

FIRST CASH FINANCIAL SERVICES INC  
Form DEF 14A  
April 30, 2015  
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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

SCHEDULE 14A  
(Rule 14a-101)  
INFORMATION REQUIRED IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to Section 240.14a-12

First Cash Financial Services, Inc.  
(Name of Registrant as Specified in its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- (1) Title of each class of securities to which transaction applies:
- (2) Aggregate number of securities to which transaction applies:
- (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
- (4) Proposed maximum aggregate value of transaction:
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Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

- (1) Amount Previously Paid:
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(3) Filing Party:

(4) Date Filed:

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First Cash Financial Services, Inc.  
690 East Lamar Boulevard, Suite 400  
Arlington, Texas 76011

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NOTICE OF ANNUAL MEETING OF STOCKHOLDERS  
To Be Held June 22, 2015

To Our Stockholders:

We cordially invite you to attend the Annual Meeting of Stockholders of First Cash Financial Services, Inc. (the “Company”). Our 2015 Annual Meeting will be held at the Company’s corporate offices located at 690 East Lamar Boulevard, Suite 400, Arlington, Texas 76011 at 10:00 a.m. CDT on Monday, June 22, 2015, for the following purposes:

1. To elect Mr. Rick L. Wessel as a director of the Company;
2. To ratify the selection of Hein & Associates LLP as the independent registered public accounting firm of the Company for the year ending December 31, 2015;
3. To re-approve the material terms of performance for qualified performance-based awards under the Company’s Executive Performance Incentive Plan;
4. To consider an advisory vote to approve the compensation of the Company’s named executive officers; and
5. To transact such other business as may properly come before the meeting.

You should read with care the attached Proxy Statement, which contains detailed information about these proposals. As in previous years, the Company will furnish proxy materials to its stockholders primarily through the Internet. The Company will mail a Notice of Internet Availability of Proxy Materials (“Notice”) to most of its stockholders, which will contain instructions on how to access proxy materials on the Internet and vote. The Notice will also describe how to request a paper copy of proxy materials or electronic delivery of materials via e-mail, free of charge. Stockholders who have previously elected delivery of the Company’s proxy materials electronically will receive an e-mail with instructions on how to access these materials electronically. Stockholders who have previously elected to receive a paper copy of the Company’s proxy materials will receive a full paper set of these materials by mail.

Common stockholders of record at the close of business on April 24, 2015 will be entitled to notice of and to vote at the meeting.

Your vote is important, and accordingly, we urge you to complete the on-line voting procedures as described on the proxy card or you can sign, date and return the proxy card in the enclosed postage-paid envelope. The fact that you have voted on-line or returned your proxy in advance will in no way affect your right to vote in person should you attend the meeting. However, by signing and returning the proxy, you have assured representation of your shares.

We hope that you will be able to join us on June 22.

Arlington, Texas  
April 30, 2015

Very truly yours,  
Rick L. Wessel  
Chairman of the Board, Chief Executive Officer and President

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First Cash Financial Services, Inc.  
690 East Lamar Boulevard, Suite 400  
Arlington, Texas 76011

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PROXY STATEMENT  
for  
Annual Meeting of Stockholders

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GENERAL INFORMATION

This Proxy Statement is being furnished to stockholders in connection with the solicitation of proxies by the Board of Directors (“Board of Directors”) of First Cash Financial Services, Inc., a Delaware corporation (the “Company”), for use at the 2015 Annual Meeting of Stockholders of the Company (the “Annual Meeting”) to be held at the Company’s corporate offices located at 690 East Lamar Boulevard, Suite 400, Arlington, Texas 76011 at 10:00 a.m. CDT, on Monday, June 22, 2015, and at any adjournments thereof, for the purpose of considering and voting upon the matters set forth in the accompanying Notice of Annual Meeting of Stockholders. The Company is mailing a printed copy of this Proxy Statement, a proxy card and the 2014 Annual Report of the Company to certain of its registered stockholders who have not consented to electronic delivery of their proxy materials on or about April 30, 2015, and a Notice of Internet Availability to all other stockholders beginning May 4, 2015.

The close of business on April 24, 2015 has been fixed as the record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting and any adjournment thereof. As of the record date, there were 28,195,392 shares of the Company’s common stock, par value \$.01 per share (“Common Stock”), issued and outstanding. The presence, in person or by proxy, of a majority of the outstanding shares of Common Stock on the record date is necessary to constitute a quorum at the Annual Meeting. Abstentions and broker non-votes will be counted as present for the purposes of determining the presence of a quorum. A broker non-vote occurs when a bank, broker or other nominee who holds shares for another person returns a proxy but does not vote on a particular item, usually because the nominee does not have discretionary voting authority for that item and has not received instructions from the owner of the shares.

Each share of Common Stock is entitled to one vote on all questions requiring a stockholder vote at the Annual Meeting. The votes required to act on each proposal at the Annual Meeting are summarized below.

Item 1 Election of Director. A plurality of the votes of the shares of Common Stock present in person or represented by proxy and entitled to vote at the Annual Meeting is required for the approval of the election of directors under Item 1 as set forth in the accompanying Notice of Annual Meeting of Stockholders. Stockholders may not cumulate their votes in the election of directors. Abstentions and broker non-votes will not be counted as having been voted on Item 1 and will have no effect on the outcome of the vote.

Item 2 Ratification of Independent Registered Public Accounting Firm. The affirmative vote of a majority of the shares of Common Stock present in person or represented by proxy and entitled to vote at the Annual Meeting is required for the ratification of the selection of the Company’s independent public accountants under Item 2 as set forth in the accompanying Notice of Annual Meeting of Stockholders. The ratification of the selection of Hein & Associates LLP as the Company’s independent public accountants for the year ending December 31, 2015 is a

discretionary matter and brokers will be permitted to vote uninstructed shares as to such matter. Broker non-votes are not considered entitled to vote on this proposal and therefore have no effect on the outcome of the vote on the proposal. Abstentions will have the same effect as votes against Item 2.

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Item 3 Re-Approval of the Material Terms of Performance Goals For Qualified Performance-Based Awards Under the Executive Performance Incentive Plan. The affirmative vote of a majority of the shares of Common Stock present in person or represented by proxy and entitled to vote at the Annual Meeting is required for the re-approval of the material terms of certain performance goals under Item 3 as set forth in the accompanying Notice of Annual Meeting of Stockholders. Broker non-votes are not considered entitled to vote on this proposal and therefore have no effect on the outcome of the vote on the proposal. Abstentions will have the same effect as votes against Item 3.

Item 4 Advisory Vote on Executive Compensation. The non-binding resolution to approve the compensation of the Company's named executive officers will be approved if a majority of the shares of Common Stock present in person or represented by proxy and entitled to vote at the Annual Meeting vote in favor of the proposal. Broker non-votes are not considered entitled to vote on this proposal and therefore have no effect on the outcome of the vote on the proposal. Abstentions will have the same effect as votes against Item 4.

Stockholder Proposals. If any stockholder proposal is properly presented at the Annual Meeting, the stockholder proposal will be approved if it receives the affirmative vote of a majority of the shares of Common Stock present in person or represented by proxy and entitled to vote at the Annual Meeting. Broker non-votes will not be counted as having been voted on such a proposal, and will have no effect on the outcome of the vote on the proposal. Abstentions will have the same effect as votes against any stockholder proposal.

If you are a stockholder of record, you may vote in person at the Annual Meeting, or by proxy without attending the Annual Meeting. You may vote by mail by signing, dating and returning your proxy card in the enclosed prepaid envelope. You may also vote over the Internet or by telephone. The proxy card the Company mails you will instruct you on how to vote over the Internet or by telephone. If you hold your shares in an account through a broker or other nominee in "street name," you should complete, sign and date the voting instruction card that your broker or nominee provides to you or as your broker or nominee otherwise instructs.

All shares represented by properly executed proxies, unless such proxies previously have been revoked, will be voted at the Annual Meeting in accordance with the directions on the proxies. If no direction is indicated, the shares will be voted to: (i) ELECT MR. RICK L. WESSEL AS DIRECTOR; (ii) RATIFY THE SELECTION OF HEIN & ASSOCIATES LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM OF THE COMPANY FOR THE YEAR ENDING DECEMBER 31, 2015; (iii) RE-APPROVE THE MATERIAL TERMS OF PERFORMANCE GOALS FOR QUALIFIED PERFORMANCE-BASED AWARDS UNDER THE EXECUTIVE PERFORMANCE INCENTIVE PLAN; (iv) APPROVE THE ADVISORY PROPOSAL ON THE COMPENSATION OF THE COMPANY'S NAMED EXECUTIVE OFFICERS; AND (v) TRANSACT SUCH OTHER BUSINESS AS MAY PROPERLY COME BEFORE THE MEETING. The enclosed proxy, even though executed and returned, may be revoked at any time prior to the voting of the proxy (a) by the execution and submission of a revised proxy, (b) by written notice to the Secretary of the Company or (c) by voting in person at the Annual Meeting.

ANNUAL REPORT

The Annual Report on Form 10-K, covering the Company's fiscal year ended December 31, 2014, including audited financial statements, is enclosed herewith. The Annual Report on Form 10-K does not form any part of the material for solicitation of proxies.

The Company's website can be accessed at [www.firstcash.com](http://www.firstcash.com), where a link to the Annual Report on Form 10-K is available on the Investor Relations page of the website ([www.firstcash.com/investors](http://www.firstcash.com/investors)). The Company will provide, without charge, a printed copy of its Annual Report on Form 10-K upon written request to R. Douglas Orr, Chief Financial Officer, at 690 East Lamar Boulevard, Suite 400, Arlington, Texas 76011. The Company will provide

exhibits to its Annual Report on Form 10-K, upon payment of the reasonable expenses incurred by the Company in furnishing such exhibits.

ITEM 1

TO ELECT ONE DIRECTOR

The Bylaws of the Company provide that the Board of Directors will determine the number of directors, but shall consist of at least one director and no more than 15 directors. The stockholders of the Company elect the directors. At each annual meeting of the stockholders of the Company, successors of the class of directors whose term expires at the annual meeting will be elected for a three-year term. Any director elected to fill a vacancy or newly created directorship resulting from an increase in the authorized number of directors shall hold office for a term that shall coincide with the remaining term of that class. In no case will a decrease in the number of directors shorten the term of any incumbent director. Any vacancy on the Board of Directors howsoever resulting may be filled by a majority of the directors then in office, even if less than a quorum, or by a sole remaining director. The stockholders will elect one director for the coming year, Mr. Rick L. Wessel. Mr. Wessel presently serves as a director of the Company and will be appointed for a term of three years.



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Unless otherwise instructed or unless authority to vote is withheld, the enclosed proxy will be voted for the election of the nominee listed herein. Although the Board of Directors does not contemplate that the nominee will be unable to serve, if such a situation arises prior to the Annual Meeting, the person named in the enclosed proxy will vote for the election of such other person as may be nominated by the Board of Directors.

The Board of Directors of the Company currently consists of four directors divided into three classes. At each annual meeting of stockholders, one class is elected to hold office for a term of three years. Directors serving until the earlier of (i) resignation or (ii) expiration of their terms at the annual meeting of stockholders in the years indicated as follows: 2015 - Mr. Rick L. Wessel; 2016 - Mr. Gabriel Guerra Castellanos; and 2017 - Messrs. Mikel D. Faulkner and Randel G. Owen.

The director standing for election at this year's Annual Meeting of Stockholders is as follows:

Rick L. Wessel, age 56, has served as chairman of the board of directors of the Company since October 2010, as chief executive officer ("CEO") since November 2006, as president since May 1998 and has been a director since November 1992. He previously served as vice chairman of the board from November 2004 to October 2010 and secretary and treasurer of the Company from May 1992 to November 2006 and the Company's chief financial officer ("CFO") from May 1992 to December 2002. Prior to February 1992, Mr. Wessel was employed by Price Waterhouse LLP for approximately nine years.

The Board of Directors believes that Mr. Wessel is qualified to serve as a director of the Company based on his experience as the CEO of the Company, his prior service as CFO of the Company and his extensive knowledge and experience of the Company's business.

### Directors Not Standing For Election

Mikel D. Faulkner, age 65, was appointed to the Board of Directors in 2009. He has served as chief executive officer of HKN, Inc. (OTCQB: HKNI) since 1982 and president of HKN since 2003. HKN, Inc., formerly Harken Energy Corporation, is an independent energy company. Since 2002, Mr. Faulkner has also served as chairman of the board of directors of Global Energy Development PLC, a quoted company on the London Stock Exchange (AIM). The Company believes that Mr. Faulkner is qualified to serve as a director of the Company based on his experience as a chief executive officer and board member for publicly-held, multi-national corporations.

Randel G. Owen, age 56, was appointed to the Board of Directors in 2009. Mr. Owen has served as the chief financial officer and executive vice president of Envision Healthcare Holdings, Inc. (NYSE: EVHC) since May 2011 and the chief operating officer since September 2012. He served as chief financial officer since February 2005 and as executive vice president since December 2005 of EVHC and held other senior executive and financial positions with its predecessor companies since 2001. The Company believes that Mr. Owen is qualified to serve as a director of the Company based on his experience as the principal financial and accounting officer for a publicly-held corporation.

Gabriel Guerra Castellanos, age 53, was appointed to the Board of Directors in January 2014. Mr. Guerra is the founder and president of Guerra Castellanos & Asociados, one of Mexico's leading public relations firms. He previously served as president and chief executive officer of Edelman Public Relations for Mexico and Latin America and as managing director of the Mexico office for Ray & Berndtson. Mr. Guerra has an extensive background in the Mexican Public Service, having served in various international diplomatic assignments, such as Consul General of Mexico in Toronto, Canada and as Press Counselor in the Mexican embassy in Germany. He served as Director of International Media at the office of the President of Mexico from 1992 to 1995. The Company believes that Mr. Guerra is qualified to serve as a director of the Company based on his experience as a chief executive officer and senior executive of several companies based in Mexico.

### Required Vote

Proxies will be voted for the election of Mr. Wessel as director of the Company unless otherwise specified in the proxy. A plurality of the votes cast by the holders of shares of Common Stock present in person or represented by proxy at the Annual Meeting will be necessary to elect the nominee as a director. If, for any reason, any nominee is unable or unwilling to serve, the proxies will be voted for a substitute nominee who will be designated by the Board of Directors at the Annual Meeting. Stockholders may abstain from voting by marking the appropriate boxes on the accompanying proxy. Abstentions will be counted separately and used for purposes of calculating whether a quorum is present at the Annual Meeting. The Company has adopted a voting policy for non-contested director elections, which is described below in the “Corporate Governance and Board Matters” section.

### Recommendation of the Board of Directors

The Nominating and Corporate Governance Committee of the Board and the entire Board of Directors unanimously recommend a vote “FOR” the election of Mr. Rick L. Wessel as a director of the Company.

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CORPORATE GOVERNANCE AND BOARD MATTERS

Board of Directors, Committees and Meetings

The Board of Directors held four meetings during the year ended December 31, 2014. Messrs. Wessel, Faulkner and Owen each attended, either telephonically or in person, all of the meetings of the Board of Directors during the year ended December 31, 2014. Mr. Guerra joined the Board of Directors effective January 23, 2014, and attended, either telephonically or in person, all of the Board of Directors meetings during such time as he served as a director in 2014. Members of the Board of Directors are encouraged to attend the Company's annual meeting; however, attendance is not mandatory. Mr. Wessel attended last year's Annual Meeting.

During 2014, the Audit, Compensation and Nominating and Corporate Governance Committees each consisted of Mr. Faulkner, Mr. Owen and Mr. Guerra. The Audit Committee held four meetings during the year ended December 31, 2014, the Compensation Committee held four meetings during the year ended December 31, 2014, and the Nominating and Corporate Governance Committee held two meetings during the year ended December 31, 2014.

**Audit Committee.** The Audit Committee is responsible for the oversight of the Company's accounting and financial reporting processes. This includes the selection and engagement of the Company's independent registered public accounting firm and review of the scope of the annual audit, audit fees and results of the audit. The Audit Committee reviews and discusses with management and the Board of Directors such matters as accounting policies, internal accounting controls, procedures for preparation of financial statements and other financial disclosures, scope of the audit, the audit plan and the independence of such accountants. In addition, the Audit Committee has oversight over the Company's internal audit function. The Board of Directors has determined that Messrs. Faulkner and Owen are Audit Committee financial experts as defined by Item 401(h) of Regulation S-K of the Securities Exchange Act of 1934, as amended ("Exchange Act"), and each member of the Audit Committee is independent under the listing standards of The NASDAQ Global Select Stock Market ("NASDAQ"). The Board of Directors has adopted a charter for the Audit Committee which is available to stockholders as described below.

**Compensation Committee.** The Compensation Committee is responsible for reviewing and approving corporate goals and objectives relevant to the compensation of the Company's CEO, evaluating the CEO's performance in light of those goals and objectives, and recommending to the Board of Directors for approval the CEO's compensation. The Committee is also responsible for recommending to the Board of Directors for approval the compensation of all other executive officers of the Company. In addition, the Compensation Committee oversees and approves issuances under the Company's stock option plans, incentive compensation plans and tax-qualified employee benefit plans.

The Board of Directors has adopted a charter for the Compensation Committee which is available to stockholders as described below. Pursuant to its charter, the Compensation Committee may delegate all or a portion of its duties and responsibilities to one or more subcommittees consisting of one or more of its members. For more information regarding the Compensation Committee's process and procedures for consideration of executive compensation, see the "Compensation Discussion and Analysis" section below.

**Nominating and Corporate Governance Committee.** The Nominating and Corporate Governance Committee is responsible for making recommendations to the Board of Directors concerning the governance structure and practices of the Company, including the size of the Board of Directors and the size and composition of various committees of the Board of Directors. In addition, the Nominating and Corporate Governance Committee is responsible for identifying individuals believed to be qualified to become directors, and to recommend to the Board of Directors the nominees to stand for election as directors at the Annual Meeting of Stockholders. The Board of Directors has adopted a charter for the Nominating and Corporate Governance Committee which is available to stockholders as described below.

Each of the Company's committee charters is publicly available and can be accessed on the Company's website at [www.firstcash.com](http://www.firstcash.com). Copies of the Company's committee charters are also available, free of charge, by submitting a written request to First Cash Financial Services, Inc., Investor Relations, 690 East Lamar Boulevard, Suite 400, Arlington, Texas 76011.

#### Directors' Fees

For the year ended December 31, 2014, the independent directors received compensation for service as a director and attending the meetings of the Board of Directors and committee meetings. In addition, the directors were reimbursed for their reasonable expenses incurred for each Board of Directors and committee meetings attended. See "Compensation of Directors" for a summary of the fees paid to the independent directors.

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### Code of Ethics

The Company has adopted a Code of Ethics that applies to all of its directors, officers, and key employees. The Company intends to disclose future amendments to, or waivers from, provisions of its Code of Ethics on its website in accordance with applicable NASDAQ and the Securities and Exchange Commission (“SEC”) requirements. The Code of Ethics is publicly available and can be accessed on the Company’s website at [www.firstcash.com](http://www.firstcash.com). Copies of the Company’s Code of Ethics are also available, free of charge, by submitting a written request to First Cash Financial Services, Inc., Investor Relations, 690 East Lamar Boulevard, Suite 400, Arlington, Texas 76011.

### Director Election (Majority Voting) Policy

The Company has adopted a Director Election (Majority Voting) Policy. Pursuant to this policy, in an uncontested election of directors (that is, an election where the number of nominees is equal to the number of seats open) any nominee for director who receives a greater number of “WITHHOLD” votes than “FOR” votes for his election must promptly submit an offer of resignation to the Nominating and Corporate Governance Committee following the certification of the stockholder vote for consideration in accordance with the following procedures.

The Nominating and Governance Committee will consider any tendered resignation and, promptly following the date of the stockholders’ meeting at which the election occurred, will make a recommendation to the Board of Directors concerning the acceptance or rejection of such resignation. In determining its recommendation to the Board of Directors, the Nominating and Governance Committee will consider all factors deemed relevant by the members of the Nominating and Governance Committee including, without limitation, the stated reason or reasons why stockholders who cast “withhold” votes for the director did so, the qualifications of the director (including, for example, the impact the director’s resignation would have on the Company’s compliance with the requirements of the SEC and the rules of the NASDAQ), and whether the director’s resignation from the Board of Directors would be in the best interests of the Company and its stockholders.

The Nominating and Governance Committee also will consider a range of possible alternatives concerning the director’s tendered resignation as members of the committee deem appropriate including, without limitation, acceptance of the resignation, rejection of the resignation, or rejection of the resignation coupled with a commitment to seek to address and cure the underlying reasons reasonably believed by the Nominating and Governance Committee to have substantially resulted in the “withheld” votes.

### Director Independence

The Board of Directors has determined that, with the exception of Mr. Wessel, CEO and president of the Company, all of its directors, including all of the members of the Audit, Compensation, and Nominating and Corporate Governance Committees, are “independent” as defined by NASDAQ and the SEC and for purposes of Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”). No director is deemed independent unless the Board of Directors affirmatively determines that the director has no relationship which would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In making its determination, the Board of Directors observes all criteria for independence established by the rules of the SEC and NASDAQ.

### Oversight of Risk Management

The Board of Directors is responsible for overseeing and monitoring the material risks facing the Company. In its oversight role, the Board of Directors regularly reviews the Company’s strategic initiatives, which address, among other things, the risks and opportunities facing the Company. The Board of Directors also has overall responsibility for executive officer succession planning and reviews succession plans from time to time. The Board of Directors has

delegated certain risk management oversight responsibility to its committees. As part of its responsibilities set forth in its charter, the Audit Committee is responsible for discussing with management the Company's major financial risk exposures and the steps management has taken to monitor and control those exposures, including the Company's risk assessment and risk management policies.

The Compensation Committee reviews the risks and rewards associated with the Company's compensation programs. The Compensation Committee designs compensation programs with features that mitigate risk without diminishing the incentive nature of the compensation. While these performance-based compensation and equity programs have been designed and administered in a manner that discourages undue risk-taking by employees, the Compensation Committee believes these programs create appropriate incentives to increase long-term stockholder value. The Compensation Committee has discussed the concept of risk as it relates to the compensation programs and the Compensation Committee does not believe the compensation programs encourage excessive or inappropriate risk taking for the following reasons:

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The Company structures its pay to consist of both fixed and variable compensation. The fixed (or salary) portion of compensation is designed to provide a steady income independent of the Company's stock price performance so that executives do not feel pressured to focus exclusively on short-term stock price performance to the long-term detriment of other important business decisions and metrics. The variable portions of compensation (incentive-based cash awards and equity awards) are designed to reward both short- and long-term corporate performance. For short-term performance, the Company utilizes annual incentive-based cash awards that are based primarily on achieving earnings per share and/or EBITDA from continuing operations targets, with additional targets related to the achievement of store additions and/or other strategic objectives. The Company defines EBITDA from continuing operations as net income (loss) before income (loss) from discontinued operations net of tax, income taxes, depreciation and amortization, interest expense and interest income. For long-term performance, the Company grants restricted stock awards with annual, multi-year vesting periods tied to the achievement of long-term earnings growth targets. The Company believes that these variable elements of compensation are a sufficient percentage of overall compensation to motivate executives to produce both superior short and long-term corporate results. The fixed element is also believed to be appropriate so that the executives are not encouraged to take unnecessary or excessive risks achieving corporate objectives.

Because earnings targets such as EBITDA from continuing operations, net income, and earnings per share are the primary performance measures for determining incentive payments, the Company believes its executives are encouraged to take a balanced approach that focuses on corporate profitability, rather than other measures which may incite management to drive sales or growth targets without regard to cost structure. If the Company is not profitable at a reasonable level, there are no payouts under the annual incentive cash award program.

The Company typically caps cash payments for most goals under its annual incentive plan, which the Company believes also mitigates excessive risk taking. Even if the Company dramatically exceeds its targets, bonus payouts are generally limited by such caps. Conversely, the Company has a floor on earnings and growth targets so that performance below a certain level (as approved by the Compensation Committee) does not permit bonus payouts.

The Company's incentive compensation programs have been structured primarily around the attainment of earnings targets for many years and the Company has seen no evidence that it encourages unnecessary or excessive risk taking. The Company believes that use of distinct long-term incentive plans, primarily restricted stock awards, with performance-based vesting over a number of years, provides a strong incentive for sustained operational and financial performance.

The Compensation Committee has discretion to adjust payouts under both the annual and long-term performance plans to reflect the core operating performance of the business, but prohibits discretion for payouts above stated maximum awards.

## Board Leadership Structure

The Board of Directors recognizes that the leadership structure and combination or separation of the CEO and chairman roles is driven by the needs of the Company at any point in time. The Board of Directors does not believe there should be a fixed rule as to whether the offices of chairman and CEO should be vested in the same person or two different people, or whether the chairman should be an employee of the Company or should be elected from among the non-employee directors. The needs of the Company and the individuals available to fulfill these roles may dictate different outcomes at different times, and the Board of Directors believes that retaining flexibility in these decisions is in the best interest of the Company and its stockholders.

The Board of Directors has determined that the Company and its stockholders are currently best served by having one person serve as both chairman and CEO as it allows for a bridge between the Board of Directors and management and provides critical leadership for carrying out the Company's strategic initiatives and confronting its challenges. Mr. Wessel's service as chairman facilitates the Board of Directors' decision-making process because Mr. Wessel has first-hand knowledge of the Company's operations and the major issues facing the Company, and he chairs the Board meetings where the Board of Directors discusses strategic and business issues. Mr. Wessel is the only member of

executive management who is also a director. The Board of Directors does not have a lead independent director.

#### Director Qualifications

In discharging its responsibilities to nominate candidates for election to the Board of Directors, the Nominating and Corporate Governance Committee has not specified any minimum qualifications for serving on the Board of Directors. However, the Nominating and Corporate Governance Committee endeavors to evaluate, propose and approve candidates, including those recommended by stockholders, with business experience and personal skills in finance, marketing, financial reporting and other areas that may be expected to contribute to an effective Board of Directors. The Nominating and Corporate Governance Committee seeks to assure that the Board of Directors is composed of individuals who have experience relevant to the needs of the Company and who have the highest professional and personal ethics, consistent with the Company's values and standards. Candidates should be committed to enhancing stockholder value and should



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have sufficient time to carry out their duties and to provide insight and practical wisdom based on experience. Each director must represent the interests of all stockholders.

Although there is no specific policy on considering diversity, the Board of Directors and the Nominating and Corporate Governance Committee take various diversity-related considerations into account in the selection criteria for new directors. The Nominating and Corporate Governance Committee seeks members from diverse professional backgrounds to combine a broad spectrum of experience and expertise with a reputation for integrity. Some additional considerations may include national origin, gender, race, functional background and the diversity of perspectives that the candidate would bring to the Board of Directors.

### Identifying and Evaluating Nominees for Directors

The Nominating and Corporate Governance Committee will utilize a variety of methods for identifying and evaluating nominees for director. Candidates may come to the attention of the Nominating and Corporate Governance Committee through current members of the Board of Directors, professional search firms, stockholders or other persons. These candidates will be evaluated at regular or special meetings of the Nominating and Corporate Governance Committee, and may be considered at any point during the year. The Nominating and Corporate Governance Committee will also consider properly submitted stockholder nominations for candidates for the Board of Directors. The procedures to be followed by stockholders in submitting such nominations are set forth in the “Stockholder Proposals” section. Following verification of the stockholder status of persons proposing candidates, recommendations will be aggregated and considered by the Nominating and Corporate Governance Committee. If any materials are provided by a stockholder in connection with the nomination of a director candidate, such materials will be forwarded to the Nominating and Corporate Governance Committee. The Nominating and Corporate Governance Committee may also review materials provided by professional search firms or other parties in connection with a nominee who is not proposed by a stockholder.

### Procedure for Stockholder Communications with Directors

The Board of Directors has established a procedure for stockholders to send communications to the Board of Directors. Stockholders may communicate with the Board of Directors generally or with a specific director at any time by writing to the Company’s Corporate Secretary at the Company’s address, 690 East Lamar Boulevard, Suite 400, Arlington, Texas 76011. The Secretary will review all messages received and will forward any message that reasonably appears to be a communication from a stockholder about a matter of stockholder interest that is intended for communication to the Board of Directors. Communications will be sent as soon as practicable to the director to whom they are addressed, or if addressed to the Board of Directors generally, to the chairman of the Nominating and Corporate Governance Committee. Because other appropriate avenues of communication exist for matters that are not of stockholder interest, such as general business complaints or employee grievances, communications that do not relate to matters of stockholder interest will not be forwarded to the Board of Directors. The Corporate Secretary has the option, but not the obligation, to forward these other communications to appropriate channels within the Company.

## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The following table sets forth, as of April 24, 2015, the number and percentage of outstanding shares of Common Stock owned by: (a) each person who is known by the Company to be the beneficial owner of more than 5% of the outstanding shares of Common Stock; (b) each of the Company’s directors or director nominees; (c) the named executive officers as defined in Item 402 of Regulation S-K; and (d) all directors and executive officers, as a group. As of April 24, 2015, there were 28,195,392 shares of Common Stock issued and outstanding.

Beneficial ownership has been determined in accordance with Rule 13d-3 under the Exchange Act. Under this rule, certain shares may be deemed to be beneficially owned by more than one person (if, for example, persons share the power to vote or the power to dispose of the shares). In addition, shares are deemed to be beneficially owned by a person if the person has the right to acquire shares (for example, upon exercise of an option or warrant) within 60 days of the date as of which the information is provided. In computing the percentage ownership of any person, the amount of shares is deemed to include the amount of shares beneficially owned by such person by reason of such acquisition rights. As a result, the percentage of outstanding shares of any person as shown in the following table does not necessarily reflect the person's actual voting power at any particular date.

To the best of the Company's knowledge, except as indicated in the footnotes to this table and pursuant to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all shares of Common Stock shown as beneficially owned by them.

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Name		Shares Beneficially Owned		
		Number	Percent	
BlackRock Inc.	(1)	2,901,183	10.29	%
Genesis Asset Managers, LLP	(2)	2,726,456	9.67	
Thornburg Investment Management Inc	(3)	1,837,198	6.52	
The Vanguard Group	(4)	1,795,451	6.37	
Officers and Directors:				
Rick L. Wessel	(5)	909,700	3.20	
R. Douglas Orr	(6)	211,000	0.75	
Raul R. Ramos	(7)	34,284	*	
Sean D. Moore	(8)	12,135	*	
Peter H. Watson		500	*	
Mikel D. Faulkner		—	—	
Gabriel Guerra Castellanos		—	—	
Randel G. Owen		—	—	
Executive officers and directors as a group				
(8 persons, including the nominee for director)		1,167,619	4.08	%

\* Ownership percentage is less than 0.5%

(1) According to Schedule 13G filed with the SEC on January 9, 2015, BlackRock Inc. beneficially owns 2,901,183 shares. BlackRock Inc.'s address is 55 East 52nd Street, New York, NY 10022.

(2) According to current publicly available shareholder reporting services obtained on April, 14, 2015, Genesis Asset Managers, LLP beneficially owns 2,726,456 shares. Genesis Asset Managers, LLP's address is Heritage Hall, Le Marchant Street, St. Peter Port, Guernsey, Channel Islands, X0, GY1 4HY, UK.

(3) According to Schedule 13G filed with the SEC on February 3, 2015, Thornburg Investment Management Inc. beneficially owns 1,837,198 shares. Thornburg Investment Management Inc.'s address is 2300 North Ridgetop Road, Santa Fe, NM 87506.

(4) According to Schedule 13G filed with the SEC on February 10, 2015, The Vanguard Group beneficially owns 1,795,451 shares. The Vanguard Group's address is 100 Vanguard Blvd., Malvern, PA 19355.

(5) Includes (i) a stock option to purchase 70,000 shares at a price of \$15.00 per share to expire in December 2015, (ii) a stock option to purchase 90,000 shares at a price of \$17.00 per share to expire in December 2015, (iii) a stock option to purchase 90,000 shares at a price of \$19.00 per share to expire in December 2015, and (iv) 659,700 shares of common stock.

(6) Includes (i) a stock option to purchase 60,000 shares at a price of \$17.00 per share to expire in December 2015, (ii) a stock option to purchase 60,000 shares at a price of \$19.00 per share to expire in December 2015, and (iii) 91,000 shares of common stock.

(7) Includes (i) a stock option to purchase 30,000 shares at a price of \$19.00 per share to expire in December 2015, and (ii) 4,284 shares of common stock.

(8) Includes (i) a stock option to purchase 10,000 shares at a price of \$19.00 per share to expire in December 2015, and (ii) 2,135 shares of common stock.

## SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Based solely on the reports furnished pursuant to Section 16a-3(e) of the Exchange Act and representations made to the Company, all reports as required under Section 16(a) of the Exchange Act were filed on a timely basis during the year ending December 31, 2014.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

During 2014, Messrs. Faulkner, Owen and Guerra served as members of the Compensation Committee, were not and have never been employed by the Company, and did not have any interlocking relationship with another entity requiring disclosure pursuant to SEC rules.

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CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

During the fiscal year ended December 31, 2014, the Company had an informal policy for the review of transactions in which the Company was a participant, and in which any of the Company's directors or executive officers, or their immediate family members, had a direct or indirect material interest. While the Company does not have a written policy, pursuant to the Audit Committee Charter, the Audit Committee reviews proposed related party transactions and makes recommendations to the Board of Directors regarding approval or rejection of related party transactions. The Board of Directors reviews the recommendation of the Audit Committee and then approves all related party transactions prior to the Company entering into the transaction. Any such related party transaction is evaluated to determine whether such transaction is for the benefit of the Company and upon terms no less favorable to the Company than if the related party transaction was with an unrelated party. The Company had no transactions, nor are there any currently proposed transactions, in which the Company was or is to be a participant where any director, executive officer or any of their immediate family members had a material direct or indirect interest reportable under applicable SEC rules or that required approval of the Board of Directors under the Company's informal related party transaction policy.

AUDIT COMMITTEE REPORT

The Audit Committee operates under a written charter adopted by the Board of Directors. All members of the Audit Committee meet the independence standards and other criteria established by NASDAQ.

The Audit Committee assists the Board of Directors in fulfilling its responsibility to oversee management's implementation of the Company's financial reporting process. Management is responsible for the audited financial statements of the Company and for maintaining effective internal control over financial reporting. In discharging its oversight role, the Audit Committee reviewed and discussed with management and Hein & Associates LLP, the Company's independent registered public accounting firm, the audited financial statements of the Company as of and for the year ended December 31, 2014. The independent registered public accounting firm is responsible for expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in the United States of America. The Audit Committee has also reviewed management's report on its assessment of the effectiveness of the Company's internal control over financial reporting as well as the independent auditor's report on the effectiveness of the Company's internal control over financial reporting. Management's Report on Internal Control over Financial Reporting is included in the Company's Annual Report on Form 10-K for the year ended December 31, 2014.

The Audit Committee met privately with Hein & Associates LLP, and discussed issues deemed significant by the auditor, including those required to be discussed under the applicable requirements of the Public Company Accounting Oversight Board. In addition, the Audit Committee received from Hein & Associates LLP the written disclosures and the letter required by the applicable requirements of the Public Company Accounting Oversight Board regarding Hein and Associates, LLP's communications with the Audit Committee concerning independence, and the Audit Committee has discussed with Hein & Associates LLP its independence from the Company and its management. The Audit Committee also considered whether the provision of non-audit services, if any, by Hein & Associates LLP was compatible with maintaining its independence.

Based upon the foregoing review and discussions, the Audit Committee recommended to the Board of Directors that the audited financial statements and Management's Report on Internal Control over Financial Reporting referred to above be filed with the Company's Annual Report on Form 10-K for the year ended December 31, 2014.

By the Audit Committee:  
Mikel D. Faulkner

Randel G. Owen  
Gabriel Guerra Castellanos

The Audit Committee report above does not constitute “soliciting material” and will not be deemed “filed” or incorporated by reference into any of the Company’s filings under the Securities Act or the Exchange Act except to the extent that the Company specifically incorporates it by reference therein.

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## ITEM 2

## RATIFY THE SELECTION OF HEIN &amp; ASSOCIATES LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM OF THE COMPANY FOR THE YEAR ENDING DECEMBER 31, 2015

The Audit Committee selected Hein & Associates LLP (“Hein & Associates”) as independent accountants to audit the books, records and accounts of the Company for the year ending December 31, 2015. The Board of Directors has endorsed this appointment.

Hein & Associates was first engaged in March 2004 as the Company’s principal accountant. The firm has served as the independent accountant to the Company and has audited the Company’s consolidated financial statements for the 11 most recent years ended December 31, 2014.

## Principal Accountant Fees and Services

Aggregate fees for professional services rendered for the Company by Hein & Associates for the years ended December 31, 2014 and 2013, respectively, were as follows:

	2014	2013
Services Provided:		
Audit	\$283,630	\$284,013
Audit related	76,640	3,200
Tax	—	—
All other	—	—
Total	\$360,270	\$287,213

The audit fees for the years ended December 31, 2014 and 2013 were for the audits of the consolidated financial statements of the Company, internal control auditing and reporting as required by Sarbanes Oxley Section 404, issuance of consents, and review of the Company’s SEC filings. The audit related fees for fiscal 2014 relate primarily to the Company’s March 2014 senior notes offering and subsequent SEC registration of the senior notes.

## Audit Committee Pre-Approval Policies and Procedures

The 2014 and 2013 audit and audit related services provided by Hein & Associates were approved in advance by the Audit Committee.

The Audit Committee implemented pre-approval policies and procedures related to the provision of audit and non-audit services. Under these procedures, the Audit Committee pre-approves both the type of services to be provided by the Company’s independent accountants and the estimated fees related to these services. During the approval process, the Audit Committee considers the impact of the types of services and the related fees on the independence of the auditor. The services and fees must be deemed compatible with the maintenance of the auditor’s independence, including compliance with SEC rules and regulations.

Throughout the year, the Audit Committee reviews any revisions to the estimates of audit and non-audit fees initially approved.

## Ratification of the Independent Registered Public Accounting Firm

Stockholder ratification of the selection of Hein & Associates as the independent registered public accounting firm is not required by the Company’s bylaws or otherwise. However, the Board of Directors is submitting the selection of

Hein & Associates to the stockholders for ratification. In the event the stockholders do not ratify the appointment of Hein & Associates as the independent registered public accounting firm for the year ending December 31, 2015, the adverse vote will be considered as a direction to the Audit Committee and the Board of Directors to select other auditors for the following year. However, because of the difficulty in making any substitution of auditors so long after the beginning of the year ending December 31, 2015, it is contemplated that the appointment for the year ending December 31, 2015 will be permitted to stand unless the Audit Committee and the Board of Directors finds other good reason for making a change.

Representatives of Hein & Associates are expected to be present at the meeting, with the opportunity to make a statement if desired to do so. Such representatives are also expected to be available to respond to appropriate questions.



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## Required Vote

The affirmative vote of the holders of a majority of the outstanding shares of Common Stock present or represented by proxy and entitled to vote at the Annual Meeting is required to ratify the Audit Committee's selection of Hein & Associates.

## Recommendation of the Board of Directors

The Board of Directors unanimously recommends a vote "FOR" the ratification of the appointment of Hein & Associates as the Company's independent registered public accountants for the fiscal year ending December 31, 2015. Unless marked to the contrary, proxies received from stockholders will be voted in favor of ratifying the appointment of Hein & Associates as the Company's independent registered public accountants for the fiscal year ending December 31, 2015.

## 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 stockholder-approved plans as of December 31, 2014.

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	758,000	\$20.67	1,085,000 (1)
Equity compensation plans not approved by security holders	—	—	—
Total	758,000	\$20.67	1,085,000

(1) Includes shares that may be issued pursuant to the grant or exercise of stock options and full-value awards.

## EXECUTIVE OFFICERS

The following table lists the named executive officers of the Company as of the date hereof and the capacities in which they serve.

Name	Age	Position
Rick L. Wessel	56	Chief Executive Officer and President
R. Douglas Orr	54	Executive Vice President, Chief Financial Officer, Secretary and Treasurer
Raul R. Ramos	49	Senior Vice President, Latin American Operations
Sean D. Moore	38	Senior Vice President, Store Development and Facilities
Peter H. Watson	66	Senior Vice President, Compliance and Government Relations

Rick L. Wessel, joined the Company in 1992 and has served as CEO since November 2006, as president since May 1998 and has been a director since November 1992 and the chairman of the board of directors since October 2010. He previously served as vice chairman of the board from November 2004 to October 2010 and secretary and treasurer of the Company from May 1992 to November 2006 and the Company's CFO from May 1992 to December 2002. Prior to February 1992, Mr. Wessel was employed by Price Waterhouse LLP for approximately nine years.

R. Douglas Orr joined the Company in July 2002 as the vice president of finance. Since January 2003, Mr. Orr has served as CFO, and since January 2005, Mr. Orr has served as executive vice president. In addition, Mr. Orr has served as secretary and treasurer since November 2006. Prior to joining the Company, Mr. Orr spent 14 years at Ray & Berndtson, a global executive search firm, where he served in senior executive and financial management roles. Prior to his employment at Ray & Berndtson, Mr. Orr worked for four years at Price Waterhouse LLP.

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Raul R. Ramos joined the Company in 1992 to be in charge of the jewelry operations center. Mr. Ramos has served in a progression of operational management roles, including his current position of senior vice president, Latin American operations. In this role, which he has held since May 2013, Mr. Ramos directs all store operations in the Company's Mexico and South Texas markets. Prior to his employment with the Company, he worked in the pawn and retail jewelry industries.

Sean D. Moore joined the Company in 2003 in the store operations division as an area supervisor. Mr. Moore was promoted to senior vice president, store development and facilities in May 2013. In this role, Mr. Moore directs all aspects of store development, facilities management including site selection, leasing, construction, and maintenance and other store support functions. Prior to his employment with the Company, Mr. Moore served as an officer in the U.S. Marine Corps, where he achieved the rank of Captain and is a veteran of Operation Iraqi Freedom. Mr. Moore has a BBA in accounting from Baylor University.

Peter H. Watson joined the Company in May 2010 as general counsel and served in that capacity through December 2014. Since January 2015, Mr. Watson has served as senior vice president, compliance and government relations. Previously, he had an established private law practice in Minnesota for more than 30 years, where he specialized in advising clients on business opportunities in Latin America. During this time, he worked on a consulting basis for the Company on matters related to its operations in Mexico. Mr. Watson is a licensed attorney in Minnesota and Texas. He received a BA from Syracuse University in 1971 and a J.D. degree from the University of Missouri at Kansas City in 1976.

All officers serve at the discretion of the Board of Directors.

## EXECUTIVE AND DIRECTOR COMPENSATION

### Compensation Discussion and Analysis

#### Overview

In the discussion that follows, the Company will give an overview and analysis of its compensation program and policies, the material compensation decisions it has made under those programs and policies with respect to its top executive officers, and the material factors that it considered in making those decisions. The persons who served as the Company's CEO and CFO during 2014, as well as the other individuals named in the "Summary Compensation Table," are referred to as the "named executive officers" throughout this Proxy Statement.

#### Compensation Philosophy

The goal for the Company's executive compensation program is to attract, motivate and retain the highest quality executives who will provide leadership for its success in a dynamic, competitive and emerging market. The Company's compensation philosophy is to promote a "culture of ownership" among its executives by aligning their interests with those of its stockholders. This is best accomplished by:

- paying senior executives a base salary commensurate with their backgrounds, special skill sets, responsibilities and competitive practice;

- offering incentive compensation conditioned not only on the executive's individual performance, but also on his or her contribution to the Company's consolidated financial results; and

-

making periodic grants of equity awards in order to induce executives to remain in the Company's employment as well as align their interests with those of the Company's stockholders.

#### Role of the Compensation Committee

The Compensation Committee reviews and administers the compensation program for the Company's executive officers, including recommending to the Board of Directors for approval the specific compensation of all of the named executive officers. Compensation is typically set at the first Compensation Committee meeting each calendar year after reviewing performance for the past year and prospects for the year ahead. The Compensation Committee regularly meets with the CEO and CFO, both of whom provide insight into how individual executives are performing. The Compensation Committee retains broad flexibility in the administration of the Company's compensation packages.

The Compensation Committee has the authority to engage outside advisors to assist the Compensation Committee in the performance of its duties. In particular, the Compensation Committee has sole authority to retain and terminate any compensation consultant to assist in the evaluation of director, CEO or senior executive compensation, including sole authority to approve such consultant's reasonable fees and other retention terms, all at the Company's expense.

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The Board of Directors sets non-employee directors' compensation at the recommendation of the Compensation Committee. See the "Compensation of Directors" section below.

### Benchmarking and Use of Consultant

Peer Group: The Compensation Committee analyzes the compensation practices of a group of peer companies, consisting of other publicly-traded companies in the specialty consumer finance/retail industry within a range of market cap and revenue size similar to the Company. In determining compensation for its named executive officers, each element of its compensation program is compared against published compensation data of its peer group. The Compensation Committee, while mindful of this peer group data, has not established a specific range of compensation for any element of pay from the peer group, but rather uses the data as a general guideline for discussion and consideration. The overall goal of this process is to enable the Company to provide total compensation packages that are competitive with prevailing practices in the Company's industry and within the Company's peer group.

The Committee updates the peer group compensation data annually by utilizing the services of Equilar, a company that provides a comprehensive compensation database relating to executive compensation practices at publicly-traded companies. For 2014, the Compensation Committee reviewed compensation data for the following group of peer companies:

#### Industry Peers

Aaron Rents, Inc.

America's Car-Mart, Inc.

Cash America International, Inc.

Dollar Financial Corp.

EZCORP, Inc.

Rent-A-Center, Inc.

World Acceptance Corp.

The Compensation Committee reviews the composition of its peer group on an annual basis. The Compensation Committee may elect to modify the group for future periods to reflect best practices in executive compensation or changes in its business or the business of other companies, in and outside the peer group.

In addition, the CEO and the CFO present industry compensation data based on reports prepared from information provided by Equilar Inc., a company that accumulates data from public filings, which the officers then sort by the peer group.

Role of the CEO in Executive Compensation Decisions: The Company's CEO works closely with the Compensation Committee providing his assessment and recommendations on the competitiveness of the programs, performance issues and challenges and makes recommendations for consideration pertaining to the compensation of his subordinate team. The Compensation Committee takes these recommendations into consideration and either approves or works with the CEO to develop suitable proposals. The CEO does not, however, make, participate in, provide input for or make recommendations about his own compensation.

Use of Independent Advisors: The Compensation Committee has, in the past, retained an independent advisor to evaluate industry compensation practices, including base salary, bonus and long-term incentive values including annual grant levels. In 2014, the Compensation Committee did not retain the services of any outside consultants or advisors. Rather, the Compensation Committee relied on previous studies and current market data prepared by Equilar, which the Compensation Committee determined to be sufficient for the purposes of making comparisons necessary to evaluate the Company's executives' compensation for 2014 and 2015.

Results of 2014 Stockholder Say on Pay Vote.

At the Company's 2014 Annual Meeting of Stockholders, the stockholders approved, on an advisory basis, the compensation of the named executive officers. Approximately 91% of the votes cast were in favor of the Company's compensation programs. The Compensation Committee believes this level of stockholder support reflects a strong endorsement of the Company's compensation policies and decisions. The Compensation Committee has considered the results of this advisory vote on executive compensation in determining the Company's compensation policies and decisions for 2015, and has determined that these policies and decisions are appropriate and in the best interests of the Company and its stockholders at this time. In addition, the Company's Board of Directors has considered the stockholder vote and management's recommendation regarding the frequency of future stockholder advisory votes on the compensation of the Company's named executive officers and has adopted the stockholders' recommendation of an annual advisory vote on the compensation of the Company's named executive officers until the next required vote on this matter, or until the Board of Directors otherwise determines that a different frequency for such advisory votes is in the best interests of the stockholders of the Company.

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### Executive Stock Ownership Guidelines

The Company's insider trading policy prohibits all of its directors, officers and employees from engaging in "short sales" or "sales against the box" or trading in puts, calls, warrants or other derivative instruments on the Company's securities. The Board of Directors believe this prohibition further aligns the interests of directors and executives with those of stockholders, facilitates compliance with insider-trading and other applicable laws, and aids in preventing directors and executives from subjecting themselves to an actual or potential conflict of interest with the Company or creating the appearance of such a conflict.

### Elements of Compensation

The Company's principal focus is on total direct compensation, including a portion that is assured and a portion that is at risk. To achieve these objectives, the types of compensation paid to the named executive officers currently consists of base salary, annual performance incentive compensation (primarily in the form of cash payments), annual cash bonuses and long-term incentive compensation (primarily in the form of restricted stock awards).

### Base Salary

The Company offers what it believes to be competitive base salaries to its named executive officers. The base salary must be sufficient to attract talented executives and provide a secure base of cash compensation. In addition, base salary levels for the Company's executive officers are set at levels the Compensation Committee believes to be, based on its general business experience and review of peer company data, competitive in relation to the salary levels of executive officers in other companies within the specialty consumer finance industry and other companies of comparable size, growth, performance and complexity, taking into consideration the executive officer's position, responsibility and need for special expertise. Annual salary increases, typically determined in January of each year, are not assured and adjustments to base salaries take into account subjective factors such as the executive's performance against job expectations, changes in the market and increased job responsibilities and experience.

For 2014, the CEO's base salary was increased by 3% from \$963,040 (in 2013) to \$992,000, primarily as a cost of living adjustment. The weighted-average base salaries of all named executive officers as a group increased 4% in 2014 as compared to 2013.

### Short-Term Incentive Compensation

The Company's short-term incentive plans for the named executive officers are intended to drive short-term (typically one year) operating and financial results deemed crucial to the Company's success.

**Annual Performance Incentive Plan** - Certain named executive officers may receive annual incentive compensation through the Annual Performance Incentive Plan ("APIP"), which is provided under the term of the stockholder-approved Executive Performance Incentive Plan (the "Incentive Plan"). The APIP provides for the payment of annual cash incentive compensation based upon the achievement of performance goals established annually by the Compensation Committee based on one or more specified performance criteria.

The Company's Compensation Committee determines the participants in the APIP. Participation is limited to certain named executive officers that are deemed to have direct, overall responsibility for directing the strategy and operations of the Company. Two of the named executive officers positions were included as participants in the APIP for fiscal 2014: the CEO and the CFO.

The Compensation Committee also administers the calculation of amounts earned under the APIP. The Compensation Committee measures the performance of the Company against an annual business plan prepared by management and reviewed and approved by the Board of Directors at the beginning of the fiscal year. The Company's level of achievement of the performance goals set forth in the annual business plan will result in the payment of a cash incentive award equal to a percentage of the base salary of the participating executive officer. The performance goals are approved by the Compensation Committee and designed to reinforce the Company's focus on profitability and enhancement of long-term stockholder value. The target incentive awards ("Target Awards") are set at 100% of the participants' annual base salary, and the participants may earn annual cash incentives between 0% and a stated maximum percentage of their respective Target Awards (which for fiscal 2014 was set at 350% for the CEO and 250% for the CFO). The target award percentages for each participating executive officer are based on the scope of the officer's responsibilities, internal pay equity among participating executive officers with similar responsibilities and competitive considerations are reviewed annually by the Compensation Committee. The Compensation Committee retains certain discretion, as provided in the Incentive Plan, to adjust incentive awards in light of unusual or unforeseen developments that impact the Company or the industry in which the Company operates. As described below, the Compensation Committee exercised its discretion to reduce the calculated individual incentive awards in 2014. In 2013 and 2012, the Compensation Committee did not exercise its discretion to alter any individual awards.



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For fiscal 2014, the Compensation Committee established achievement of either a diluted earnings per share growth target or an EBITDA from continuing operations growth target as the primary performance measure for the APIP. The Company had to achieve growth of 0.3% (for threshold payout) to 10.1% (for maximum payout) over the prior year of diluted earnings per share from continuing operations or achieve growth of 8.4% (for threshold payout) to 17.3% (for maximum payout) over the prior year in EBITDA from continuing operations in order for the participating executive officers to receive awards under this element of the APIP. The range of eligible awards related to the earnings per share and/or EBITDA target was 0% to 175% of the CEO's base salary for 2014 and from 0% to 100% of the CFO's base salary for 2014. Additional 2014 performance measures related to the achievement of store addition targets and certain corporate financing objectives were also included as components of the APIP. The CEO and CFO could each receive awards totaling from 0% to 100% of the Target Award for attaining store openings/additions of 51 to 80 stores. In addition, the CEO and CFO could achieve awards totaling from 0% to 75% and 0% to 50% of their base salaries, respectively, for achieving certain corporate financing objectives. The maximum total achievable award under the APIP was equal to 350% of the base salary for the CEO and 250% of the base salary for the CFO.

Actual earnings per share from continuing operations in fiscal 2014 were \$2.94 per share, an increase of 2.8% over the prior year, while EBITDA from continuing operations increased 6.2%, which qualified the CEO and CFO for awards of 48.3% and 27.6%, respectively, of their base salaries under the earnings per share measure. The Company exceeded the highest growth target for store additions, which resulted in the awards of 100% of the base salaries for both the CEO and the CFO. The Company achieved the defined corporate financing objective which resulted in awards of 75% and 50%, respectively, for the CEO and CFO. In total, the CEO and CFO achieved awards of 223% and 178%, respectively, of their base salaries in 2014. However, based on the Company's overall financial performance in 2014, the Compensation Committee elected to apply a discretionary 20% reduction in the dollar value of the amounts awarded under the APIP in 2014. This adjustment reduced the APIP award by \$442,979 for the CEO and \$167,997 for the CFO and resulted in net total APIP awards of \$1,771,917 for the CEO and \$671,896 for the CFO.

**Annual Discretionary Cash Bonuses** - The Company's executive compensation program also includes granting of discretionary annual cash bonuses reflecting the Company's and the individual executive's performance. Annual cash bonuses may be paid to certain named executive officers and other officers and executives to reflect the breadth of their expertise and responsibility, achievement of certain financial or strategic results and to make the cash component of compensation competitive with that of the Company's peers. The Company maintains broad discretion to vary overall cash compensation for a given year by varying the amount, if any, of such cash bonuses. These cash bonuses may reflect a material part of the named executive officers' overall compensation, with payments commensurate with the executive's position, responsibilities and individual and overall Company performance. Annual cash bonuses, if any, paid to the CEO and CFO are determined and approved by the Compensation Committee. No discretionary cash bonuses were awarded to the CEO or CFO in fiscal 2014. Annual cash bonuses paid to other named executive officers are calculated and approved by the Compensation Committee based on the CEO's recommendation. Annual cash bonuses are subject to the Compensation Committee's discretion to award bonuses greater or lower than the recommended amount if they deem it appropriate. Fiscal 2014, discretionary cash bonus awards consisted of \$400,000 to the senior vice president, Latin American operations, \$375,000 to the senior vice president, store development and facilities and \$60,000 to the general counsel. These discretionary cash bonuses reflected both the achievement of certain operational and financial objectives and the targeted compensation levels necessary to provide total compensation packages necessary to attract and retain executives in senior management roles.

**Long-Term Incentive Compensation**

The compensation objective of retaining the best people for the job leads the Company to make periodic equity awards to its executive officers. These awards provide incentive for the executive officers to stay with the Company over the long term and align the interests of the executive officers with those of the Company's stockholders. These equity awards also provide additional flexibility to the Compensation Committee to reward superior performance by

executive officers.

Restricted Stock Awards - The Compensation Committee has established a Restricted Stock Incentive Plan (“RSIP”), which is a component of the Company’s 2011 Long-Term Incentive Plan, for certain named executive officers. Performance-based restricted stock awards granted under the RSIP typically vest over four years, contingent upon the Company attaining defined measures of earnings growth for future reporting periods. The Compensation Committee will certify the attainment of performance goals annually upon completion of each fiscal year, and any earned shares are distributed to participants following the end of the applicable performance period. The grants have specific rules related to the treatment of the awards in the event of termination for cause, voluntary resignation, retirement, involuntary termination and change in control. The Compensation Committee retains certain discretion, as provided in the RSIP, to adjust incentive awards in light of unusual or unforeseen developments that impact the Company or the industry in which the Company operates. The Company believes that such equity grants align the executives’ interests with those of the Company’s stockholders.

The Company granted 40,000 restricted stock awards under the RSIP in March 2014 composed of 30,000 award shares to the CEO and 10,000 award shares to the CFO. Vesting of these restricted stock awards is contingent upon the Company attaining defined targets for growth of EBITDA from continuing operations, adjusted to exclude gross profit from non-core jewelry scrapping operations, for annual reporting periods from 2014 through 2017, and the continued employment of the executive over these periods.

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The date of grant for all equity awards granted to executives and employees is the date of Compensation Committee approval. The Company does not have a program, plan or practice of timing the grant of equity awards in coordination with the release of material non-public information. The Company believes that all such equity grants as described herein align the executives' interests with those of the Company's stockholders.

### Perquisites and Personal Benefits

Certain named executive officers received additional remuneration consistent with the Company's approach to hiring and retaining key personnel. Such perquisites include matching contributions to 401(k) accounts, health insurance, life insurance, disability insurance, automobile allowances, club memberships and certain opportunities to travel using the Company's aircraft. The aggregate incremental cost to the Company during fiscal 2014 of such benefits is reflected in the Summary Compensation Table below.

### Employment Agreements and Change in Control Provisions

The Company and the Compensation Committee believe that the employment agreements are necessary in order to attract and retain the executives and, accordingly, the Company has entered into employment agreements with its named executive officers, which are more fully described in "Employment Agreements" set forth below. The Compensation Committee believes that the employment agreements (and the change-of-control provisions included therein) that have been entered into were merited in light of all relevant circumstances, including each individual's past employment experience, desired terms and conditions of employment and the strategic importance of their respective positions, including stability and retention. The Compensation Committee reviews the agreements at the time they are entered into in order to determine current market terms for the particular executive and agreement.

The Compensation Committee believes that the change-of-control provisions are necessary in order to retain and maintain stability among the executive group and that the terms of the change-of-control provisions are reasonable based on its review of the change-of-control provisions for similarly situated peer group companies. The change in control provisions in the employment agreements for the CEO and CFO provide for severance benefits only in the event of an involuntary termination of employment by the Company without "cause" or by the executive for "good reason," as such terms are defined in the employment agreements.

The overall goal of the Compensation Committee is to insure that compensation policies are established that are consistent with the Company's strategic business objectives and that provide incentives for the attainment of those objectives. This is affected in the context of a compensation program that includes base pay, annual incentive compensation and stock ownership.

### Tax and Accounting Considerations

The Company considers accounting and tax implications when designing its executive compensation and incentive programs. For example, the Compensation Committee has carefully considered the implications of Section 162(m) of the Internal Revenue Code, and believes tax deductibility of compensation is an important consideration. Accordingly, the Compensation Committee, where possible and considered appropriate, strives to preserve corporate tax deductions, including the deductibility of compensation to named executive officers. The Compensation Committee also reserves flexibility, however, where it is deemed necessary and in the best interests of the Company and its stockholders to continue to attract and retain the best possible executive talent, to approve compensation arrangements that are not necessarily fully tax deductible to the Company.

### Compensation Committee Report

The Compensation Committee of the Company has reviewed and discussed the “Compensation Discussion and Analysis” set forth above with management and, based on such review and discussions, the Compensation Committee recommended to the Board of Directors that the “Compensation Discussion and Analysis” be included in this Proxy Statement and incorporated by reference into the Company’s Annual Report on Form 10-K.

Members of the Compensation Committee:

Mikel D. Faulkner

Randel G. Owen

Gabriel Guerra Castellanos

The Compensation Committee report above does not constitute “soliciting material” and will not be deemed “filed” or incorporated by reference into any of the Company’s filings under the Securities Act of 1933, as amended (“Securities Act”), or the Exchange Act, except to the extent that the Company specifically incorporates it by reference herein.

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## Summary Compensation Table

The table below summarizes the total compensation paid or earned by Messrs. Rick L. Wessel, R. Douglas Orr, Raul R. Ramos, Sean D. Moore and Peter H. Watson, the 2014 named executive officers, for the fiscal years ended December 31, 2014, 2013 and 2012. Messrs. Ramos and Moore were not named executive officers for 2012.

Name and Principal Position	Year	Salary \$	Bonus \$	Stock Awards \$ (1)	Non-Equity Incentive Plan Compensation \$ (2)	All Other Compensation (3)	Total \$
Rick L. Wessel, Chief Executive Officer and President	2014	992,000	—	1,497,000	1,771,917	99,035	4,359,952
	2013	963,040	—	—	481,520	103,617	1,548,177
	2012	926,000	—	2,593,800	3,241,000	98,789	6,859,589
R. Douglas Orr, EVP, Chief Financial Officer	2014	473,000	—	499,000	671,986	—	1,643,986
	2013	454,480	100,000	—	113,620	—	668,100
	2012	437,000	—	864,600	874,000	—	2,175,600
Raul R. Ramos, SVP Latin American Operations	2014	335,000	400,000	—	—	—	735,000
	2013	322,537	375,000	—	—	—	697,537
Sean D. Moore, SVP Store Development and Facilities	2014	310,000	375,000	—	—	—	685,000
	2013	286,038	350,000	—	—	—	636,038
Peter H. Watson, General Counsel	2014	397,838	60,000	—	—	11,100	468,938
	2013	386,250	55,000	—	—	—	441,250
	2012	375,000	45,000	—	—	—	420,000

Amounts represent the aggregate grant date fair value determined in accordance with FASB ASC Topic 718 of restricted stock awards granted under the terms of the Company's RSIP, which are described in the "Long Term (1) Incentive Compensation" section of the "Compensation Discussion and Analysis" above. Grant date fair values were determined by multiplying the number of shares granted times the average of the high and low market price, of the Company's Common Stock on the date of grant.

Amounts represent cash incentive awards earned under the terms of the Company's APIP. The APIP provides for (2) the payment of annual cash incentive compensation based upon the achievement of performance goals established annually by the Compensation Committee based on one or more specified performance criteria, as more fully described in the "Compensation Discussion and Analysis" above.