variable Interest Entities. FIN 46 addresses consolidation by business enterprises of variable interest entities (formerly special purpose entities). In general, a variable interest entity is a corporation, partnership, trust or any other legal structure used for business purposes that either (a) does not have equity investors with voting rights or (b) has equity investors that do not provide sufficient financial resources for the entity to support its activities. The objective of FIN 46 is not to restrict the use of variable interest entities, but to improve financial reporting by companies involved with variable interest entities. FIN 46 requires a variable interest entity to be consolidated by a company if that company is subject to a majority of the risk of loss from the variable interest entity's activities or entitled to receive a majority of the entity's residual returns or both. The consolidation requirements are effective for the first period that ends after March 15, 2004; however, the Company elected to adopt the requirements effective December 31, 2003. The effect of the adoption of FIN 46 on the Consolidated Financial Statements is described in Note 3 of the Notes to the Consolidated Financial Statements.

Item 7a. Quantitative and Qualitative Disclosures About Market Risk

Market risks relating to the Company's operations result primarily from changes in interest rates, foreign exchange rates, and gold prices. The Company does not engage in speculative or leveraged transactions, nor does it hold or issue financial instruments for trading purposes.

Interest Rate Risk

The Company is exposed to market risk in the form of interest rate risk in regards to its long-term line of credit. As of March 10, 2005, the line of credit did not have an outstanding balance; therefore, the Company's interest rate risk for 2005 is immaterial.

The Company's cash and cash equivalents are invested in money market accounts. Accordingly, the Company is subject to changes in market interest rates. However, the Company does not believe a change in these rates would have a materially adverse effect on the Company's operating results, financial condition, or cash flows.

Foreign Currency Risk

A majority of the Company's pawn loans in Mexico are currently contracted and settled in U.S. dollars, and therefore the Company bears limited exchange risk from its operations in Mexico. The Company maintained certain Mexican peso-denominated pawn loan balances at December 31, 2004, which converted to a U.S. dollar equivalent of $2,500,000. The Company also maintained certain peso-denominated bank balances at December 31, 2004, which converted to a U.S. dollar equivalent of $938,000. A 10% increase in the peso to U.S. dollar exchange rate would increase the Company's foreign currency translation exposure by approximately $315,000.

Gold Price Risk

A significant and sustained decline in the price of gold would negatively impact the value of jewelry inventories held by the Company and the value of jewelry pledged as collateral by pawn customers. As a result, the Company's profit margins on existing jewelry inventories would be negatively impacted, as would be the potential profit margins on jewelry currently pledged as collateral by pawn customers in the event it is forfeited by the pawn customer. In addition, a decline in gold prices could result in a lower balance of pawn loans outstanding for the Company, as customers would receive lower loan amounts for individual pieces of jewelry. The Company believes that many customers would be willing to add additional items of value to their pledge in order to obtain the desired loan amount, thus mitigating a portion of this risk.

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 15(a)(1) and (2) of this report.

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

On March 12, 2004, First Cash Financial Services, Inc. (the "Company") notified its independent accountant, Deloitte & Touche LLP, of its dismissal as principal auditors of the Company for the year ending December 31, 2004. Effective March 17, 2004, the Company has engaged Hein & Associates LLP to audit the Company's consolidated financial statements for the year ending December 31, 2004. The change was the result of a proposal and competitive bidding process involving several accounting firms. The decision to dismiss Deloitte & Touche LLP and to retain Hein & Associates LLP was recommended by the Audit Committee of the Company's Board of Directors and approved by the Board of Directors.

The audit reports of Deloitte & Touche LLP on the consolidated financial statements of the Company as of and for the years ended December 31, 2003, and 2002, did not contain any adverse opinion or disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope, or accounting principles, except that the audit reports for 2002 and 2003 were modified to reflect a change in the Company's method of accounting for amortization of goodwill in 2002 in accordance with FASB Statement No. 142, Goodwill and Other Intangible Assets, and except that the audit report for 2003 was modified to reflect a change in the Company's method of accounting for its 50% owned joint venture, Cash & Go, Ltd., in 2003 in accordance with FASB Interpretation 46(R), Consolidation of Variable Interest Entities.

During the Company's fiscal periods ended December 31, 2003 and 2002, and the subsequent interim period through March 12, 2004, there were no disagreements between the Company and Deloitte & Touche LLP on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure (within the meaning of Item 304(a)(1)(iv) of Regulation S-K) and there were no reportable events (as defined by Item 304(a)(1)(v) of Regulation S-K).

During the Company's two most recent years ended December 31, 2003, and the subsequent interim period through March 12, 2004, neither the Company nor anyone on its behalf consulted with Hein & Associates LLP regarding any of the matters or events set forth in Item 304(a)(2)(i) and (ii) of Regulation S-K. Hein & Associates LLP has served as the independent accountant engaged to audit the First Cash 401(k) Plan for the three most recent years ended December 31, 2004.

Item 9a. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") participated in an evaluation by our management of the effectiveness of the Company's disclosure controls and procedures as of the end of the fiscal year that ended on December 31, 2004. Based on their participation in that evaluation, the CEO and CFO concluded that the disclosure controls and procedures were effective as of December 31, 2004 to ensure that required information is disclosed on a timely basis in our reports filed or furnished under the Securities Exchange Act of 1934.

The CEO and CFO also participated in an evaluation by the management of any changes in the internal control over financial reporting that occurred during the year ended December 31, 2004. That evaluation did not identify any changes that have materially affected, or are likely to materially affect, the internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

The management of First Cash Financial Services, Inc. is responsible for establishing and maintaining adequate internal control over financial reporting. This internal control system has been designed to provide reasonable assurance to the Company's management and board of directors regarding the preparation and fair presentation of the Company's published financial statements.

All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The management of First Cash Financial Services, Inc. has assessed the effectiveness of the company's internal control over financial reporting as of December 31, 2004. To make this assessment, management used the criteria for effective internal control over financial reporting described in Internal Control-Integrated Framework, issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, management believes that, as of December 31, 2004, the Company's internal control over financial reporting is effective based on those criteria.

Management's assessment of the effectiveness of our internal control over financial reporting as of December 31, 2004 has been audited by Hein & Associates LLP, an independent registered public accounting firm, as stated in their report which appears herein.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have audited management's assessment, included in the accompanying management's report on internal controls, that First Cash Financial Services, Inc. maintained effective internal control over financial reporting as of December 31, 2004, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Company management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting. Our responsibility is to express an opinion on management's assessment and an opinion on the effectiveness of the company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, evaluating management's assessment, testing and evaluating the design and operating effectiveness of internal control, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, management's assessment that the Company maintained effective internal control over financial reporting as of December 31, 2004, is fairly stated, in all material respects, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2004, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Hein & Associates LLP
Dallas, Texas
March 10, 2005

Item 9b. Other Information

Effective March 14, 2005, the Company entered into the following three material contracts, which contracts for Messrs. Wessel and Barron replaced in the entirety their previous employment agreements.

Mr. Wessel has entered into an employment agreement with the Company through December 31, 2009 to serve as the president of the Company; at the discretion of the board this agreement may be extended for additional successive periods of one year each on each January 1 anniversary. The agreement provides for: (i) a base salary of $550,000 with increases at the discretion of the Compensation Committee; (ii) an annual bonus at the discretion of the Compensation Committee; (iii) participation in compensation plans at the discretion of the Compensation Committee; (iv) certain fringe benefits including club membership, car, vacation, a term life insurance policy with a beneficiary designated by Mr. Wessel in the amount of $4 million; and (v) reimbursement of business related expenses. Mr. Wessel has agreed not to compete with the Company, not to solicit employees of the Company, and not to solicit customers of the Company for a period of time following his termination.

Mr. Barron has entered into an employment agreement with the Company through December 31, 2009 to serve as the chief executive officer and the chief operating officer of the Company; at the discretion of the board this agreement may be extended for additional successive periods of one year each on each January 1 anniversary. The agreement provides for: (i) a base salary of $500,000 with increases at the discretion of the Compensation Committee; (ii) an annual bonus at the discretion of the Compensation Committee; (iii) participation in compensation plans at the discretion of the Compensation Committee; (iv) certain fringe benefits including club membership, car, vacation, a term life insurance policy with a beneficiary designated by Mr. Barron in the amount of $2 million; and (v) reimbursement of business related expenses. Mr. Barron has agreed not to compete with the Company, not to solicit employees of the Company, and not to solicit customers of the Company for a period of time following his termination.

In addition, Mr. Powell has entered into a consulting agreement with the Company through December 31, 2014 to perform such services as may be requested by the Board of Directors. The agreement provides for: (i) annual payments of $500,000; (ii) certain other benefits including club membership, car, health insurance, a term life insurance policy with a beneficiary designated by Mr. Powell in the amount of $4 million; and (iii) reimbursement of business related expenses. Mr. Powell has agreed not to compete with the Company, not to solicit employees of the Company, and not to solicit customers of the Company for a period of time following his termination.

PART III

Item 10. Directors and Executive Officers of the Registrant

The information required by this item with respect to the directors, executive officers and compliance with Section 16(a) of the Exchange Act is incorporated by reference from the information provided under the headings "Election of Directors," "Executive Officers" and "Section 16(a) Beneficial Ownership Reporting Compliance," respectively, contained in the Company's Proxy Statement to be filed with the Securities and Exchange Commission in connection with the solicitation of proxies for the Company's Annual Meeting of Stockholders.

Item 11. Executive Compensation

The information required by this item is incorporated by reference from the information provided under the heading "Executive Compensation" of the Company's Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

Equity Compensation Plan Information

The following table gives information about the Company's common stock that may be issued upon the exercise of options under shareholder-approved plans, including its 1990 Stock Option Plan, its 1999 Stock Option Plan, and its 2004 Long-Term Incentive Plan as of December 31, 2004. Additionally, the Company issues warrants to purchase shares of common stock to certain key members of management, members of the Board of Directors that are not employees or officers, and to other third parties. The issuance of warrants is not approved by shareholders, and each issuance is generally negotiated between the Company and such recipients. The issuance of warrants to outside consultants is accounted for using the fair value method prescribed by FAS No. 123.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (A)	Weighted average exercise price of outstanding options, warrants and rights (B)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column A) (C)
Equity Compensation Plans Approved by Security Holders	795,050	$ 5.88	2,077,406
Equity Compensation Plans Not Approved by Security Holders	888,400	14.04	-
Total	1,683,450	$ 9.73	2,077,406

Other information required by this item is incorporated herein by reference from the information provided under the heading "Security Ownership of Certain Beneficial Owners and Management" of the Company's Proxy Statement.

Item 13. Certain Relationships and Related Transactions

The information required by this item is incorporated herein by reference from the information provided in the Company's Proxy Statement.

Item 14. Principal Accounting Fees and Services

The information required by this item is incorporated by reference from the information provided in the Company's Proxy Statement under the discussion of the Company Audit Committee and under the item regarding shareholder ratification of the Company's independent accountants.

PART IV

Item 15. 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:
Reports of Independent Registered Public Accounting Firms
Consolidated Balance Sheets
Consolidated Statements of Income
Consolidated Statements of Cash Flows
Consolidated Statements of Changes in Stockholders' Equity
Notes to Consolidated Financial Statements

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

(3) Exhibits:

3.1(7)	Amended Certificate of Incorporation
3.2(5)	Amended Bylaws
4.1(2)	Common Stock Specimen
10.1(1)	First Cash, Inc. 1990 Stock Option Plan
10.2(8)	Consulting Agreement - Phillip E. Powell
10.3(8)	Employment Agreement - Rick L. Wessel
10.4(8)	Employment Agreement - Alan Barron
10.5(3)	Acquisition Agreement - Miraglia, Inc.
10.6(4)	Acquisition Agreement for Twelve Pawnshops in South Carolina
10.7(4)	Acquisition Agreement for One Iron Ventures, Inc.
10.8(4)	First Cash Financial Services, Inc. 1999 Stock Option Plan
10.16(6)	Executive Incentive Compensation Plan
10.17(7)	2004 Long-Term Incentive Plan
14.1(8)	Code of Ethics
21.1(8)	Subsidiaries
23.1(8)	Consent of Independent Registered Public Accounting Firm, Deloitte & Touche LLP
23.2(8)	Consent of Independent Registered Public Accounting Firm, Hein & Associates LLP
31.1(8)	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2(8)	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1(8)	Certification of Chief Executive Officer and Chief Financial Officer Pursuant to 18 U.S.C. Section 1350 as adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

(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 the Annual Report on Form 10-K for the fiscal year ended July 31, 1998 (File No. 0 - 19133) and incorporated herein by reference.
(4) 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.
(5) 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.
(6) Filed as Exhibit A to the Company's Definitive Proxy Statement filed on April 30, 2003.
(7) Filed as Exhibit A to the Company's Definitive Proxy Statement filed on April 29, 2004.
(8) Filed herewith.

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/ J. ALAN BARRON

J. Alan Barron, Chief Executive Officer
March 10, 2005

/s/ R. DOUGLAS ORR

R. Douglas Orr, Principal Accounting Officer
March 10, 2005

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	March 10, 2005
/s/ RICK L. WESSEL Rick L. Wessel	Vice Chairman of the Board, President, Secretary and Treasurer	March 10, 2005
/s/ JOE R. LOVE Joe R. Love	Director	March 10, 2005
/s/ RICHARD T. BURKE Richard T. Burke	Director	March 10, 2005
/s/ TARA MACMAHON Tara MacMahon	Director	March 10, 2005

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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

We have audited the accompanying consolidated balance sheet of First Cash Financial Services, Inc., and subsidiaries as of December 31, 2004, and the related consolidated statements of income, stockholders' equity, and cash flows for the year ended December 31, 2004. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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 audit provides 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, 2004, and the consolidated results of their operations and cash flows for the year ended December 31, 2004, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the effectiveness of the Company's internal control over financial reporting as of December 31, 2004, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 10, 2005, expressed an unqualified opinion on management's assessment of the effectiveness of the Company's internal control over financial reporting and an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Hein & Associates LLP
Dallas, Texas
March 10, 2005

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

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, 2003, and the related consolidated statements of income, stockholders' equity, and cash flows for each of the two years in the period ended December 31, 2003. These 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 the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. 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, 2003, and the consolidated results of its operations and cash flows for each of the two years in the period ended December 31, 2003, in conformity with accounting principles generally accepted in the United States of America.

As described in Note 3, effective December 31, 2003, in connection with the adoption of Financial Accounting Standards Board Interpretation No. 46(R), Consolidation of Variable Interest Entities, the Company consolidated into its financial statements its 50% owned joint venture, Cash & Go, Ltd.

As described in Note 2, the statements of cash flows for the years ended December 31, 2003 and 2002 have been restated.

DELOITTE & TOUCHE LLP
Fort Worth, Texas
March 8, 2004 (October 8, 2004 as to the effects of the restatement described in the last paragraph of Note 2)

FIRST CASH FINANCIAL SERVICES, INC.
CONSOLIDATED BALANCE SHEETS

	December 31, 2004	December 31, 2003
	(in thousands, except share data)	
ASSETS		
Cash and cash equivalents	$ 26,232	$ 15,847
Service charges receivable	4,512	3,918
Pawn receivables	23,429	20,037
Short-term advance receivables, net of allowance of $552 and $497, respectively	15,465	13,759
Inventories	17,644	15,588
Prepaid expenses and other current assets	1,378	964
Income taxes receivable	867	1,613
Total current assets	89,527	71,726
Property and equipment, net	17,376	14,418
Goodwill	53,237	53,237
Other	799	683
Total assets	$160,939	$140,064
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable	$ 856	$ 1,054
Accrued expenses	8,686	9,832
Total current liabilities	9,542	10,886
Revolving credit facility	-	6,000
Deferred income taxes	7,351	5,955
Total liabilities	16,893	22,841
Commitments and contingencies (see Note 10)		
Stockholders' equity:		
Preferred stock; $.01 par value; 10,000,000 shares authorized; no shares issued or outstanding	-	-
Common stock; $.01 par value; 90,000,000 shares authorized; 16,611,955 and 16,148,352 shares issued, respectively; 15,989,240 and 15,167,081 shares outstanding, respectively	166	109
Additional paid-in capital	78,556	63,395
Retained earnings	77,440	56,734
Common stock in treasury, 622,715 and 654,181 shares at cost, respectively	(12,116)	(3,015)
Total stockholders' equity	144,046	117,223
Total liabilities and stockholders' equity	$160,939	$140,064

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, 2004	2003	2002
	(in thousands, except per share amounts)		
Revenues:			
Merchandise sales	$ 86,745	$ 69,808	$ 56,916
Pawn service charges	34,663	28,804	21,723
Short-term advance service charges	54,123	42,939	36,473
Check cashing fees	3,030	2,749	2,659
Other	1,252	1,168	1,022
	179,813	145,468	118,793
Cost of revenues:			
Cost of goods sold	52,056	41,110	32,890
Short-term advance loss provision	11,559	9,879	8,669
Check cashing returned items expense	252	233	258
	63,867	51,222	41,817
Gross profit	115,946	94,246	76,976
Expenses:			
Store operating expenses	61,063	51,814	45,163
Administrative expenses	17,837	14,807	11,580
Depreciation	4,173	3,019	2,548
Interest expense	73	472	939
Interest income	(67)	(595)	(645)
	83,079	69,517	59,585
Income before income taxes	32,867	24,729	17,391
Provision for income taxes	12,161	9,397	6,451
Income before change in accounting principle	20,706	15,332	10,940
Cumulative effect of change in accounting principle, net of tax (see Note 3)	-	(357)	-
Net income	$ 20,706	$ 14,975	$ 10,940
Net income per share:			
Basic:			
Income before change in accounting principle	$ 1.31	$ 1.09	$ 0.83
Cumulative effect of change in accounting principle, net of tax	-	(0.02)	-
Net income	$ 1.31	$ 1.07	$ 0.83
Diluted:			
Income before change in accounting principle	$ 1.22	$ 0.97	$ 0.76
Cumulative effect of change in accounting principle, net of tax	-	(0.02)	-
Net income	$ 1.22	$ 0.95	$ 0.76

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, 2004	2003	2002
	(in thousands)		
Cash flows from operating activities:			
Income before change in accounting principle	$ 20,706	$ 15,332	$ 10,940
Adjustments to reconcile net income to net cash flows from operating activities:			
Depreciation	4,173	3,019	2,548
Short-term advance loss provision	11,559	9,878	8,669
Tax benefit from exercise of stock options	8,736	5,408	229
Changes in operating assets and liabilities, net of effect of Cash & Go, Ltd. consolidation:			
Service charges receivable	(594)	(553)	(357)
Inventories	(720)	(718)	(329)
Prepaid expenses and other assets	(530)	167	41
Accounts payable and accrued expenses	(1,344)	545	13
Current and deferred income taxes	2,142	(472)	1,579
Net cash flows from operating activities	44,128	32,606	23,333
Cash flows from investing activities:			
Pawn receivables, net	(4,728)	(4,635)	(3,413)
Short-term advance receivables, net	(13,265)	(11,211)	(9,652)
Purchases of property and equipment	(7,131)	(5,202)	(4,264)
Cash from consolidation of Cash & Go, Ltd.	-	2,103	-
Net (increase) decrease in receivable from Cash & Go, Ltd.	-	2,633	(278)
Net cash flows from investing activities	(25,124)	(16,312)	(17,607)
Cash flows from financing activities:			
Proceeds from debt	10,000	-	7,000
Repayments of debt	(16,000)	(23,502)	(12,491)
Decrease in notes receivable from officers	-	4,228	823
Purchases of treasury stock	(13,463)	-	-
Proceeds from exercise of stock options and warrants	10,844	6,092	425
Net cash flows from financing activities	(8,619)	(13,182)	(4,243)
Change in cash and cash equivalents	10,385	3,112	1,483
Cash and cash equivalents at beginning of the year	15,847	12,735	11,252
Cash and cash equivalents at end of the year	$ 26,232	$ 15,847	$ 12,735
Supplemental disclosure of cash flow information:			
Cash paid during the year for:			
Interest	$ 70	$ 498	$ 964
Income taxes	$ 1,356	$ 4,256	$ 4,907

FIRST CASH FINANCIAL SERVICES, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)

	Year Ended December 31,		
	2004	2003	2002
	(in thousands)		
Supplemental disclosure of non-cash operating, investing and financing activities:			
Non-cash transactions in connection with consolidation of Cash & Go, Ltd.:			
Fair market value of assets consolidated	$ -	$ 4,648	$ -
Less assumption of liabilities from consolidation	-	(5,791)	-
Net liabilities resulting from consolidation	$ -	$ (1,143)	$ -
Non-cash transactions in connection with pawn receivables collateral forfeited and transferred to inventories	$ 35,173	$ 27,112	$ 22,346

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

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

	Year Ended December 31,		
	2004	2003	2002
	(in thousands)		
Common stock:			
Balance at beginning of year	$ 109	$ 96	$ 95
Exercise of stock options and warrants..	15	13	1
Cancellation of treasury stock	(8)	-	-
Effect of stock split	50	-	-
Balance at end of year	166	109	96
Preferred stock:			
Balance at end of year	-	-	-
Additional paid-in capital:			
Balance at beginning of year	63,395	51,908	51,255
Exercise of stock options and warrants, including income tax benefit of $8,736, $5,408, and $229, respectively	19,572	11,487	653
Cancellation of treasury stock	(4,354)	-	-
Effect of stock split	(57)	-	-
Balance at end of year	78,556	63,395	51,908
Retained earnings:			
Balance at beginning of year	56,734	41,759	30,819
Net income	20,706	14,975	10,940
Balance at end of year	77,440	56,734	41,759
Notes receivable from officers:			
Balance at beginning of year	-	(4,228)	(5,051)
Repayment of notes receivable	-	4,228	823
Balance at end of year	-	-	(4,228)
Treasury stock:			
Balance at beginning of year	(3,015)	(3,015)	(3,015)
Repurchases of treasury stock	(13,463)	-	-
Cancellation of treasury stock	4,362	-	-
Balance at end of year	(12,116)	(3,015)	(3,015)
Total stockholders' equity:..............	$144,046	$117,223	$ 86,520

The accompanying notes are an integral
part of these 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 pawn forfeitures. In addition to making short-term secured pawns, most of the Company's pawn stores offer short-term advances, also known as payday loans. The Company also operates short-term or payday advance stores that provide short-term advances, check cashing, and other related financial services. As of December 31, 2004, the Company owned and operated 197 pawn stores and 87 payday advance stores. The Company is also a 50% owner of Cash & Go, Ltd., a Texas limited partnership that owns and operates 40 financial services kiosks inside convenience 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. In addition, effective December 31, 2003, the accompanying consolidated financial statements include the balance sheet accounts of Cash & Go, Ltd., a Texas limited partnership, which owns financial services kiosks inside convenience stores. The operating results of the partnership are included in the consolidated financial statements effective January 1, 2004. All significant intercompany accounts and transactions have been eliminated (See Note 3).

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 - Pawn receivables are secured by the pledge of tangible personal property. The Company accrues pawn service charge revenue on a constant-yield basis over the life of the pawn for all pawns that the Company deems collection to be probable based on historical pawn redemption statistics. If the pawn is not repaid, the principal amount pawned becomes the carrying value of the forfeited collateral ("inventory"), which is recovered through sale. Short-term advances are made for thirty days or less. The Company recognizes the service charges associated with short-term advances on a constant-yield basis over the term of the short-term advance.

Short-term advance loss provision - An allowance is provided on short-term advance receivables and service charge receivables, based upon expected default rates, net of estimated future recoveries of previously defaulted short-term advances and service charge receivables. The Company considers short-term advances to be in default if they are not repaid on the due date, and writes off the principal amount and service charge receivables as of the default date. Net defaults and changes in the short-term advance allowance are charged to the short-term advance loss provision.

Store operating expenses - Costs incurred in operating the pawn stores and payday advance stores have been classified as store operating expenses. Operating expenses include salary and benefit expense of store employees, rent and other occupancy costs, bank charges, security, insurance, 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 pawns. Inventories purchased directly from customers are recorded at cost. Inventories from forfeited pawns are recorded at the amount of the pawn 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 five 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.

Goodwill - 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 have been recorded as goodwill. Goodwill was amortized on a straight-line basis over an estimated useful life of forty years through December 31, 2001. The Company adopted Statement of Financial Accounting Standards ("SFAS") No. 142, Goodwill and Other Intangible Assets, effective January 1, 2002. Under SFAS No. 142, goodwill is not amortized, but reviewed for impairment annually, or more frequently if certain indicators arise. The Company completed the transitional fair value impairment test and determined that no impairment of recorded goodwill existed at January 1, 2002. The Company has also determined that no impairment existed at December 31, 2002, 2003 and 2004. Subsequent impairment losses, if any, will be reflected in operating income or loss in the consolidated statement of income for the period in which such loss is realized.

Long-lived assets - Long-lived assets (i.e., property, plant and equipment, and intangible assets with definite lives) 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. Management does not believe that any impairments exist at December 31, 2004.

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, 2004, 2003 and 2002, was $2,302,000, $1,567,000 and $1,332,000, respectively.

Stock-based compensation - The Company's stock-based employee compensation plans are described in Note 11. The expense recognition and measurement principles of APB 25, Accounting for Stock Issued to Employees, and related interpretations are followed in accounting for these plans. No stock-based employee compensation has been charged to earnings because the exercise prices of all stock options granted under this plan have been equal to the market value of the Company's common stock at the date of the grant. The following presents information about net income and earnings per share as if the Company had applied the fair value expense recognition requirements of Statement of Financial Accounting Standards (SFAS) 123, Accounting for Stock-Based Compensation, to all employee stock options granted under the plan (in thousands, except per share data).

	Year Ended December 31,		
	2004	2003	2002
Net income, as reported	$ 20,706	$ 14,975	$ 10,940
Less: Stock-based employee compensation determined under the fair value requirements of SFAS 123, net of income tax benefits	2,716	2,261	1,252

Pro forma net income	$ 17,990	$ 12,714	$ 9,688
Earnings per share:			
Basic, as reported	$ 1.31	$ 1.07	$ 0.83
Basic, pro forma	$ 1.14	$ 0.91	$ 0.73
Diluted, as reported	$ 1.22	$ 0.95	$ 0.76
Diluted, pro forma	$ 1.06	$ 0.81	$ 0.67

Pursuant to the requirements of SFAS 123, the weighted-average fair value of the individual employee stock options and warrants granted during 2004, 2003 and 2002 have been estimated as $9.93, $5.93 and $3.11, respectively, on the date of the grant. The fair values were determined using a Black-Scholes option-pricing model using the following assumptions:

	Year Ended December 31,		
	2004	2003	2002
Dividend yield	-	-	-
Volatility	52.7%	54.0%	58.0%
Risk-free interest rate	3.5%	3.5%	3.5%
Expected life	5.5 years	7 years	7 years

In December 2004, the FASB issued Statement No. 123(R), Share Based Payments. This statement, which is effective for the Company beginning July 1, 2005, requires that companies recognize compensation expense equal to the fair value of stock options or other share-based payments.

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. All share amounts have been retroactively adjusted to give effect to a three-for-two split of the Company's common stock in 2004 (See Note 4).

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

	Year Ended December 31,		
	2004	2003	2002
Numerator:			
Net income for calculating basic and diluted earnings per share	$ 20,706	$ 14,975	$ 10,940
Denominator:			
Weighted-average common shares for calculating basic earnings per share	15,754	13,986	13,250
Effect of dilutive stock options and warrants	1,280	1,770	1,146
Weighted-average common shares for calculating diluted earnings per share	17,034	15,756	14,396
Basic earnings per share	$ 1.31	$ 1.07	$ 0.83
Diluted earnings per share	$ 1.22	$ 0.95	$ 0.76

Pervasiveness of estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and related revenues and expenses, and the 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 for the years ended December 31, 2002 and 2003 have been reclassified in order to conform to the 2004 presentation.

In addition, the Statements of Cash Flows for the years ended December 31, 2003 and 2002 were restated to correct the classification of certain transactions between sections of the Statements of Cash Flows. The effects of these reclassifications were to increase cash flows from operating activities by $16,508,000 and $9,563,000 from amounts previously reported for 2003 and 2002, respectively with offsetting reductions to net cash flows from investing and financing activities. The specific adjustments were provided in the Company's amended and restated Annual Report on Form 10-K/A, dated October 8, 2004, for the year ended December 31, 2003.

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLE

In December 2003, the FASB issued Interpretation No. 46(R) ("FIN 46"), Consolidation of Variable Interest Entities. FIN 46 addresses consolidation by business enterprises of variable interest entities (formerly special purpose entities). In general, a variable interest entity is a corporation, partnership, trust or any other legal structure used for business purposes that either (a) does not have equity investors with voting rights or (b) has equity investors that do not provide sufficient financial resources for the entity to support its activities. FIN 46 requires a variable interest entity to be consolidated by a company if that company is subject to a majority of the risk of loss from the variable interest entity's activities or entitled to receive a majority of the entity's residual returns or both.

The Company has a 50% ownership interest in a joint venture, Cash & Go, Ltd., a Texas limited partnership, which owns and operates 40 check cashing/short-term advance kiosks inside convenience stores. The Company previously accounted for its share of the joint venture's operating results using the equity method of accounting, as neither joint venture partner had control. Accordingly, through December 31, 2003, the Company recorded its 50% share of the partnership's earnings or losses in its consolidated financial statements. As defined in FIN 46, Cash & Go, Ltd. meets the requirements of a variable interest entity that must be consolidated by the Company. The Company implemented FIN 46 on December 31, 2003, at which time it recorded a change in accounting principle charge of $357,000, net of income tax benefit, which was necessary to recognize the other joint venture partner's share of the Cash & Go, Ltd.'s accumulated operating losses as part of the initial consolidation accounting. As of December 31, 2003 and periods thereafter, the Company's consolidated balance sheet includes the assets and liabilities of Cash & Go, Ltd., net of intercompany accounts, including the loan described below, which have been eliminated. The operating results of Cash & Go, Ltd., are included in the Company's consolidated operating results effective for accounting periods beginning January 1, 2004.

The Company funds substantially all of the working capital requirements of Cash & Go, Ltd. in the form of a loan to the joint venture. This loan is callable at any time by the Company, bears interest at the prime rate plus 5%, and is secured by substantially all of Cash & Go, Ltd.'s assets. Summarized financial information for Cash & Go, Ltd. as of December 31, 2003, and for the years ended December 31, 2003 and 2002, are as follows:

	December 31, 2003 (in thousands)
Current assets	$ 4,120
Non-current assets	528
Current note payable to First Cash Financial Services, Inc.	(5,504)
Other current liabilities	(287)
Net liabilities	$ (1,143)
Company's net receivable from Cash & Go, Ltd.:	
Note receivable from Cash & Go, Ltd.	$ 5,504
Company's share of net liabilities	(572)
	$ 4,932

	Year Ended December 31, 2003	2002
	(in thousands)	
Revenues	$ 6,694	$ 7,093
Expenses	6,596	7,571
Income (loss) before taxes	$ 98	$ (478)
Company's share of income (loss), as accounted for using the equity method through December 31, 2003	$ 49	$ (239)

Had the Company been accounting for its investment in Cash & Go, Ltd. under FIN 46 for the years ended December 31, 2003 and 2002, the Company's net income would have been as follows (in thousands, except per share data):

	Year Ended December 31, 2003	Year Ended December 31, 2002
Reported net income	$ 14,975	$ 10,940
Additional net income (loss) related to consolidation of Cash & Go, Ltd., net of tax	387	(150)
Adjusted net income	$ 15,362	$ 10,790
Basic earnings per share:		
Reported net income	$ 1.07	$ 0.83
Adjusted net income	$ 1.10	$ 0.81
Diluted earnings per share:		
Reported net income	$ 0.95	$ 0.76
Adjusted net income	$ 0.97	$ 0.75

NOTE 4 - CAPITAL STOCK

In March 2004, the Company's Board of Directors approved a three-for-two stock split in the form of a stock dividend to shareholders of record on March 22, 2004. The additional shares were distributed on April 6, 2004. All share and per share amounts (except authorized shares, treasury shares and par value) have been retroactively adjusted to reflect the split.

In July 2004, the Company's Board of Directors authorized a stock repurchase program to permit future repurchases of up to 1,600,000 shares of the Company's outstanding common stock. During 2004, the Company repurchased a total of 623,000 common shares under the stock repurchase program for an aggregate purchase price of $12,100,000, or $19.46 per share.

NOTE 5 - RELATED PARTY TRANSACTIONS

As of December 31, 2002, the Company had notes receivable outstanding from certain of its officers totaling $4,228,000. Repayment of these notes was completed during Fiscal 2003. The notes bore interest at 3%.

NOTE 6 - PROPERTY AND EQUIPMENT

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

	December 31, 2004	December 31, 2003
Land	$ 672	$ 672
Buildings	1,002	1,002
Leasehold improvements	1,792	1,792
Furniture, fixtures and equipment	33,418	26,405
	36,884	29,871
Less: accumulated depreciation	(19,508)	(15,453)
	$ 17,376	$ 14,418

NOTE 7 - ACCRUED EXPENSES

Accrued expenses consist of the following (in thousands):

	December 31, 2004	December 31, 2003
Money orders and wire transfers payable	$ 523	$ 726
Accrued compensation	3,492	2,979
Layaway deposits	2,057	1,655
Sales and property taxes payable	910	1,144
Lending activity settlements payable	781	1,462
Other	923	1,866
	$ 8,686	$ 9,832

NOTE 8 - REVOLVING CREDIT FACILITY

The Company maintains a long-term line of credit with two commercial lenders (the "Credit Facility"). The Credit Facility provides a $25,000,000 long-term line of credit that matures on April 15, 2006, and bears interest at the prevailing LIBOR rate (which was approximately 2.4% at December 31, 2004) plus a fixed interest rate margin of 1.375%. Amounts available under the Credit Facility are limited to 300% of the Company's earnings before income taxes, interest, depreciation and amortization for the trailing twelve months. At December 31, 2004, no amounts were outstanding under the Credit Facility and the Company had $25,000,000 available for borrowings. 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 the requirements and covenants of the Credit Facility as of December 31, 2004, and March 10, 2005. 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's Credit Facility contains provisions that allow the Company to repurchase stock and/or pay cash dividends within certain parameters. Substantially all of the unencumbered assets of the Company have been pledged as collateral against indebtedness under the Credit Facility.

NOTE 9 - INCOME TAXES

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

	Year Ended December 31,		
	2004	2003	2002
Current:			
Federal	$ 9,874	$ 7,495	$ 4,437
State and foreign	891	870	760
	10,765	8,365	5,197
Deferred	1,396	1,032	1,254
	$ 12,161	$ 9,397	$ 6,451

The principal current and non-current deferred tax liabilities consist of the following at December 31, 2004 and 2003 (in thousands):

	December 31, 2004	December 31, 2003
Deferred tax assets:		
Inventory tax-basis difference	$ 1,673	$ 1,520
Legal accruals	-	430
	1,673	1,950
Deferred tax liabilities:		
Amortization of goodwill	7,264	6,120
Depreciation	1,013	1,248
State income tax effect of deferred tax items	407	329
Other	340	208
	9,024	7,905
Net deferred tax liability	$ 7,351	$ 5,955
Reported as:		
Non-current liabilities - deferred income taxes	$ 7,351	$ 5,955

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

	Year Ended December 31,		
	2004	2003	2002
Tax at the federal statutory rate	$ 11,175	$ 8,408	$ 5,913

State and foreign income taxes, net of federal tax benefit	588	558	400
Other, net	398	431	138
	$ 12,161	$ 9,397	$ 6,451

NOTE 10 - COMMITMENTS AND CONTINGENCIES

The Company leases certain of its facilities and equipment under operating leases with terms generally ranging from three to five years. Most facility leases contain renewal options. Remaining future minimum rentals due under non-cancelable operating leases, including Cash & Go, Ltd., are as follows (in thousands):

Fiscal	
2005	$ 10,870
2006	10,024
2007	8,546
2008	5,913
2009	3,153
Thereafter	4,265
	$ 42,771

Rent expense under such leases was $10,923,000, $8,664,000 and $7,251,000 for the years ended December 31, 2004, 2003 and 2002, respectively.

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

NOTE 11 - EMPLOYEE STOCK OPTION AND INCENTIVE PLANS 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 375,000 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, 2004, no options to purchase shares of Common Stock were available for grant under the 1990 Plan. Options to purchase 1,000 shares were vested at December 31, 2004.

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 3,750,000 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, 2004, options to purchase 1,177,000 shares of Common Stock were available for grant under the 1999 Plan. Options to purchase 552,000 shares of common stock under the 1999 Plan were vested as of December 31, 2004.

On June 15, 2004, the Company's shareholders adopted the 2004 Long-Term Incentive Plan (the "2004 Plan"). The 2004 Plan provides for the issuance of incentive stock options, non-qualified stock options and other forms of equity compensation such as stock appreciation rights and restricted stock to key employees and directors of the Company. The total number of shares of Common Stock authorized and reserved for issuance under the 2004 Plan is 900,000 shares. The exercise price for each stock option or stock appreciation right granted under the 2004 Plan may not be less than the fair market value of the Common Stock on the date of the grant. Unless otherwise determined by the Board, options granted under the Plan have a maximum duration of ten years. As of December 31, 2004, no stock options or other equity compensation units had been granted or vested and 900,000 options or units were available for grant under the 2004 Plan.

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.

Stock option and warrant activity for Fiscal 2002, 2003 and 2004 is summarized in the accompanying chart (in thousands, except exercise price).

				Exercisable	
	Options	Warrants	Weighted Average Exercise Price	Number	Weighted Average Exercise Price
December 31, 2001	1,769	1,504	$ 3.99	2,534	$ 3.53
Granted	195	783	5.33		
Exercised	(93)	(68)	2.75		
Cancelled	(205)	(135)	7.04		
December 31, 2002	1,666	2,084	4.12	3,279	4.01
Granted	503	405	10.18		
Exercised	(1,197)	(663)	3.27		
Cancelled	(27)	-	5.33		
December 31, 2003	945	1,826	6.65	2,463	6.45
Granted	455	-	19.33		
Exercised	(605)	(938)	7.03		
December 31, 2004	795	888	$ 9.73	1,395	$ 9.42

Options and warrants outstanding as of December 31, 2004, are as follows (in thousands, except exercise price and life):

Exercise Price	Total Warrants and Options	Remaining Life	Currently Exercisable
$1.33	75	6.0	75
2.67	8	6.1	-
5.33	14	0.3	14
5.33	22	3.2	22
5.33	365	7.3	273
5.33	15	7.7	-
5.33	300	8.1	300
6.67	38	4.3	38
6.67	60	8.1	30
6.73	100	8.3	100
7.67	120	8.4	120
8.67	19	8.4	20
13.37	93	8.8	36
19.33	454	9.1	367
	1,683		1,395

NOTE 12 - 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 and Company contributions are paid to a corporate trustee and invested in various funds. Contributions made to participants' accounts become fully vested upon completion of five years of service. The total Company matching contributions to the Plan were $250,000, $213,000 and $220,000 for the years ended December 31, 2004, 2003 and 2002, respectively.

NOTE 13 - GEOGRAPHIC AREAS

The Company manages its business on the basis of one reportable segment. See Note 1 for a brief description of the Company's business. The following table shows revenues, selected current assets and long-lived assets (all non-current assets except goodwill) by geographic area (in thousands):

	Year Ended December 31, 2004	2003	2002
Revenues:			
United States	$145,386	$126,707	$112,720
Mexico	34,427	18,761	6,073
Total	$179,813	$145,468	$118,793
Pawn receivables:			
United States	$ 16,707	$ 15,695	$ 14,430
Mexico	6,722	4,342	2,194
Total	$ 23,429	$ 20,037	$ 16,624
Short-term advance receivables:			
United States	$ 15,465	$ 13,759	$ 10,690
Mexico	-	-	-
Total	$ 15,465	$ 13,759	$ 10,690
Inventories:			
United States	$ 13,393	$ 13,042	$ 12,283
Mexico	4,251	2,546	1,365
Total	$ 17,644	$ 15,588	$ 13,648
Long-lived assets:			
United States	$ 11,183	$ 11,391	$ 16,706
Mexico	6,992	3,710	2,958
Total	$ 18,175	$ 15,101	$ 19,664

NOTE 14 - QUARTERLY FINANCIAL DATA (UNAUDITED)

Summarized quarterly financial data (in thousands, except per share data) for the fiscal years ended December 31, 2004 and 2003, are set forth below. The Company's operations are subject to seasonal fluctuations.

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2004				
Total revenues	$ 41,850	$ 40,318	$ 46,544	$ 51,101
Cost of revenues	13,532	13,730	17,660	18,945
Gross profit	28,318	26,588	28,884	32,156
Total expenses	20,139	19,813	20,641	22,486
Net income	5,178	4,246	5,190	6,092
Diluted earnings per share from net income	0.30	0.25	0.31	0.36
Diluted weighted average shares	17,079	17,294	16,830	16,931
2003				
Total revenues	$ 34,244	$ 33,418	$ 37,241	$ 40,565
Cost of revenues	11,815	11,730	13,313	14,364
Gross profit	22,429	21,688	23,928	26,201
Total expenses	16,838	16,781	17,447	18,452
Income before change in accounting principle	3,498	3,001	4,016	4,817
Cumulative effect of change in accounting principle	-	-	-	(357)
Net income	3,498	3,001	4,016	4,460
Diluted earnings per share before				

change in accounting principle	0.24	0.19	0.25	0.29
Diluted earnings per share from cumulative effect of change in accounting principle	-	-	-	(0.02)
Diluted earnings per share from net income	0.24	0.19	0.25	0.27
Diluted weighted average shares	14,684	15,159	16,358	16,773

Exhibit 10.2

CONSULTING AGREEMENT

THIS AGREEMENT IS SUBJECT TO MANDATORY AND BINDING ARBITRATION

This Consulting Agreement (the "Agreement') is entered into as of January 1, 2005 (the "Effective Date"), by and between First Cash Financial Services, Inc. (the "Company"), a Delaware corporation, and Phillip Eric Powell (the "Consultant").

WHEREAS, in his former capacity as Chief Executive Officer, Consultant has been primarily responsible for building the company from its inception, and has provided a significant contribution to the success of the Company;

WHEREAS, Consultant has been an integral part of the Company attaining fiscal/financial stability, and has been its primary guidance in determining the strategic vision of the Company;

WHEREAS, notwithstanding the success of the Company under the stewardship of Consultant, both the Company and Consultant believe that long-term succession planning in the leadership of the Company is a necessary and desirable part of good corporate governance, and in the best interest of the Company and its shareholders;

WHEREAS, both the Company and Consultant believe that it is therefore in the best interest of the Company and its shareholders that Consultant relinquish his role as Chief Executive Officer, but remain committed to and involved in the Company's growth and strategic planning activities through a formalized, long-term consulting arrangement; and

WHEREAS, Consultant was employed by the Company pursuant to an employment agreement dated September 30, 2000, between the parties ("Employment Agreement"), and the parties terminated that agreement on December 30, 2004 and desire to enter into this consulting agreement so that the Company may benefit from the valuable advice, counsel, and participation of Consultant in future years based on the terms and conditions set forth below.

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

1. PREVIOUS EMPLOYMENT AGREEMENT.

The parties terminated the Employment Agreement on December 30, 2004, and waived and released all rights they had under the Employment Agreement as of that date. Accordingly, the Employment Agreement has no further force or effect.

2. INDEPENDENT CONTRACTOR.

The Company desires to contract for Consultant's services in his capacity as an independent contractor, according to the following terms and conditions.

3. DUTIES.

The Consultant will serve and be responsible to the Board of Directors of the Company ("Board"). Under the direction of the Board, the Consultant shall perform such duties, and have such powers, authority, functions, duties and responsibilities for the Company and other entities affiliated with the Company as may be determined from time to time by the Board. However, the Consultant shall determine the means and methods to perform his duties under this Agreement. The Board shall not control the means and methods of Consultant in fulfilling his duties under this Agreement.

4. TERM OF ENGAGEMENT.

The term of engagement of Consultant shall begin on January 1, 2005 and continue through December 31, 2014, subject to the provisions of Section 9. The term of the Consultant's engagement hereunder shall commence on January 1, 2005.

5. EXTENT OF SERVICES.

Subject to the provisions of section 12, the Consultant may engage in any other business related activities, as well as appropriate civic, charitable, professional or trade association activities, and serve on one or more other boards of directors of public or private companies, provided these activities do not interfere or conflict materially with the Consultant's duties and responsibilities to the Company.

6. NO FORCED RELOCATION.

The Consultant 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 Consultant hereunder, and the Company agrees that, if it requests the Consultant to make such a move and the Consultant declines that request, (a) that declination shall not constitute any basis for a termination of the Consultant's engagement and (b) no animosity or prejudice will be held against Consultant.

7. COMPENSATION.

(a) ANNUAL COMPENSATION RATE.

Annual compensation shall be payable to the Consultant by the Company as a guaranteed minimum amount under this Agreement for each calendar year during the period from January 1, 2005 to the termination date of the Consultant's Engagement. That annual compensation shall (i) accrue daily on the basis of a 365 year, (ii) be payable to the Consultant in the intervals no less frequently than monthly, and (iii) be payable beginning January 1, 2005 at an annual rate of $500,000.

(b) MISCELLANEOUS.

(i) The Company shall supply Consultant with an automobile, the make and model of which is subject to the approval of the Board, and the Company shall be responsible for all expenses related thereto throughout the term of this Agreement.

(ii) In consideration and in support of Consultant's duties under this Agreement, which also include fostering the goodwill, growth and earnings of the Company, the Company shall pay for a private club membership for Consultant, for such amount as is reasonable taking into account the powers, authority, functions, duties and responsibilities of Consultant, subject to approval of the Board.

(iii) Consultant acknowledges that he shall be responsible for any and all income and self-employment taxes (including federal, state and local) resulting from compensation received (in cash and in-kind) pursuant to this Agreement. This includes, without limitation, all federal, state and local taxes on income and, social security & Medicare taxes applicable to income earned in his role as Consultant.

(iv) The Consultant 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) HEALTH INSURANCE.

The Company shall pay all health insurance premiums for Consultant and his spouse under the Company's health insurance program or a policy from an independent third party carrier until they attain the age 65, respectively.

(b) LIFE INSURANCE.

For the term of this Agreement, the Company will provide, at its own expense, term life insurance benefits under two separate policies, the first of which, naming the Company as beneficiary, shall be at the Company's option. The first policy shall designate the Company as the beneficiary and loss payee. This policy shall be procured at the option of the Board and shall have an amount of coverage, which shall be at the discretion of the Board. The second policy shall be in the amount of $4 million with the beneficiary and loss payee designated by the Consultant.

9. TERMINATION.

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

(a) DEATH.

The Consultant's Engagement shall terminate automatically on the date of his death.

(b) DISABILITY.

If a Disability occurs and is continuing, the Consultant's Engagement shall terminate 180 days after the Company gives the Consultant written notice that it intends to terminate his Engagement on account of that Disability, or on such later date as the Company specifies in such notice. If the Consultant 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 Consultant shall not prevent the Company from making necessary changes during the period of Consultant's Disability to conduct its affairs.

(c) VOLUNTARY TERMINATION.

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

(d) TERMINATION FOR GOOD CAUSE.

The Consultant may terminate his Engagement 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 Consultant becomes consciously aware that the facts and circumstances constituting Good Cause exist and are continuing, by giving the Company 30 days' prior written notice that the Consultant intends to terminate his Engagement for Good Cause, which notice will state with specificity the basis for Consultant's contention that Good Cause exists; provided, however, that if Consultant 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 Consultant shall not have Good Cause to terminate his Engagement solely by reason of the occurrence of a Change in Control until 90 days after the date such Change in Control actually occurs. The Consultant 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 Consultant's Engagement is at will. The Company reserves the right to terminate the Consultant's Engagement at anytime whatsoever, without cause, with 30 days' prior written notice to the Consultant.

(f) INVOLUNTARY TERMINATION FOR CAUSE.

The Company reserves the right to terminate the Consultant's Engagement for Cause. In the event that the Company determines that Cause exists under Section 11(f)(i) for the termination of the Consultant's Engagement, 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 Consultant in the Notice of Cause of the manner in which the breach or neglect can be cured, but the Consultant 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 Consultant written notice of the Company's intention to terminate Consultant's Engagement for Cause (the "Notice of Intent to Terminate"). Consultant shall have the right to object to any Notice of Intent to Terminate Consultant's Engagement for Cause, by furnishing the Company within ten days of receipt by Consultant of the Notice of Intent to Terminate Consultant's Engagement for Cause, written notice specifying the reasons Consultant contends either (i) Cause under Section 11(f)(i) does not exist or has been timely cured or (ii) in the circumstance of a Notice of Intent to Terminate Consultant's Engagement for Cause under Section 11(f)(ii), that such Cause does not exist (the "Notice of Intent to Join Issue over Cause"). The failure of Consultant 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 Consultant's Engagement 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 Consultant's Engagement for Cause, or file a demand for arbitration in accordance with Section 25, to determine whether the Company is entitled to terminate Consultant's Engagement for Cause. During the pendency of the arbitration proceeding, and until such time as Consultant's Engagement is terminated, Consultant shall be entitled to receive Compensation under this Agreement. In the discretion of the Board, however, the Consultant 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 Consultant with a Notice of Intent to Terminate the Consultant's Engagement 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

Consultant's Engagement for Cause. In the event that the Company determines that Cause exists under Section 11(f)(ii) for the termination of the Consultant's Engagement, it shall be entitled to immediately furnish Consultant with a Notice of Intent to Terminate Consultant's Engagement without providing a Notice of Cause or any opportunity prior to that notice to contest that determination. Any termination of the Consultant's Engagement for Cause pursuant to this Section 9(f) shall be effective immediately upon the Consultant's receipt of the Company's written notice of that termination and the Cause therefore.

(g) TERMINATION AT CONCLUSION OF TERM.

At the expiration of the term of engagement as stated in Section 4, Consultant's engagement will automatically terminate.

10. TERMINATION PAYMENTS.

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

(a) If the Consultant's Engagement is terminated under Section 9(a), (b), (d), or (e), the Company will pay or cause to be paid to the Consultant (or, in the case of a termination under Section 9(a), the beneficiary the Consultant has designated in writing to the Company to receive payment pursuant to this Section 10(a) or, in the absence of such designation, the Consultant's estate): (i) the Accrued Compensation; (ii) the Reimbursable Expenses; and (iii) the Termination Benefit.

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

(c) Any payments to which the Consultant (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 Consultant's Engagement. At the sole option and election of the Consultant (or his designated beneficiary or estate, if Section 9(a) applies), which election shall be made within 30 days of the termination of Consultant's Engagement, the Company shall pay the Consultant the Termination Benefit, if at all, (1) in a lump sum on a present value basis; (2) on a semi-monthly basis (as if Consultant's engagement had continued), or (3) on such other periodic basis reasonably requested by Consultant (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 Consultant (or his designated beneficiary or estate, if Section 9(a) applies) results in an earlier payout to Consultant (or his designated beneficiary or estate, if Section 9(a) applies) than if Consultant were paid on a semi-monthly basis. The Company shall be given credit for all life proceeds paid to Consultant's designated beneficiary or estate on any policy procured, paid for or reimbursed by the Company pursuant to this Agreement (up to $4 million in the case of life insurance). Upon the failure of the Consultant 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 Consultant'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 Consultant'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 Consultant's designated beneficiary or estate is entitled pursuant to paragraph (iii) of subsection (a) of this Section 10 and, if it exercises that option, (ii) the payment otherwise due pursuant to that paragraph (iii) 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 30. Any payments to which the Consultant (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 Consultant's Engagement 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 30.

(d) Except as provided in Sections 13, 23 and this Section, the Company will have no payment obligations under this Agreement to the Consultant (or his designated beneficiary or estate, if Section 9(a) applies) after the termination date of the Consultant's Engagement.

11. DEFINITION OF TERMS.

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

(a) ACCRUED COMPENSATION.

"Accrued Compensation" shall mean the compensation that has accrued, and the compensation that would accrue through and including the last day of the pay period in which the termination date of the Consultant's Engagement occurs, under Section 7(a), which has not been paid to the Consultant 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 l3d-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 1 3d-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 Consultant 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 101336, 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 16 or otherwise.

(i) DISABILITY.

"Disability" shall mean that the Consultant, 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 by the Americans with Disabilities Act of 1990, Public Law 101 336, 42 U.S.C.A. S 12101 et seq.

(j) ENGAGEMENT.

"Engagement" shall mean the compensated service provided by Consultant as an independent contractor to the Company or a subsidiary of the Company hereunder.

(k) GOOD CAUSE.

"Good Cause" for the Consultant's termination of his Engagement shall mean: (i) any decrease in the Annual Compensation Rate under Section 7(a) or any other violation hereof in any material respect by the Company; (ii) any material reduction in the Consultant's compensation under Section 7; (iii) the assignment to the Consultant of duties inconsistent in any material respect with the Consultant'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 Consultant; or (v) the occurrence of a Change of Control. Good Cause shall not exist if the Company cures within the period prescribed herein.

(l) REIMBURSABLE EXPENSES.

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

(m) TERMINATION BENEFIT.

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

12. COVENANTS NOT TO COMPETE.

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

(i) The Company is and will be engaged in the business of pawnshop services, payday loan services and check cashing services;

(ii) Consultant will occupy a position of trust and confidence with the Company prior to the date of this agreement and, during such period and Consultant's engagement 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) Consultant's engagement with the Company has special, unique and extraordinary value to the Company and the Company would be irreparably damaged if Consultant 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 Consultant 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. Consultant hereby agrees that for a period commencing on January 1, 2005 and ending one year following the later of (i) termination of Consultant's engagement with the Company for whatever reason, and (ii) the conclusion of the period, if any, during which the Company is making payments to Consultant, 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 Consultant 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 Consultant is not involved in the business of said corporation and if Consultant 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, Consultant 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. Consultant agrees that while engaged as a consultant by the Company and for one year after the cessation of the Consultant's engagement for whatever reason, the Consultant will not recruit, hire or attempt to recruit or hire, directly or assisted by others, any other employee of the Company with whom the Consultant had contact during the Consultant's engagement with the Company. For the purposes of this paragraph "contact" means any interaction whatsoever between the Consultant and the other employee.

(f) Non-Solicitation of Customers. Consultant agrees that while engaged by the Company as a consultant and for one year after the cessation of the Consultant's engagement for whatever reason, the Consultant 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 Consultant at the Company; or

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

(iii) Any person or entity the Company has targeted and contacted prior to Consultants termination for the purpose of establishing a customer relationship.

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

l3. TAX INDEMNITY.

Should any of the payments of compensation, 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 Consultant 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 2800 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 Consultant's compensation, 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 Consultant such additional compensation as is necessary (after taking into account all federal, state and local taxes payable by the Consultant as a result of the receipt of such additional compensation) to place the Consultant 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 Consultant notifies the Company that the Consultant 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 Consultant's tax counsel (such tax counsel to be chosen solely by the Consultant) 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 Consultant in good faith, the conclusions reached in such opinion shall not be challenged or disputed by the Company. If the Consultant intends to make any payment with respect to any such excise or similar purpose tax as a result of an adjustment to the Consultant'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 Consultant within five business days after the Consultant notifies the Company of his intention to make such payment. Without limiting the obligation of the Company hereunder, the Consultant agrees, in the event the Consultant 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 Consultant 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 Consultant reasonably determines (based upon the opinion of his tax counsel) that such contest is inconsistent with the overall tax interests of the Consultant.

14. LOCATIONS OF PERFORMANCE.

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

l5. PROPRIETARY INFORMATION.

(a) The Consultant 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 Consultant will not, during the term of his Engagement, 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 Consultant 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 Engagement, provided that after the term of his Engagement this provision shall not apply to secrets, information and processes that are then in the public domain (provided that the Consultant was not responsible, directly or indirectly, for such secrets, information or processes entering the public domain without the Company's consent).

(b) The Consultant hereby sells, transfers and assigns to the Company all the entire right, title and interest of the Consultant in and to all inventions, ideas, disclosures and improvements, whether patented or unpatented, and copyrightable material, to the extent made or conceived by the Consultant solely or jointly with others during the term of this Agreement The Consultant 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 Consultant shall execute and deliver to the Company such formal transfers and assignments and such other papers and documents as may be required of the Consultant 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 Consultant at the time it is disclosed to him; (ii) publicly known (or becomes publicly known) without the fault or negligence of Consultant; (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 Consultant 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.

16. 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 Consultant 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.

17. 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 Consultant 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.

18. 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 18 will not relieve the Company of any of its payment obligations to the Consultant under this Agreement. Notwithstanding the foregoing provisions of this Section 18, 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.

19. 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.

20. 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.

21. 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.

22. AUTHORITY TO CONTRACT.

The Company warrants and represents to the Consultant 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 Consultant 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.

23. PAYMENT OF EXPENSES.

If at any time during the term hereof or afterwards: (a) there should exist a dispute or conflict between the Consultant and the Company or another Person as to the validity, interpretation or application of any term or condition hereof, or as to the Consultant's entitlement to any benefit intended to be bestowed hereby, which is not resolved to the satisfaction of the Consultant, (b) the Consultant 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 Consultant or (c) the Consultant 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 there from, 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 Consultant, to provide sums sufficient to advance and pay on a current basis (either by paying directly or by reimbursing the Consultant) not less than 30 days after a written request therefore is submitted by the Consultant, all the Consultant'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 Consultant in connection with any such matter; (b) the Consultant shall be entitled, on demand in accordance with Section 25, 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 23 will not be affected if the Consultant is not the prevailing party in the final resolution of any such matter unless it is determined pursuant to Section 25 that, in the case of one or more of such matters, the Consultant 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 Consultant 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 23), in addition to any other relief to which it or they may be entitled.

24. REMEDIES.

In the event of a breach by the Consultant of Section 12 or 15 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.

25. ***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 Consultant's engagement (other than those described in Section 24 - 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. Should Consultant revoke his signature under section (d) of paragraph 13 of the attachment, this agreement shall be void.

26. GOVERNING LAW.

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

27. WAIVER OF ACTUAL OR POTENTIAL CONFLICTS OF INTEREST.

Should it become necessary for Consultant to seek to enforce the terms of this Agreement, the Company consents to Consultant's use of counsel which either then or may have in the past represented the Company, provided that counsel agrees to undertake Consultant'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.

28. 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.

29. INDEMNIFICATION.

The Consultant 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 Consultant is a director.

3O. INTEREST.

If any amounts required to be paid or reimbursed to the Consultant 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, 13 and 23), 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 Consultant 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. This rate (7% a.p.r.) shall also serve as the discount rate for any present value calculations relating to payment if the Termination Benefit, if any, under section 10(c).

31. TIME OF THE ESSENCE.

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

32. PRIOR INSTRUMENTS UNAFFECTED.

Except for the Employment Agreement, which was terminated on December 30, 2004, all prior instruments between the Company and Consultant 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. CONSULTANT

By: /s/ Richard T. Burke	/s/ Phillip Eric Powell
Richard T. Burke, Director	Phillip Eric Powell

ATTACHMENT "A"

MUTUAL AGREEMENT TO ARBITRATE

1. I, Phillip E. Powell, recognize that differences could arise between First Cash Financial Services, Inc. ("the Company") and me during or following my engagement 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. 1 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 engagement (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 Consulting 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.

5. Claims of the Company covered by section 24 of my Consulting Agreement.

Arbitration

6. (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 Tarrant 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, such arbitrator shall conduct the arbitration. 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 Consulting Agreement to which this Attachment is appended.

Requirements for Modification or Revocation

7. This Agreement to arbitrate shall survive the termination of my engagement. 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

8. 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.

9. 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

10. 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

11. 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 a Consulting Agreement as further consideration for entering into this Agreement.
Not an Employment Agreement

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

Voluntary

13. 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.

14. 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.

15. 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.	CONSULTANT
By: /s/ Richard T. Burke	/s/ Phillip Eric Powell
Richard T. Burke, Director	Phillip Eric Powell

Exhibit 10.3

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

This Employment Agreement (the "Agreement") is entered into as of December 31, 2004 (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 entered into as of September 30, 2000, between the parties (said agreement and all previous amendments and/or addenda hereinafter referred to as the "Old Employment Agreement"), and the parties desire to terminate the Old Employment Agreement and enter into a new agreement based on the terms and conditions set forth below.

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 Effective Date of this Agreement and shall be of no further force or effect thereafter. The parties hereto waive and release all rights they may have under the Old Employment Agreement as of the Effective Date.

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 of the Company.

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

(c) Under the direction of either the Board of Directors of the Company ("Board") or the Chairman of 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. 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 vested herein, 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, the Board may 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, 2009. Subject to the provisions of Section 9, the term of the Executive's Employment hereunder shall commence on December 31, 2004. At the discretion of the Board, the term of employment may be extended for additional successive periods of 1 year, each year beginning on January 1, 2006, and each anniversary date thereafter, provided that during the previous year, the Executive met the stipulated performance criteria established by the Board. All such extensions, if any, must be in writing, approved by the Board, and signed by Executive and an authorized representative of the Company.

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 January 1, 2005 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, 2005 at an initial annual rate of $550,000. The Executive's annual base salary shall not be decreased. The compensation committee of the Board may determine such other adjustments, which are not inconsistent with the foregoing terms, as may be appropriate based on the Executive's performance during the most recent performance period, in accordance with the Company's compensation policies.

(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, 2005 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. 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) 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.

(d) BOOKKEEPING AND ACCOUNTING

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

(e) 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 of which, naming the Company as beneficiary, shall be at the Company's option. The first policy shall designate the Company as the beneficiary and loss payee. This policy shall be procured at the option of the Board and shall have an amount of coverage, which shall be at the discretion of the Board. The second policy shall be in the amount of not less than $4 million with the beneficiary and 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 Company does not provide the same.

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.

(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 $4 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 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 of 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 pawnshop services, payday 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 one year 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 90 days 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, "contact" 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 90 days 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.

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 there from, 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 there from 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. Should Executive revoke his signature under section (d) of paragraph 13 of the attachment, this agreement shall be void.

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.

By:/s/ Phillip E. Powell

Phillip E. Powell
Chairman of the Board

EXECUTIVE

By: /s/Rick L. Wessel

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 Tarrant 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, such arbitrator shall conduct the arbitration. 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.

14. 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
By: /s/Phillip E. Powell	By:/s/ Rick L. Wessel
Phillip E. Powell Chairman of the Board	Rick L. Wessel

Exhibit 10.4

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

This Employment Agreement (the "Agreement") is entered into as of December 31, 2004 (the "Effective Date"), by and between First Cash Financial Services, Inc. (the "Company"), a Delaware corporation, and J. Alan Barron (the "Executive").

WHEREAS, Executive is presently employed by the Company pursuant to an employment agreement entered into as of January 1, 2003, between the parties (said agreement and all previous amendments and/or addenda hereinafter referred to as the "Old Employment Agreement"), and the parties desire to terminate the Old Employment Agreement and enter into a new agreement based on the terms and conditions set forth below.

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 Effective Date of this Agreement and shall be of no further force or effect thereafter. The parties hereto waive and release all rights they may have under the Old Employment Agreement as of the Effective Date.

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") and Chief Operating Officer ("COO") 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 ("Board"), the Executive shall have such powers, functions, duties, responsibilities and authority as are customarily required of and given to a CEO and COO and such other duties and responsibilities commensurate with such position. Such powers, functions, authority, duties and responsibilities shall include, but not be limited to: the day-to-day management of the Company, its personnel, and such additional powers, authority, functions, duties and responsibilities as may be assigned to him by the Board or its designee. Executive shall use his best efforts to achieve all performance goals and criteria established by the Board. Executive shall exercise such powers and authority and perform all such functions, duties and responsibilities consistent with Company practices and policies.

4. TERM OF EMPLOYMENT.

The term of employment of Executive is through December 31, 2009. Subject to the provisions of Section 9, the term of the Executive's Employment hereunder shall commence on December 31, 2004. At the discretion of the Board, the term of employment may be extended for additional successive periods of one year, each year beginning on January 1, 2006, and each anniversary date thereafter, provided that during the previous year, the Executive met the stipulated performance criteria established by the Board. All such extensions, if any, must be in writing, approved by the Board, and signed by Executive and an authorized representative of the Company.

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 Dallas/Fort Worth, Texas metropolitan 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 Dallas/Fort Worth, Texas metropolitan 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. Executive agrees that future travel in amounts reasonably consistent with Executive's previous amount of travel shall not be deemed unreasonable.

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 January 1, 2005 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, 2005 at an initial annual rate of $500,000. The compensation committee of the Board may determine such other adjustments, which are not inconsistent with the foregoing terms, as may be appropriate based on the Executive's performance during the most recent performance period, in accordance with the Company's compensation policies.

(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, 2005 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 allowance, 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. In order to ensure the health, safety and well being of Executive, the Company will also pay reasonable fees, subject to the prior approval of the compensation committee of the Board, for a duly licensed and qualified co-pilot, also subject to the prior approval of the of the compensation committee of the Board, to aid and assist Executive during Executive's piloting of any aircraft.

(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) 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 four weeks of vacation time from year to year, but vacation time otherwise shall not accrue from year to year.

(d) ACCOUNTING

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

(e) 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 of which, naming the Company as beneficiary, shall be at the Company's option. The first policy shall designate the Company as the beneficiary and loss payee. This policy shall be procured at the option of the Board and shall have an amount of coverage, which shall be at the discretion of the Board. The second policy shall be in the amount of not less than $2 million with the beneficiary and 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 at the discretion of the Board the cost of such disability coverage may be reimbursed, if the Company does not provide the same. Provided however, notwithstanding any other provisions of this agreement, neither the Executive, nor his loss payee or other designee under any life or disability policy shall be entitled to receive any death or disability benefits under any policy of insurance procured or paid for by the Company, if the Executive's death or disability occurs, in whole or in part, as a consequence of an accident or other incident involving an aircraft piloted solely by Executive. Rather, Executive hereby conditionally assigns such benefits to the Company, and hereby designates the Company as his beneficiary, loss payee or other designee in the event of such an accident or incident. Executive hereby directs the insurance company(ies) to pay all such conditionally assigned benefits to the Company in the event of such an accident or incident, which instruction shall survive the death of Executive. The health, safety and well being of Executive is very important to the Company, and the Company has caused this provision to be inserted into this agreement to encourage Executive to pilot his personal aircraft or any other aircraft, if at all, only with the aid and assistance of a duly licensed and qualified co-pilot. Should the Executive's death or disability occur, in whole or in part, as a consequence of an accident or other incident involving an aircraft piloted by Executive and a duly licensed and qualified co-pilot, the conditional assignment and foregoing payment directive of such insurance benefits to the Company shall be void.

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 (one year 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 30 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) or 13(f)(iii) 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 90 days for the Executive and 30 days for the Company 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. Provided however, notwithstanding any other provisions of this agreement, neither the Executive nor 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, shall be entitled to receive the Severance Benefit in the event of a termination under Section 9(a) or 9(b), if the Executive death or disability of Executive occurs, in whole or in part, as a consequence of an accident or other incident involving an aircraft piloted solely by Executive. The health, safety and well being of Executive is very important to the Company, and the Company has caused this provision to be inserted into this agreement to encourage Executive to pilot his personal aircraft or any other aircraft, if at all, only with the aid and assistance of a duly licensed and qualified co-pilot. Should there exist a termination Section 9(a) or 9(b) as a result of Executive's death or disability, which occurs, in whole or in part, as a consequence of an accident or other incident involving an aircraft piloted by Executive and a duly licensed and qualified co-pilot, the foregoing restriction governing the payment of the Severance Benefit shall not apply.

(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 9(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 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 6(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 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, (ii) committed and been charged with act(s) of dishonesty or fraud, or (iii) piloted any aircraft without the aid and assistance of a duly licensed and qualified co-pilot approved by the Company.

(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 of 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 vendors to compete with the Company. Executive further acknowledges that:

(i) the Company is and will be engaged in the business of pawnshop services, deferred presentment transactions, small loan business, short-term loan business, payday 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, Executive will become familiar with the 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, internal controls, computer systems, computer controls, day-to-day operating procedures, management of personnel, hiring and firing of personnel, promoting personnel, marketing of the company's products, new store site selection, selection of new geographic markets, and details of the industries' laws and regulation.

(c) Competitive Activities. Executive hereby agrees that for a period commencing on the date hereof and ending one year 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 termination 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, a contact 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 termination 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, which relates to the competitive businesses (pawn, payday, retail sales or lending) of the Company. 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, 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 there from, 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. Should Executive revoke his signature under section (d) of paragraph 13 of the attachment, this agreement shall be void.

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.

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
By:/s/Phillip E. Powell	By:/s/ J. Alan Barron
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Phillip E. Powell	J. Alan Barron
Chairman of the Board	

ATTACHMENT "A"
MUTUAL AGREEMENT TO ARBITRATE

1. I, J. Alan Barron, 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 Tarrant 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, such arbitrator shall conduct the arbitration. 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.

14. 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
By:/s/ Phillip E. Powell	By: /s/J. Alan Barron
Phillip E. Powell Chairman of the Board	J. Alan Barron

Exhibit 14.1

FIRST CASH FINANCIAL SERVICES, INC.
CODE OF ETHICS

This Code of Ethics is designed to promote honest and ethical conduct, full, fair, accurate, timely and understandable disclosure of financial information in the periodic reports of First Cash Financial Services, Inc. (the "Company"), and compliance with applicable laws, rules, and regulations.

APPLICABILITY OF THE CODE

This Code of Ethics (the "Code") applies to the Company's chief executive officer, president, chief operating officer, chief financial officer, controller, and such other operations, finance, accounting, or internal audit personnel as the chief executive officer, president or chief financial officer may from time to time designate. The persons listed in the preceding paragraph are referred to as the "Covered Persons."

HONEST AND ETHICAL CONDUCT

In performing his or her duties, each of the Covered Persons will act in accordance with high standards of honest and ethical conduct including taking appropriate actions to permit and facilitate the ethical handling and resolution of actual or apparent conflicts of interest between personal and professional relationships.

In addition, each of the Covered Persons will promote high standards of honest and ethical conduct among employees who have responsibilities in the areas of accounting, audit, tax, and financial reporting and other employees throughout the Company.

FULL, FAIR, ACCURATE, TIMELY, AND UNDERSTANDABLE DISCLOSURE

In performing his or her duties, each of the Covered Persons will endeavor to promote, and will take appropriate action within his or her areas of responsibility to cause the Company to provide, full, fair, accurate, timely, and understandable disclosure in reports and documents that the Company files with or submits to the Securities and Exchange Commission and in other public communications.

In performing his or her duties, each of the Covered Persons will, within his or her areas of responsibility, engage in, and seek to promote, full, fair and accurate disclosure of financial and other information to, and open and honest discussions with, the Company's outside auditors.

COMPLIANCE WITH APPLICABLE GOVERNMENTAL LAWS, RULES, AND REGULATIONS

In performing his or her duties, each of the Covered Persons will endeavor to comply, and will take appropriate action within his or her areas of responsibility to cause the Company to comply, with applicable governmental laws, rules, and regulations and applicable rules and regulations of self-regulatory organizations.

Each of the Covered Persons will promptly provide the Company's general counsel or the Company's audit committee with information concerning conduct the Covered Person reasonably believes to constitute a material violation by the Company, or its directors or officers, of the securities laws, rules or regulations or other laws, rules, or regulations applicable to the Company.

REPORTING VIOLATIONS OF THE CODE

Each of the Covered Persons will promptly report any violation of this Code to the Company's general counsel or to the Company's audit committee, as applicable.

WAIVER AND AMENDMENT OF THE CODE

The Company's audit committee, as well as the Company's board of directors, will have the authority to approve a waiver from any provision of this Code. The Company will publicly disclose information concerning any waiver or an implicit waiver of this Code as required by applicable law. A waiver means the approval of a material departure from a provision of this Code. The Company will publicly disclose any substantive amendment of this Code as required by applicable law.

ACCOUNTABILITY FOR ADHERENCE TO THE CODE

The Company's audit committee will assess compliance with this Code, report violations of this Code to the Board of Directors, and, based upon the relevant facts and circumstances, recommend to the Board appropriate action. A violation of this Code may result in disciplinary action including termination of employment.

Exhibit 21.1

FIRST CASH FINANCIAL SERVICES, INC.
SUBSIDIARIES

Subsidiary Name	Country/State of Incorporation	Percentage Owned by Registrant
American Loan and Jewelry, Inc.	Texas	100%
WR Financial, Inc.	Texas	100%
Famous Pawn, Inc.	Maryland	100%
JB Pawn, Inc.	Texas	100%
Cash & Go, 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%
American Loan Employee Services, 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%
Cash & Go, Ltd.	Texas	49.5%
Cash & Go Management, LLC	Texas	50%
FCFS MO, Inc.	Missouri	100%
FCFS OK, Inc.	Oklahoma	100%
FCFS SC, Inc.	South Carolina	100%

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement No. 333-71077 on Form S-3, Registration Statement No. 333-106878 on Form S-3, Registration Statement No. 333-73391 on Form S-8, Registration Statement No. 333-106880 on Form S-8, and Registration Statement No. 333-106881 on Form S-8 of First Cash Financial Services, Inc. of our report dated March 8, 2004 (October 8, 2004 as to the effect of the restatement described in the last paragraph of Note 2) (which report expresses an unqualified opinion and includes explanatory paragraphs relating to the Company's adoption of Financial Accounting Standards Board Interpretation No. 46(R) Consolidation of Variable Interest Entities, effective December 31, 2003, and the restatement of the statements of cash flows for the years ended December 31, 2003 and 2002 described in Note 2) relating to the consolidated financial statements as of December 31, 2003 and for each of the two years in the period ended December 31, 2003 appearing in this Annual Report on Form 10-K of First Cash Financial Services, Inc. for the year ended December 31, 2004.

DELOITTE & TOUCHE LLP
Fort Worth, Texas
March 10, 2005

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statements Nos. 333-71077 and 333-106878 on Form S-3, and Nos. 333-73391, 333-106880, and 333-106881 on Form S-8 of our reports, dated March 10, 2005, relating to the financial statements of First Cash Financial Services, Inc., and to management's report on the effectiveness of internal control over financial reporting, appearing in this Annual Report on Form 10-K of First Cash Financial Services, Inc. for the year ended December 31, 2004.

Hein & Associates LLP
Dallas, Texas
March 10, 2005

Exhibit 31.1

CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT

I, J. Alan Barron, certify that:

1. I have reviewed this Annual Report on Form 10-K of First Cash Financial Services, Inc. (the "Registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 10, 2005

/s/ J. Alan Barron

J. Alan Barron
Chief Executive Officer

EXHIBIT 31.2

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT

I, R. Douglas Orr, certify that:

1. I have reviewed this Annual Report on Form 10-K of First Cash Financial Services, Inc. (the "Registrant");

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation;

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 10, 2005

/s/ R. Douglas Orr

R. Douglas Orr
Chief Financial Officer

EXHIBIT 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906
OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of First Cash Financial Services, Inc. (the "Company") on Form 10-K for the year ended December 31, 2004, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, J. Alan Barron and R. Douglas Orr each certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to our knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Act of 1934, as amended; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 10, 2005

/s/ J. Alan Barron

J. Alan Barron
Chief Executive Officer

/s/ R. Douglas Orr

R. Douglas Orr
Chief Financial Officer