SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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 FISCAL YEAR ENDED SEPTEMBER 30, 2001

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 000-19424

EZCORP, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	74-2540145
(State or other jurisdiction of Incorporation or organization)	(IRS Employer Identification No.)
1901 CAPITAL PARKWAY AUSTIN, TEXAS	78746
(Address of principal executive offices)	(Zip code)

Registrant's telephone number, including area code: (512) 314-3400

Securities Registered Pursuant to Section 12(b) of the Act:
None
Securities Registered Pursuant to Section 12(g) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Class A Non-voting Common Stock $.01 par value per share	The Nasdaq Stock Market

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

The only class of voting securities of the registrant issued and outstanding is the Class B Voting Common Stock, par value $.01 per share, 100% of which is owned by one record holder who is an affiliate of the registrant. There is no trading market for the Class B Voting Common Stock. The aggregate market value of the Class A Non-voting Common Stock held by non-affiliates of the registrant as of November 30, 2001, based on the closing price on The Nasdaq Stock Market on such date, was $15.4 million.

As of November 30, 2001, 10,937,841 shares of the registrant's Class A Non-Voting Common Stock, par value $.01 per share and 1,190,057 shares of the registrant's Class B Voting Common Stock, par value $.01 per share were outstanding.

EZCORP, INC.
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PART I

ITEM 1. BUSINESS

EZCORP, Inc. (the "Company") is a Delaware corporation with its principal executive offices located at 1901 Capital Parkway, Austin, Texas 78746. Its telephone number is (512) 314-3400. References to the Company include the subsidiaries listed in Exhibit 22.1.

The discussion in this section of this report contains forward-looking statements that involve risks and uncertainties. The Company's actual results could differ materially from those discussed herein. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in this section and those discussed elsewhere in this report.

GENERAL

The Company is primarily engaged in operating pawnshops which function as convenient sources of consumer credit and as value-oriented specialty retailers of primarily previously owned merchandise. Through its lending function, the Company makes relatively small, non-recourse loans secured by pledges of tangible personal property. The Company contracts for a pawn service charge to compensate it for each pawn loan. Pawn service charges, which generally range from 12% to 300% per annum, are calculated based on the dollar amount and duration of the loan and accounted for approximately 29% of the Company's revenues for the year ended September 30, 2001 ("Fiscal 2001"). In Fiscal 2001, approximately 76% of the pawn loans made by the Company were redeemed in full or were renewed or extended through the payment of the pawn service charges. In most states in which the Company operates, collateral is held one month with a 60-day extension period after which such collateral is forfeited for resale.

The Company also offers non-collateralized short-term loans, commonly referred to as "payday loans" in most of its pawnshops. These short-term loans are made based on a customer's credit history and are for periods ranging from one to 31 days, averaging about 15 days, for a fee of $15 to $20 per $100 loaned.

As of December 1, 2001, the Company operated 283 locations: 182 in Texas, 24 in Colorado, 20 in Oklahoma, 18 in Florida, 15 in Indiana, 8 in Alabama, 4 in Nevada, 3 in Tennessee, 3 in Louisiana, 3 in Mississippi, 2 in California, and 1 in Arkansas.

The pawnshop industry in the United States is large and highly fragmented. The industry consists of over 10,000 pawnshops owned primarily by independent operators who typically own one to three locations.

LENDING ACTIVITIES

The Company is primarily engaged in the business of making pawn loans, which typically are relatively small, non-recourse loans secured by pledges of tangible personal property. As of September 30, 2001, the Company had approximately 646,000 loans outstanding, representing an aggregate principal balance of $47.1 million. The Company contracts for a pawn service charge to compensate it for a pawn loan. A majority of the Company's pawn loans are in amounts that permit pawn service charges of 20% per month or 240% per annum. For Fiscal 2001, pawn service charges accounted for approximately 29% of the Company's total revenues.

Collateral for the Company's pawn loans consists of tangible personal property, generally jewelry, consumer electronics, tools, sporting goods, and musical instruments. The Company does not investigate the creditworthiness of a pawn customer, but relies on the estimated resale value of the pledged property, the perceived probability of its redemption, and the estimated time required to sell the item as a basis for its lending decision. The amount that the Company is willing to lend generally ranges from 20% to 65% of the pledged property's estimated resale value depending on an evaluation of these factors. The sources for the Company's determination of the resale value of collateral include the Company's computerized valuation software, catalogues, newspaper advertisements, and previous sales of similar merchandise.

The pledged property is held through the term of the loan, which in Texas is one month with an automatic 60-day grace period, unless repaid or renewed earlier. The Company seeks to maintain a redemption rate (the percent of loans made that are redeemed, renewed, or extended) between 70% and 80%, and in each of the Company's last three fiscal periods, it achieved this targeted redemption rate. The redemption rate is maintained through loan policy and proper implementation of such policy at the store level. If a borrower does not repay, extend, or renew a loan, the collateral is forfeited to the Company and then becomes inventory available for sale in the Company's pawnshops. The Company does not record loan losses or charge-offs of pawn loans because the principal amount of an unpaid loan becomes the inventory carrying cost of the forfeited collateral. The Company evaluates the salability of inventory and provides an allowance for valuation of inventory, based on the type of merchandise, recent sales trends and margins, and the age of merchandise.

The table below shows the dollar amount of loan activity by the Company for the fiscal years ended September 30, 1999, 2000 and 2001:

	Fiscal Years Ended September 30,		
	1999	2000	2001
	(dollars in millions)		
Loans made	$ 208.2	$ 187.6	$ 185.1
Loans repaid	(126.3)	(122.2)	(113.8)
Loans forfeited	(77.9)	(71.8)	(71.1)
Loans acquired (sold)	0.3	(0.6)	--
Net increase (decrease) in pawn loans outstanding at the end of the year	$ 4.3	$ (7.0)	$ 0.2

The realization of gross profit on sales of inventory primarily depends on the Company's initial assessment of the property's resale value. Improper assessment of the resale value of the collateral in the lending function can result in reduced marketability of the property and the realization of a lower margin. Jewelry, which constitutes approximately 60% of the principal amount of items pledged, can be evaluated primarily based on weight, carat content, and value of gemstones, if any. The other items pawned typically consist of consumer electronics, tools, and musical instruments. These can be evaluated based on recent sales experience and the selling price of similar new merchandise, adjusted for age, wear, and obsolescence.

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

Of the Company's 283 operating locations as of December 1, 2001, 182 were stores located in Texas. Accordingly, Texas pawnshop laws and regulations govern most of the Company's operations. In Texas, pawnshop operations are regulated by the Office of Consumer Credit Commissioner in accordance with Chapter 371 of the Texas Finance Code, commonly known as the Texas Pawnshop Act (the "Pawnshop Act") and Rules of Operation for Pawnshops (the "Rules"). See "Regulation".

The maximum allowable pawn service charges for stratified loan amounts made in the State of Texas are set in accordance with Texas law under the Pawnshop Act. Historically, the maximum allowable pawn service charges under Texas law have not changed; however, the stratified loan amounts have been adjusted upward each year. The maximum allowable pawn service charges under the Pawnshop Act for the various stratified loan amounts for the periods indicated below are as follows:

SCHEDULE OF APPLICABLE LOAN SERVICE CHARGES FOR TEXAS

Amount Financed per Pawn Loan			Maximum Allowable Annual Percentage Rate
Year Ended June 30, 2001	Two months ended August 31, 2001	Ten months ending June 30, 2002	
$ 1 to $ 144	$ 1 to $ 150	$ 1 to $ 150	240%
$ 145 to $ 480	$ 151 - $ 500	$ 151 - $ 1,000	180%
$ 481 to $ 1,440	$ 501 - $ 1500	$1,001 - $ 1,500	30%
$1,441 to $12,000	$1,501 to $12,500	$1,501 to $12,500	12%

Under Texas law, there is a ceiling on the maximum allowable pawn loan. For year ended June 30, 2001, the loan ceiling was $12,000. For the year ending June 30, 2002, the loan ceiling is $12,500. The Company's average loan amount at the end of Fiscal 2001 was approximately $73.

In addition to pawn loans, the Company offers unsecured short-term loans, commonly referred to as "payday loans" in most of its pawnshops. In a limited number of locations, the Company originates short-term loans. In most locations, the Company markets, services, processes, and collects short-term loans originated by County Bank, a federally insured Delaware banking corporation. After origination of the short-term loans, the Company is entitled to purchase an 85% participation in the loans made by County Bank and marketed by the Company. Short-term loan terms range from one to 31 days, averaging about 15 days. The fee per $100 loaned is typically $18 per 14-day period, but varies in certain locations. The loans and related fees reported in the Company's consolidated financial statements reflect only the Company's participation interest in such loans.

Unlike pawn loans, short-term loans are unsecured, and the Company provides for a valuation allowance on both the principal and fees receivable based on recent default and collection experience. At September 30, 2001, the valuation allowance was 9.5% of the short-term loan principal and fees receivable. The Company considers a loan defaulted if the loan has not been repaid or refinanced by the maturity date. Although defaulted loans may be collected through subsequent collection efforts, the Company charges defaulted loans to bad debt when they default. When defaulted loans are collected, the amount collected is recorded as a reduction of bad debt at the time of collection.

RETAIL ACTIVITIES

Jewelry sales represent approximately 40% of the Company's merchandise sales with the remaining sales consisting primarily of consumer electronics, tools, sporting goods, and musical instruments. The Company believes its ability to offer quality used merchandise at prices significantly lower than original retail prices attracts value-conscious customers. The Company obtains its inventory primarily from unredeemed collateral, and to a lesser extent, from purchases from the general public and from wholesale sources. For Fiscal 2001, purchases from the general public and from wholesale sources constituted approximately 9% of the dollar value of inflows to inventory. During Fiscal 2001, $70.9 million of merchandise was added to inventory through forfeited collateral. For Fiscal 2001, retail activities accounted for approximately 69% of the Company's total revenues, but only 46% of the Company's net revenue, after deducting cost of goods sold on merchandise sales.

Analysis of the sales and inventory data provided by the Company's management information systems facilitates the design and development of promotional and merchandising programs and merchandise pricing decisions. Regional and area managers implement these promotional and merchandising programs, review merchandise pricing decisions, and balance inventory levels within markets.

The Company does not give prospective buyers any warranties on most merchandise sold through its retail operations, except for certain purchases of new, wholesale-purchased merchandise, which may have a limited manufacturer's warranty. Prospective buyers may purchase an item on layaway, whereby a prospective purchaser will typically put down a minimum of 20% of an item's purchase price as a customer layaway deposit. The Company will hold the item for a 90-day period during which the customer is required to pay for the item in full. As of September 30, 2001, the Company had $2.1 million in customer layaway deposits and payments.

The Company's overall inventory is stated at the lower of cost or market. The Company provides inventory reserves for shrinkage and cost in excess of market value. The Company estimates these reserves through study and analysis of sales trends, inventory turnover, inventory aging, margins achieved on recent sales, and shrinkage. Valuation allowances, including shrinkage reserves, amounted to $1.1 million as of September 30, 2001. At September 30, 2001, total inventory on hand was $34.2 million, after deducting such allowance for shrinkage and valuation of inventory.

SEASONALITY

Historically, pawn service charge revenues are highest in the Company's fiscal fourth quarter (July, August, and September) due to higher loan demand during the summer months. Merchandise sales are highest in the Company's first and second fiscal quarters (October through March) due to the holiday season and tax refunds.

OPERATIONS

GENERAL

The typical Company location is a freestanding building or part of a retail strip center. Nearly all of the Company's pawnshop locations have contiguous parking available. Store interiors are designed to resemble small discount operations and attractively display merchandise by category. Distinctive exterior design and attractive in-store signage provide an appealing atmosphere to customers. The typical store has approximately 1,800 square feet of retail space and approximately 3,200 square feet dedicated to lending activities (principally collateral storage). The Company maintains property and general liability insurance for each of its pawnshops. The Company's stores are open six or seven days a week, depending on location.

STORE MANAGEMENT

A typical Company store employs five to six people consisting of a manager, an assistant manager, and three to four sales and lending representatives. Store managers are specifically responsible for ensuring that their store is run in accordance with the Company's established policies and procedures, and for operating their store according to performance parameters consistent with the Company's store operating guidelines. Each store manager reports to one of approximately 33 area managers who are responsible for the stores within a specific operating region. Area managers are responsible for the performance of all stores within their area and report to one of four regional directors. Regional directors, area managers, store managers, and assistant managers receive incentive compensation based on their region, area, or store performance to an operating budget. This incentive compensation typically ranges between 10% and 25% of their total compensation, plus a gain-sharing component for store and area managers whose stores exceed planned levels of earnings.

MANAGEMENT INFORMATION SYSTEMS AND CONTROLS

The Company has a store level point of sale (POS) system that automates the recording of all store-level transactions. Financial summary data from all stores is retrieved and processed at the corporate office each day and is available for management review by early morning for the preceding day's transactions. This information is available to field management via the Company's internal network. The Company's communications network provides access to each store from the corporate offices. During Fiscal 2000, the Company completed the development of a new, three-tier architecture, store-level system. This new system will provide additional store level functionality, increase service offerings, enhance reporting and controls, and provide software and hardware scalability. The company tested this new system in 51 of its 283 stores in Fiscal 2001. The Company plans to install this new system in all its locations by the end of Fiscal 2002.

The Company has an internal audit staff of approximately 20 employees to help ensure that the Company's policies and procedures are consistently followed. In addition, the audit department monitors, among other matters, the Company's perpetual inventory system, lending practices, and regulatory compliance.

HUMAN RESOURCES

As of September 30, 2001, the Company employed approximately 1,900 people. The Company believes that its success is dependent upon its employees' ability to make loans that achieve optimum redemption rates, to sell retail merchandise effectively, and to provide prompt and courteous customer service. The Company seeks to hire people who will become long-term, career employees. To achieve the Company's long-range personnel goals, the Company strives to develop its employees through a combination of learner-controlled instruction, classroom training, and supervised on-the-job loan and sales training for new employees. All employees go through periodic competency checks and all new employees go through a learner-controlled instruction program. Managers attend on-going management skills and operations performance training. Regional directors and area managers receive training on how to effectively motivate employees and how to increase each store's profitability. The Company's management believes that its managers, at all levels, are the principal trainers in the organization.

The Company anticipates that store manager candidates will be promoted primarily from the ranks of existing store employees and has created a process for forecasting future needs and identifying potential internal candidates for position openings. The Company's career development plan develops and advances employees within the Company, and provides training for the efficient integration of experienced retail managers and pawnbrokers from outside the Company.

In Texas, each pawnshop employee must be licensed in order to make loans. Employee pawnshop licenses are renewed annually. The licensing process and renewals both include a review of each individual's background.

TRADE NAME

At December 1, 2001, the Company operated 281 of its pawnshops under the name "EZ Pawn" and two locations under the name "EZMONEY." Both names are registered with the United States Patent and Trademark Office.

GROWTH AND EXPANSION

In Fiscal 1998, the Company began expanding rapidly. In Fiscal 1998 and Fiscal 1999, the Company added a net 37 and 45 stores. Typically new stores turn profitable during their second full year of operation as they build their loan and sales customer base. During Fiscal 2000, the Company decided to slow its new store expansion. As a result, the Company opened only five newly established stores in Fiscal 2000 and none in Fiscal 2001. During the Fiscal 2000 fourth quarter, the Company made the decision to close fifty-four under-performing stores, 10 of which had been open less than two years. As of September 30, 2001, forty-seven of the fifty-four stores had been closed. In the third quarter of Fiscal 2001, the Company decided not to close the remaining seven of the stores targeted for closure due to their improved operating performance.

The five most recently established stores with 12 full months of operating data, opened by the Company in its fiscal year ended September 30, 2000, required an average gross investment (including inventory, pawn loans, property, plant, and equipment) of approximately $500,000 per pawnshop during the first 12 months of operation.

The Company's ability to add new stores is dependent on several variables, such as the availability of acceptable sites or acquisition candidates, the regulatory environment, and the availability of qualified personnel. The Company's ability to add newly established stores in Texas counties having a population of 250,000 or more has been adversely affected by Texas law which provides that, in counties with 250,000 or more residents, applications for new licenses will be approved only at proposed locations which are not less than two miles from another licensed pawnshop and applications to relocate a licensed pawnshop will be approved only for proposed locations which are not less than one mile from another licensed pawnshop. Any existing store may relocate to within one mile of its present location, regardless of the existence of other pawnshops. The Company's ability to add newly established stores in such counties may be adversely affected by such regulation. See "Regulation".

COMPETITION

The Company encounters significant competition in connection with the operation of its business. These competitive conditions may adversely affect the Company's revenues, profitability, and its ability to expand. In connection with the lending of money, the Company competes primarily with other pawnshops. While there are four pawnshop chains with more than fifty locations, the majority of the Company's competitors are independently owned pawnshops. The Company is the second largest pawnshop chain in the United States. The Company believes that the primary elements of competition in the pawnshop business are store location and design, the ability to loan competitive amounts on items pawned, management of store-level employees, and the quality of customer service. In addition, as the pawnshop industry consolidates, the Company believes that the ability to compete effectively will be based increasingly on strong general management, regional market focus, automated management information systems, and access to capital. Some of the Company's competitors may have greater financial resources than the Company.

To a certain extent, the Company also competes with other types of financial institutions such as consumer finance companies and companies making payday loans. Other lenders may and do lend money on an unsecured basis, at interest rates which are lower than the service charges of the Company, and on other terms more favorable than those offered by the Company.

The Company's competitors, in connection with the sale of merchandise, include numerous retail and wholesale stores, including jewelry stores, discount retail stores, consumer electronics stores, other pawnshops, other retailers of previously owned merchandise, electronic commerce retailers, and auction sites. Competitive factors in the Company's retail operations include the ability to provide the customer with a variety of merchandise at an exceptional value. On a retail level, the Company competes with numerous other retailers who have significantly greater financial resources than the Company.

STRATEGIC INVESTMENT

In 1998, the Company acquired 29.47% of the outstanding shares of Albemarle & Bond Holdings plc ("A&B"). As its largest shareholder, the Company holds two of A&B's seven board of directors positions. A&B is a publicly traded company based in Bristol, England and trades on the Alternative Investment Market of the London Stock Exchange. At June 30, 2001, A&B operated 50 locations in the United Kingdom that offer pawn loans, payday loans, check cashing, and retail jewelry. For A&B's 2001 fiscal year, which ended June 30, 2001, A&B's operating profit increased 26% over the prior year twelve-month period to approximately (pound)2.8 million.

The Company accounts for its investment in A&B under the equity method. In Fiscal 2001, the Company's equity interest in A&B's income was $267,000, after $453,000 of goodwill amortization. At November 30, 2001, the market value of the Company's investment was $11.9 million, based on the closing price and exchange rates on that date.

REGULATION

PAWNSHOP OPERATIONS

The Company's pawnshop operations are subject to extensive regulation, supervision, and licensing under various federal, state, and local statutes, ordinances, and regulations. Of the Company's 283 locations as of December 1, 2001, 182 were in Texas. Accordingly, Texas pawnshop laws govern most of the Company's operations. The laws of Colorado, Oklahoma, Indiana, Florida, Alabama, California, Tennessee, Nevada, Louisiana, Mississippi, and Arkansas apply to the Company's pawnshop operations in those states. At December 1, 2001, the Company operated 283 locations: 182 in Texas, 24 in Colorado, 20 in Oklahoma, 18 in Florida, 15 in Indiana, 8 in Alabama, 4 in Nevada, 3 in Tennessee, 3 in Louisiana, 3 in Mississippi, 2 in California, and 1 in Arkansas. In many states in which the Company operates, pawnshops are subject to local regulation at the municipal and county level, which regulation may affect the ability of the Company to expand its operations in those states.

In addition, the Company's short-term loan operations are subject to various state and federal statutes and regulations including, but not limited to the federal Equal Credit Opportunity Act, Fair Credit Reporting Act, the Truth in Lending Act, the Gramm-Leach-Bliley Act, and the Fair Debt Collection Practices Act. The Company complies with the requirements of these federal statutes and their regulations with respect to its short-term loan business, and state statutes and regulations, where applicable.

TEXAS REGULATIONS

In Texas, pawnshops are governed by the Texas Pawnshop Act and the related Rules of Operation for Pawnshops, and are subject to licensing by and supervision of the Office of Consumer Credit Commissioner ("OCCC"). In addition, pawnshops and pawnshop employees in Texas must be licensed by the Texas Consumer Credit Commissioner. Furthermore, the Company is required to supply the Office of Consumer Credit Commissioner with copies of information filed with the Securities and Exchange Commission.

The maximum allowable pawn service charges for stratified loan amounts made in the State of Texas are set in accordance with the Texas Pawnshop Act. Historically, the maximum allowable pawn service charges under Texas law have not changed; however, the stratified loan amounts have been adjusted upward each year. Under Texas law, there is a ceiling on the maximum allowable pawn loan. For the period July 1, 2000 to June 30, 2001, the loan ceiling was $12,000. For the period July 1, 2001 through June 30, 2002, the loan ceiling is $12,500. A table of the maximum allowable pawn service charges under the Texas Pawnshop Act for the various stratified loan amounts for July 1, 2001 to June 30, 2002 is presented in "Lending Activities".

To be eligible for a license to operate a pawnshop in Texas, an applicant must: (i) be of good moral character, which in the case of a business entity applies to each officer, director, and holder of five percent or more of the entity's outstanding shares; (ii) have net unencumbered assets (as defined in the Texas Pawnshop Act) of at least $150,000 readily available for use in conducting the business of each licensed pawnshop; (iii) demonstrate that the applicant has the financial responsibility, experience, character, and general fitness to command the confidence of the public in its operation; and (iv) demonstrate that the pawnshop will be operated lawfully and fairly in accordance with the Texas Pawnshop Act and Rules. Current applications to the Office of Consumer Credit Commissioner inquire, among other matters, into the applicant's credit history and criminal record.

In addition, for new pawnshop applications filed after September 1, 1999 to be operated in counties with 250,000 or more people, applications for new licenses will be approved only at proposed locations which are not less than two miles from another licensed pawnshop, and applications to relocate a license will be approved only for proposed locations which are not less than one mile from another licensed pawnshop. Any existing store may relocate to within one mile of its present location, regardless of the existence of other pawnshops. The Company's ability to add newly established stores in such counties may be adversely affected by such regulation.

For a new license application in any Texas county, the Commissioner provides notice of the application, and the opportunity for a public hearing, to the other licensed pawnshops in the county in which the applicant proposes to operate. The timeframe for the license application approval process generally requires the Commissioner's office to process an application within 60 days of its receipt of a complete application file. When a public hearing is requested, however, the public hearing process can increase the timeframe substantially or result in no application approval at all. The Company's ability to add newly established stores may be adversely affected by the referenced provisions of the Texas Pawnshop Act. The Texas Consumer Credit Commission may, after notice and hearing, suspend or revoke any license for a Texas pawnshop upon finding, among other matters, that: (i) any fees or charges have not been paid; (ii) the licensee has violated (whether knowingly or unknowingly without due care) any provisions of the Texas Pawnshop Act or any regulation or order thereunder; or (iii) any fact or condition exists which, if it had existed at the time the original application was filed for a license, would have justified the Commissioner in refusing such license.

The Texas Pawnshop Act also contains provisions related to the operation of pawnshops and authorizes the promulgation of administrative rules called the Rules of Operation of Pawnshops (the "Rules") which regulate the day-to-day management of the Company's pawnshops. Under the Pawnshop Act and the Rules, a pawnbroker may not do any of the following: accept a pledge from a person under the age of 18 years; make any agreement requiring the personal liability of the borrower; accept any waiver of any right or protection accorded to a pledgor under the Texas Pawnshop Act; fail to exercise reasonable care to protect pledged goods from loss or damage; fail to return pledged goods to a pledgor upon payment of the full amount due; make any charge for insurance in connection with a pawn transaction; enter into any pawn transaction that has a maturity date of more than one month; display for sale in storefront windows or sidewalk display cases, pistols, swords, canes, blackjacks or similar weapons; purchase used or second hand personal property unless a record is established containing the name, address, and identification of the seller, a complete description of the property, including serial number and a signed statement that the seller has the right to sell the property; or accept into pawn or purchase stolen goods.

In order to market and service short-term loans in Texas, the Company's 184 pawnshops and collection center are required to be licensed as a regulated lender by the OCCC. The Company's ability to market and service short-term loans in Texas at current fee levels is dependent upon its continued relationship with County Bank or another similarly situated financial institution. Without such a relationship with a federally insured bank domiciled in a state that permits these rates, such as County Bank, the Company could offer short-term loans at a lower fee level, not in excess of the Texas usury ceiling. While Delaware law governs the short-term loans made by County Bank, the Company's short-term loan activities in Texas are subject to review and regulation by the OCCC.

COLORADO REGULATIONS

Colorado law provides for the licensing and bonding of pawnbrokers in that state. It also requires that pawn transactions be reported to local authorities and that certain bookkeeping records be maintained. Under Colorado law, the maximum allowable pawn service charge is 240% annually for pawn loans up to $50, and 120% annually for pawn loans in excess of $50.

In Colorado, the Company makes short-term loans to customers pursuant to its own underwriting guidelines. Short-term loans originated by the Company in Colorado are regulated by the Department of Law, Office of the Attorney General, Uniform Consumer Credit Code Division (the "UCCC Division"). The Company's 24 pawnshops in Colorado have and are required to maintain a supervised lender's license issued by the UCCC Division. The UCCC Division maintains regulatory and supervisory authority over the stores. Under Colorado law, the Company is required to maintain certain records related to its short-term loans and include specific information and disclosures in the loan agreement.

The maximum loan amount is $500, exclusive of the service fee. Colorado law provides for a graduated service fee: twenty percent (20%) of the first $300 and 7.5% of the amount over $300. The loan term may not exceed 31 days. Customers have the right to rescind the loan within one business day after the date of loan origination. The loan cannot be renewed more than once and if it is renewed prior to the maturity date, the Company must refund a prorated portion of the service fee.

OKLAHOMA REGULATIONS

The Company's Oklahoma operations are subject to the Oklahoma Pawnshop Act. Following a statutory scheme similar to the Texas Pawnshop Act, the Oklahoma Pawnshop Act provides for, among other matters, the licensing and bonding of pawnbrokers in Oklahoma and provides for the Oklahoma Administrator of Consumer Credit to investigate the general fitness of the applicant and generally regulate pawnshops in that state. The Administrator has broad rule-making authority with respect to Oklahoma pawnshops.

In general, the Oklahoma Pawnshop Act prescribes stratified loan amounts and maximum rates of service charges which pawnbrokers in Oklahoma may charge for lending money in Oklahoma within each stratified range of loan amounts. The regulations provide for a graduated rate structure, similar to the graduated rate structure utilized in federal income tax computations. Under this method of calculation, a $500 loan, for example, earns interest as follows: (1) first $150 at 240% annually, (2) next $100 at 180% annually, and (3) the remaining $250 at 120% annually. The maximum allowable pawn service charges for the various stratified loan amounts under the Oklahoma statute are as follows:

Maximum Allowable Amount Financed Per Pawn Loan	Annual Percentage Rate
$ 1 to $ 150	240%
$ 151 to $ 250	180%
$ 251 to $ 500	120%
$ 501 to $ 1,000	60%
$1,001 to $25,000	36%

The amount financed in Oklahoma may not exceed $25,000 per pawn transaction. In addition, the Oklahoma Pawnshop Act requires each applicant to (1) be of good moral character; (2) have net assets of at least $25,000; (3) show that the pawnshop will be operated lawfully and fairly within the purpose of the Oklahoma Pawnshop Act; and (4) not have been convicted of any felony which directly relates to the duties and responsibilities of the occupation of pawnbroker.

Oklahoma does not currently regulate or require a license for the Company's short-term loan activities. In the future, if the Company alters its current short-term loan business model in the state of Oklahoma or if Oklahoma changes its laws regarding short-term loans, such an alteration or change could have a material effect on the Company's short-term loan program in Oklahoma.

FLORIDA REGULATIONS

Pawnshop transactions in Florida are subject to Florida regulations codified in Chapter 539 of the Florida Statutes. Under such regulations, licensing of pawnshops and regulatory enforcement of such shops is performed by the Division of Consumer Services of the Department of Agriculture and Consumer Services. Such regulations require, among other things, that the pawnshop fill out a Pawnbroker Transaction Form showing the customer name, type of item pawned, and disclosing the amount of the pawn loan and the applicable finance charges. A copy of each form must be delivered to local law enforcement officials at the end of each business day.

Pawn loans in Florida typically have a 30-day maturity date. If the customer does not redeem the loan within 30 days following the maturity date (or the next business day, whichever is later), all right, title, and interest to the property vests in the pawnbroker. The pawnbroker is entitled to charge two percent of the amount financed for each 30 days as interest, and an additional amount as pawn service charges, provided the total amount of such charge, inclusive of interest, does not exceed 25% of the amount financed for each 30 day period in a pawn transaction. The pawnbroker may charge a minimum pawn service charge of $5.00 for each 30-day period. Pawns may be extended by agreement, with the charge applicable being one-thirtieth of the original total pawn service charge for each day by which the loan is extended. For loans redeemed greater than 60 days after the date made, pawn service charges continue to accrue at the daily rate of one-thirtieth of the original total pawn service charge.

INDIANA REGULATIONS

The Company's Indiana operations are regulated by the Department of Financial Institutions. The Department requires all persons or entities to obtain a license to act as a pawnbroker. The Indiana Pawnbroker's Act provides for the Department of Financial Institutions to investigate the general fitness of the applicant, to determine whether the convenience and needs of the public will be served by granting an applicant a license, and generally to regulate pawnshops in the state.

The Department of Financial Institutions has broad investigatory and enforcement authority under the statute. The Department may grant, revoke, and suspend licenses. For compliance purposes, pawnshops are required to keep such books, accounts, and records as will enable the Department to determine if the pawnshop is complying with the statute. Each pawnshop is required to give authorized agents of the Department of Financial Institutions free access to its books and accounts for these purposes. The Indiana statute allows the following annual rates of interest plus pawn service charges: 276% annually on transactions of $300 or less; 261% annually on transactions greater than $300 but not exceeding $1,000, and 255% annually on transactions greater than $1,000. Furthermore, the Indiana Pawnbroker Act provided for a grace period of 90 days after the initial 30-day term of the loan, subject to notice. During the grace period, interest and service fees continue to accrue, subject to daily proration depending on the date of loan redemption. As of July 1, 2001, the grace period was reduced to 60 days, and notice is no longer required.

ALABAMA REGULATIONS

The Alabama Pawnshop Act regulates the licensing and operation of pawnshops in that state. The general fitness of pawnshop applicants is investigated by the Supervisor of the Bureau of Loans of the State Department of Banking. The Supervisor also issues pawnshop licenses. The Alabama Pawnshop Act requires that certain bookkeeping records be maintained and made available to the Supervisor and to local law enforcement authorities. The Alabama Pawnshop Act establishes a maximum allowable pawn service charge of 300% annually.

NEVADA REGULATIONS

In Nevada, all pawn loans must be held for redemption for at least 120 days after the date the loan is made. A pawnbroker may charge interest at the rate of 10% per month for money loaned on the security of personal property actually received. In addition, the pawnbroker may collect an initial set up fee of $5. Property received in pledge may not be removed from the pawnshop, except when redeemed by the owner, after a report of the receipt of such property is reported to the sheriff or chief of police.

Nevada does not regulate short-term loans. The Company originates short-term loans in Nevada and charges a service fee of $20 per $100 loaned on a 14-day term.

TENNESSEE REGULATIONS

Tennessee law provides for the licensing of pawnbrokers in that state. It further requires (1) that pawn transactions be reported to local law enforcement agencies, (2) requires pawnbrokers to maintain insurance coverage on the property held in pledge for the benefit of the pledgor, (3) establishes certain hours during which pawnshops may be opened for business, and (4) requires certain bookkeeping records be maintained. Tennessee law prohibits pawnbrokers from selling, redeeming, or disposing of any goods pledged or pawned to or with them within 48 hours after making their report to local law enforcement agencies.

Applicable Tennessee law provides that pawnbrokers may charge interest of 2% per month, plus service charges of 20% for investigating the title, storing, and insuring the pledged goods, closing the loan, and for other expenses and losses associated with the loan.

LOUISIANA REGULATIONS

The Company's Louisiana operations are governed by the Louisiana Pawnshop Act. The statute gives regulatory and enforcement powers to the Commissioner of the Office of Financial Institutions within the Department of Economic Development. This statute provides for, among other things, the licensing and bonding of all pawnbrokers in Louisiana.

Under Louisiana law, the maximum allowable interest charge is 120% annually. In addition, pawnshops may collect a 10% service charge for the first month of a pawn transaction. Louisiana law requires that a pawnbroker hold jewelry that is pledged as collateral until the lapse of six months prior to resale from the time the loan was entered or extended. Louisiana law requires a three-month lapse on other items.

MISSISSIPPI REGULATIONS

The Company's Mississippi operations are subject to the Mississippi Pawnshop Act. The Commissioner of Banking administers the Mississippi Pawnshop Act. Municipalities in the state may enact ordinances which are in compliance with, but not more restrictive than those in the Mississippi Pawnshop Act.

The Mississippi Pawnshop Act provides for, among other matters, the licensing of pawnbrokers. The Act also provides for the Commissioner of Banking to investigate the general fitness of the applicant and generally to regulate pawnshops in the state. The Commissioner has broad rule-making authority with respect to Mississippi pawnshops. The Mississippi Pawnshop Act establishes a maximum allowable pawn service charge of 300% annually.

CALIFORNIA REGULATIONS

In California, both state and city or county licenses are required. Applicants must pass a state and local background check, post a bond in the amount of $20,000, and maintain net assets of at least $100,000 per location. Pawn loans in California require a written contract, which must provide for a four-month loan period. If the pledgor does not redeem the loan within such period, the pawnbroker must, within 30 days thereafter, send a notification to the pledgor giving him ten days from the date of the mailing to redeem the pawn. The pawnbroker may charge up to $2 for this notice.

In California, a pawnbroker may charge an initial set up fee of $2 on a pawn transaction. In addition, a pawnbroker may charge interest of 2.5% per month on loans up to $225; 2.0% per month on the portion of any loan between $225.01 and $900; 1.5% per month on the portion of any loan between $900.01 and $1,650; and 1.0% per month on the portion of any loan that is $1,650.01 and above. Pawnbrokers may also charge storage fees of $3 for any article that cannot be contained within one cubic foot, $9 for any article that cannot be contained within three cubic feet, and $18 for any article that cannot be contained within six cubic feet. Additionally, pawnbrokers may make service charges consistent with the following schedule:

For loans not more than 30 days:

Amount Financed Per Pawn Loan	Maximum Allowable Charge
$1 to $14.99	$1.00

For loans not more than 90 days:

Amount Financed Per Pawn Loan	Maximum Allowable Charge
$ 15 to $ 19.99	$ 3.00
$ 20 to $ 24.99	$ 4.00
$ 25 to $ 39.99	$ 5.00
$ 40 to $ 49.99	$ 6.00
$ 50 to $ 64.99	$ 7.50
$ 65 to $ 74.99	$ 8.50
$ 75 to $ 99.99	$10.00
$100 to $124.99	$12.50
$125 to $149.99	$13.50
$150 to $224.99	$15.00
$225 to $324.99	$20.00
$325 to $449.99	$25.00
$450 to $599.99	$35.00
$600 to $799.99	$45.00
$800 to $999.99	$55.00

Amount Financed Per Pawn Loan	Maximum Allowable Charge
$1,000 to 1,199.99	$ 70
$1,200 to 1,499.99	$ 85
$1,500 to 1,799.99	$100
$1,800 to 2,099.99	$120
$2,100 to 2,499.99	$140

The Company originates short-term loans in California which are regulated under California's check cashers statute as "deferred deposit" transactions. The maximum loan amount may not exceed $300 for a term not to exceed 30 days. The service fee is limited to 15% of the amount of the loan. Only one short-term loan may be outstanding at a time.

ARKANSAS REGULATIONS

Arkansas law does not provide for the licensing of pawnbrokers or pawnshops in that state. By statute, pawnbrokers must maintain certain records of each pawn transaction and make those records available to local law enforcement agencies. Arkansas law establishes a maximum allowable interest rate of 17% annually; however, a pawnshop operator may charge reasonable fees for investigating title, storage, and other services.

LOCAL REGULATIONS

At the local level, each pawnshop, voluntarily or pursuant to municipal ordinance, provides copies of transactions involving pawn loans and over-the-counter purchases to the local police department. These daily transaction reports are designed to provide the local police with a detailed description of the goods involved, including serial numbers, if any, and the names and addresses of the owners obtained from valid identification cards.

A copy of each transaction ticket is provided to local law enforcement agencies for processing by the National Crime Investigative Computer to determine rightful ownership. Goods held to secure pawn loans or goods purchased which are determined to belong to an owner other than the borrower or seller are subject to recovery by the rightful owner. While a risk exists that pledged or purchased merchandise may be subject to claims of rightful owners, historically, the Company has experienced such claims with respect to less than 0.5% of pawn loans made.

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 materially, adversely impact the Company's operations and financial condition.

FIREARMS REGULATIONS

With respect to firearm sales, each pawnshop must comply with the regulations promulgated by the Bureau of Alcohol, Tobacco, and Firearms (the "ATF"). The ATF regulations require each pawnshop dealing in firearms to maintain a permanent written record of all transactions involving the receipt or disposition of guns.

The Brady Handgun Violence Prevention Act (the "Brady Act") and the ATF rules promulgated under the Brady Act require all federal firearm licensees, in either selling inventoried firearms or releasing pawned firearms, to have the customer complete appropriate forms and pass a background check through the National Instant Criminal Background Check System ("NICS") before the Company may transfer a firearm to any customer.

The Company complies with the Brady Act and the regulations promulgated by the ATF relating thereto. The Company does not believe that compliance with the Brady Act and the ATF regulations materially affect the Company's operations. There can be no assurance, however, that compliance with the Brady Act and the ATF regulations, or any future changes or amendments thereto will not adversely affect the Company's operations.

ITEM 2. PROPERTIES

As of December 1, 2001, the Company owned the real estate and buildings for 24 of its pawnshops and leased 259 of its operating pawnshop locations. The Company generally leases facilities for a term of five to ten years with one or more options to renew. The Company's existing leases expire on dates ranging between January 1, 2002 and June 30, 2021. All leases provide for specified periodic rental payments and such leases provide for market rental rates. Most leases require the Company to maintain the property and pay the cost of insurance and taxes. The Company believes that the termination of any one of its leases would not have a material adverse effect on the Company's operations. The Company's strategy is generally to lease, rather than acquire, space for its pawnshop locations unless the Company finds what it believes is a superior location at an attractive price. The Company completed sale-leasebacks on twenty of its owned locations during Fiscal 2001 and plans to complete sale-leasebacks on other owned properties in Fiscal 2002. The Company believes that the facilities owned and leased by it as pawnshop locations are suitable for such purpose.

The following table presents the metropolitan areas or regions (as defined by the Company) generally served by the Company and the number of pawnshop locations serving each such market as of December 1, 2001:

Area/Region	Number of Locations in Each Area
Texas:	
Houston	59
San Antonio	21
Austin Area	8
Valley	26
Central and Northeast	15
Dallas	11
Laredo Area	15
North Texas	15
Panhandle	5
Corpus Christi	7
Total Texas	182
Colorado:	
Denver Area	17
Colorado Springs Area	5
Pueblo	2
Total Colorado	24
Oklahoma:	
Oklahoma City Area	8
Tulsa Area	10
Other Areas	2
Total Oklahoma	20
Florida:	
Tampa	9
Orlando	5
Other Areas	4
Total Florida	18

Area/Region	Number of Locations in Each Area
Indiana:	
Indianapolis Area	9
Fort Wayne Area	3
Other Areas	3
Total Indiana	15
Alabama:	
Birmingham Area	5
Mobile	2
Other Areas	1
Total Alabama	8
Nevada:	
Las Vegas	4
Total Nevada	4
Tennessee:	
Memphis	3
Total Tennessee	3
Louisiana:	
New Orleans Area	2
Other Areas	1
Total Louisiana	3
Mississippi:	
Jackson	2
Other Areas	1
Total Mississippi	3
California:	
Sacramento	2
Total California	2
Arkansas:	
West Helena	1
Total Arkansas	1
Total Company	283

In addition to its store locations, the Company leases its 27,400 square foot corporate offices located in Austin, Texas and leases certain warehouse facilities. The Company also leases approximately 8,100 square feet for its Central Jewelry Processing Center.

ITEM 3. LEGAL PROCEEDINGS

From time to time, the Company is involved in litigation relating to claims arising from its normal business operations. Currently, the Company is a defendant in several lawsuits. Some of these lawsuits involve claims for substantial amounts. While the ultimate outcome of these lawsuits cannot be ascertained, after consultation with counsel, the Company believes the resolution of these suits will not have a material adverse effect on the Company's financial condition. There can be no assurance, however, that this will be the case.

Pursuant to a settlement agreement dated February 4, 1998, the Company and its founder and former President and Chief Executive Officer, Courtland L. Logue, Jr., reached an out of court settlement in the lawsuit styled EZCORP, Inc. v. Courtland L. Logue, Jr., in the 201st District Court of Travis County, Texas. Under the terms of the settlement, which closed February 18, 1998, both the Company and Mr. Logue released their claims against each other, including all claims under Mr. Logue's employment agreement, and neither party admitted any liability nor paid any cash consideration to the other.

The Company agreed to accelerate the release of contractual restrictions on the transfer of Mr. Logue's 967,742 shares of common stock, which converted, as of February 18, 1998, to publicly traded Class A Non-voting Common Stock. In exchange, Mr. Logue agreed to assign 10,000 shares of his stock to the Company.

The settlement released 191,548 shares immediately from certain restrictions against transfer, and a like amount was released as of October 29, 1998. An additional 95,774 shares were released from restrictions on each of October 29, 1999 and October 29, 2000, with the remaining 40% of the shares released in July 2001. The Company and Mr. Logue also clarified the scope of Mr. Logue's continuing non-competition agreement, agreed to a five-year limitation on Mr. Logue's financial investments in competing pawnshop businesses and agreed to renewal options with respect to certain existing real estate leases for store locations.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

None.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Since August 27, 1991, the Company's Class A Non-voting Common Stock ("Class A Common Stock") has traded on The NASDAQ Stock Market under the symbol EZPW. As of November 30, 2001, there were 176 stockholders of record of the Company's Class A Common Stock. There is no trading market for the Company's Class B Voting Common Stock ("Class B Common Stock"), and as of November 30, 2001, such stock was held by one stockholder of record.

The high and low per share price for the Company's Class A Common Stock for the past two fiscal years, as reported by The NASDAQ Stock Market, were as follows:

		High	Low
Fiscal 2000:			
	First quarter ended December 31, 1999	$ 5.28	$ 3.43
	Second quarter ended March 31, 2000	6.25	3.75
	Third quarter ended June 30, 2000	4.00	1.63
	Fourth quarter ended September 30, 2000	2.00	1.03
Fiscal 2001:			
	First quarter ended December 31, 2000	$ 1.81	$ 0.66
	Second quarter ended March 31, 2001	2.63	0.75
	Third quarter ended June 30, 2001	2.75	2.12
	Fourth quarter ended September 30, 2001	2.50	1.51

As of November 30, 2001, the Company's Class A Common Stock closed at $1.41 per share.

The Company's restated certificate of incorporation provides that cash dividends on common stock, when declared, must be declared and paid share and share alike on the Class A Common Stock and the Class B Common Stock.

ITEM 6. SELECTED FINANCIAL DATA

The following selected financial information should be read in conjunction with, and is qualified in its entirety by reference to the financial statements of the Company and the notes thereto included elsewhere in this Form 10-K:

SELECTED FINANCIAL DATA

	Fiscal Years Ended September 30				
	1997	1998	1999	2000	2001
	(Amounts in thousands, except per share and store figures)				
	(a)	(a)	(a)		
Operating Data:					
Sales	$ 101,454	$ 112,307	$ 130,077	$ 139,753	$ 129,362
Service charges	78,845	85,087	101,892	57,646	56,808
Total revenues	180,299	197,394	231,969	197,399	186,170
Cost of goods sold	84,468	94,084	113,824	88,054	79,089
Net revenues	95,831	103,310	118,145	109,345	107,081
Store operating expenses	60,735	66,742	81,963	85,513	75,245
Corporate administrative expenses	13,320	12,838	14,387	19,324	14,043
Depreciation and amortization	7,616	7,596	9,435	10,255	10,808
Restructuring expense	--	--	--	10,572	(696)
Interest expense	982	1,398	3,691	6,201	8,245
Equity in net income of unconsolidated affiliate	--	(95)	(304)	(225)	(267)
(Gain) loss on sale of assets	--	(28)	268	(280)	413
Income (loss) before income taxes	13,178	14,859	8,705	(22,015)	(710)
Income tax expense (benefit)	4,745	5,646	3,220	(3,785)	(142)
Income (loss) before cumulative effect of change in accounting principle	8,433	9,213	5,485	(18,230)	(568)
Cumulative effect of change in accounting principle	(14,344)	--	--	--	--
Net income (loss)	$ 8,433	$ 9,213	$ 5,485	$ (32,574)	$ (568)
Earnings (loss) per common share, diluted	$ 0.70	$ 0.77	$ 0.46	$ (2.71)	$ (0.05)
Cash dividends per common share	$ --	$ 0.0125	$ 0.05	$ 0.025	$ --
Weighted average common shares and share equivalents-diluted	12,002	12,014	12,008	12,017	12,104
Stores operated at end of period	249	286	331	313	283

	September 30				
	1997	1998	1999	2000	2001
BALANCE SHEET DATA:					
Pawn loans	$ 42,837	$ 49,632	$ 53,940	$ 46,916	$ 47,144
Short-term loans	--	--	--	33	1,250
Inventory	39,258	44,011	58,241	35,660	34,231
Working capital	89,451	104,648	125,575	72,498	75,334
Total assets	151,051	189,911	234,077	203,793	178,560
Long-term debt	19,142	48,133	83,123	81,112	60,192
Stockholders' equity	121,4610	130,554	135,685	102,671	101,957

(a) Beginning in Fiscal 2000, the Company changed its method of accounting for pawn service charge revenue and inventory, as described in Management's Discussion and Analysis. Service charges and inventory before Fiscal 2000 are stated on the historical accounting method, and are not directly comparable to Fiscal 2000 and 2001 amounts.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

This discussion and analysis compares the results of operations for the 12 month periods ending September 30, 2001, 2000, and 1999 ("Fiscal 2001", "Fiscal 2000", and "Fiscal 1999"). The discussion should be read in conjunction with, and is qualified in its entirety by, the accompanying financial statements and related notes. For purposes of management's discussion and analysis of results of operations and financial condition, all comparisons reflect the pro forma effects of applying the new accounting principle described below to the consolidated financial statements as if the change had occurred on September 30, 1998.

SUMMARY FINANCIAL DATA

	Fiscal Years Ended September 30		
	1999	2000	2001
	(Pro forma)		
	(Dollars in thousands, except as indicated)		
OPERATIONS:			
Sales	$ 130,077	$ 139,753	$ 129,362
Service charges	58,702	57,646	56,808
Total revenues	188,779	197,399	186,170
Cost of sales	76,475	88,054	79,089
Net revenues	112,304	109,345	107,081
Restructuring expense	--	10,572	(696)
Income (loss) before cumulative effect of a change in accounting principle	1,748	(18,230)	(568)
Cumulative effect on prior years (to September 30, 1999) of change in method of revenue recognition, net	--	(14,344)	--
Net Income (loss)	$ 1,748	$ (32,574)	$ (568)
OTHER DATA:			
Gross margin	41.2%	37.1%	38.9%
Average annual inventory turnover	2.3x	2.1x	2.2x
Average inventory per location at year end	$ 132	$ 114	$ 121
Average loan balance per location at year end	$ 163	$ 146	$ 171
Average pawn loan at year end (whole dollars)	$ 69	$ 70	$ 73
Average yield on loan portfolio	120%	125%	120%
Redemption rate	76%	77%	76%
EXPENSES AND INCOME AS A PERCENTAGE OF TOTAL REVENUE (%):			
Store operating	43.4	43.3	40.4
Administrative	7.8	9.8	7.5
Depreciation and amortization	5.0	5.2	5.8
Interest	2.0	3.1	4.4
Income (loss) before income taxes	1.5	(11.2)	(0.4)
Income (loss) before cumulative effect	0.9	(9.2)	(0.4)
STORES IN OPERATION:			
Beginning of year	286	331	313
Acquired	4	0	0
New openings	43	5	0
Sold, combined, or closed	(2)	(23)	(30)
End of year	331	313	283
Average number of locations during the year(1)	309	333	292

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(1) Average locations in operation during the period is calculated based on the average of the stores operating at the beginning and end of each month during such period.

RESULTS OF OPERATIONS

In Fiscal 2000, the Company adopted a restructuring plan, including the closure of several under-performing stores. The restructuring plan and its effects are described more fully below.

The Company's primary activity is the making of small, non-recourse loans secured by tangible personal property. The income earned on this activity is pawn service charge revenue. While the Company's average store count during Fiscal 2001 was down 12.3% from Fiscal 2000 due to the restructuring, its pawn service charge revenue decreased only 4.9%, or $2.8 million from Fiscal 2000 to $54.7 million. This represents an increase in same store pawn service charge revenue ($0.6 million) offset by the decrease in pawn service charge revenue from the forty-seven closed stores ($3.4 million). At September 30, 2001, same store pawn loan balances were 4% above September 30, 2000 and the annualized yield on the average pawn loan balance decreased 5 percentage points to 120%. Variations in the annualized loan yield, as we saw between these periods, are due generally to changes in the level of loan forfeitures and a mix shift between loans with different yields.

In Fiscal 2000, pawn service charge revenue decreased $1.2 million from Fiscal 1999 to $57.5 million as a result of a decrease in same store pawn service charge revenue ($2.7 million), offset somewhat by pawn service charge revenue from new stores not open the full 12 month period ($1.5 million). At September 30, 2000, same store pawn loan balances were 11.5% below September 30, 1999 and the annualized yield on the average pawn loan balance increased by 5 percentage points to 125%.

A secondary, but related, activity of the Company is the sale of merchandise, primarily collateral forfeited from its pawn lending. For Fiscal 2001, merchandise sales decreased approximately $10.4 million from Fiscal 2000 to $129.4 million, primarily due to a reduction in sales from closed stores ($11.2 million). Also contributing to the change were increases in wholesale jewelry sales ($4.6 million), offset by a decrease in same store merchandise sales ($3.6 million or 3%), and other revenues ($0.2 million).

For Fiscal 2000, merchandise sales increased approximately $9.7 million from Fiscal 1999 to $139.8 million. Increases in wholesale jewelry sales ($5.7 million), new stores' merchandise sales ($4.4 million), and other revenues ($0.2 million) were offset by a decrease in same store merchandise sales ($0.6 million or 0.5%).

Fiscal 2001 overall gross margins on sales improved 1.8 percentage points from Fiscal 2000 to 38.9%. Margins on merchandise sales, excluding jewelry scrapping, improved 3.1 percentage points, partially due to the absence of a restructuring charge to cost of goods as was seen in Fiscal 2000 (1.4 percentage points). This improvement in merchandise sales margins comprised 5.1 percentage points of the improvement in overall gross margins. A 51% increase in jewelry scrapping (jewelry is generally scrapped at a loss), reduced the overall gross margins improvement by 3.3 percentage points. Inventory shrinkage was 1.4% of merchandise sales in Fiscal 2001 compared to 1.1% in Fiscal 2000.

For Fiscal 2000, gross margins on merchandise sales decreased 4.1 percentage points from Fiscal 1999 to 37.1%. This decrease was largely due to the impact of increased jewelry scrapping activity (5.4 percentage points), and the charge to cost of goods related to the fourth quarter restructuring discussed above (0.8 of a percentage point). Improved margins on merchandise sales (2.1 percentage points) and lower levels of inventory shrinkage (1.1% in Fiscal 2000 v. 1.2% in Fiscal 1999) partially offset the impact from jewelry scrapping and the restructuring charge. During the Fiscal 2000 fourth quarter, the Company identified and liquidated specific categories of jewelry that were overstocked. This excess inventory had a cost basis of approximately $7.7 million and generated cash proceeds of approximately $5.9 million.

At the end of Fiscal 2001, the Company also offered unsecured short-term loans, commonly referred to as "payday loans" in 205 of its pawnshops. In five locations, the Company originates short-term loans. In 200 locations, the Company is the marketer, servicer, processor, and collector of short-term loans originated by County Bank, a federally insured Delaware banking corporation. After origination of the short-term loans, the Company is entitled to purchase an 85% participation in the loans made by County Bank and marketed by the Company. Short-term loan terms range from one to 31 days, averaging about 15 days. The fee per $100 loaned is typically $18 per 14-day period, but varies in certain locations. The loans and related fees reported in the Company's consolidated financial statements reflect only the Company's participation interest in such loans. In Fiscal 2001, short-term loan service charge revenue increased $2.0 million from Fiscal 2000 to $2.1 million as a result of offering the short-term loan product in 196 additional locations.

Unlike pawn loans, short-term loans are unsecured, and their profitability is highly dependent upon the Company's ability to manage the default rate and collect defaulted loans. The Company considers a loan defaulted if the loan has not been repaid or refinanced by the maturity date. Although defaulted loans may be collected through subsequent collection efforts, the Company charges defaulted loans and related fees to bad debt expense when they default, leaving only active loans in the reported balance. When defaulted loans are collected, the amount collected is recorded as a reduction of bad debt expense at the time of collection. During Fiscal 2001, the Company experienced a net default rate (defaults net of collections measured as a percent of loans made) of 8.1%. The Company provides for a valuation allowance on both the principal and fees receivable, based on recent net default rates. Net defaults and changes in the principal valuation allowance are charged to bad debt expense. In Fiscal 2001, the Company's bad debt expense, included in store operating expense, was $1.2 million. Changes to the fee receivable valuation allowance are charged to service charge revenue.

In Fiscal 2001, store operating expenses as a percent of total revenues decreased 2.9 percentage points to 40.4%. Administrative expenses measured as a percentage of total revenues decreased 2.3 percentage points from Fiscal 2000 to 7.5%. This expense level improvement is largely due to improved cost management and the closure of 47 lower volume stores. On a per average store basis, operating expenses in Fiscal 2001 were up slightly to $258,000 from $257,000 in Fiscal 2000. Administrative expenses per average store decreased 17% during Fiscal 2001 to $48,000, compared to $58,000 in Fiscal 2000.

In Fiscal 2000, store operating expenses as a percent of total revenues decreased 0.1 of a percentage point from Fiscal 1999 to 43.3%. Exclusive of stores opened in Fiscal 1999 and 2000, store operating expenses decreased from 39.9% in Fiscal 1999 to 38.1% of total revenues in Fiscal 2000. Newer stores generally have a higher level of operating expense relative to revenues than do mature stores. Administrative expenses measured as a percentage of total revenues increased 2.0 percentage points from Fiscal 1999 to 9.8%, primarily due to non-capitalizable software development costs (approximately $1.4 million), higher labor related costs, and other inflationary cost increases.

Depreciation and amortization expense, when measured as a percent of total revenue, increased 0.6 of a percentage point in Fiscal 2001 to 5.8%, primarily due to additional software depreciation. Depreciation and amortization expense, when measured as a percent of total revenue, increased 0.2 of a percentage point in Fiscal 2000 to 5.2%. The increase was a net effect of greater revenues and an increase in depreciation and amortization expense, primarily due to investments made in new stores.

In Fiscal 2001, interest expense increased $2.0 million to $8.2 million. The increase was primarily due to higher interest rates, offset somewhat by lower average debt balances. At September 30, 2001, the Company's total long-term debt was $60.2 million compared to $81.1 million at September 30, 2000. In Fiscal 2000, interest expense increased $2.5 million from $3.7 million in Fiscal 1999. This increase was primarily due to higher interest rates coupled with increased average debt balances needed to fund new store expansion and other capital expenditures.

The income tax benefit for Fiscal 2001 was $0.1 million (20% of pretax loss) compared to an income tax benefit of $3.8 million (17% of pretax loss) for Fiscal 2000 and an income tax expense of $3.2 million (37% of pretax income) for Fiscal 1999. Exclusive of the deferred tax asset valuation allowance, the Fiscal 2000 income tax benefit was $7.5 million (34% of pretax loss). The decrease in effective tax rate for Fiscal 2001 compared to the Fiscal 2000 benefit before valuation allowance is due to non-tax deductible items having a greater percentage effect on a smaller pre-tax loss.

A valuation allowance of $3.7 million was established during the year ended September 30, 2000, to offset certain deferred tax assets due to uncertainties regarding the realization of the deferred tax assets.

No additional valuation allowance was recorded for the year ended September 30, 2001, because management believes that it is more likely than not that certain of the Company's deferred tax assets will be realized as a result of expected future taxable income from continuing operations. Uncertainties that might impact the realization of the deferred tax assets include possible declines in sales, margins and revenues.

The amount of expected future taxable income that would have to be generated to realize the deferred tax asset is approximately $18 million. Projected levels of pre-tax earnings for financial reporting purposes over the next three years, primarily attributable to ordinary and recurring operating results, are sufficient to generate the required amount of taxable income noted above. The Company intends to evaluate the realizability of the deferred tax assets quarterly by assessing the need for additional valuation allowance, if any.

Operating income before depreciation, amortization, and restructuring for Fiscal 2001 increased $13.3 million over Fiscal 2000 to $17.8 million. Same store net revenue growth ($6.1 million), expense management ($5.0 million) and the closure of under-performing stores ($2.2 million) account for the earnings improvement. After depreciation, amortization, interest expense, the Fiscal 2000 restructuring charge, and other non-operating items, the Fiscal 2001 net loss improved to $0.6 million from Fiscal 2000's $18.2 million net loss before the $14.3 million cumulative effect of the accounting change adopted in Fiscal 2000. Net loss for Fiscal 2000 was $32.6 million compared to net income of $1.7 million for Fiscal 1999, assuming the effect of the cumulative change in accounting principle is applied retroactively. The increase in net loss resulted from several factors, including the cumulative effect of changing to a preferable revenue recognition method ($14.3 million), recognition of a restructuring charge ($11.8 million), lower gross margins on merchandise sales ($4.5 million), the establishment of a valuation reserve on the Company's deferred tax asset ($3.7 million), and higher operating, administrative, and interest expenses.

ACCOUNTING CHANGE

During the second quarter of Fiscal 2000, the Company changed its method of revenue recognition on pawn loans by reducing the accrual of pawn service charge revenues to the estimated amount that will be realized through loan collection, and recording forfeited collateral at the lower of the principal balance of the loan or estimated market value. Previously, pawn service charges were accrued on all loans, and the carrying value of the forfeited collateral was the lower of cost (principal amount of loan plus accrued pawn service charges) or market.

The Company believes the new method of revenue recognition is preferable in that it better aligns reported net revenues and earnings with current economic trends in its business and the management of the Company. In addition, the Company believes the new method improves comparability of its operating results and financial position with similar companies. This change was made effective October 1, 1999, the first day of the Company's fiscal year.

The $14.3 million cumulative effect of this accounting change on prior years (net of a tax benefit of $7.4 million) increased net loss for the year ended September 30, 2000. Of the $2.71 net loss per share for the year ended September 30, 2000, $1.19 per share is attributable to the cumulative effect of the accounting change.

RESTRUCTURING

Pursuant to a restructuring plan, the Company decided to close 54 stores and recorded a pretax charge of $11.8 million ($7.8 million net of tax) during the fourth quarter of Fiscal 2000.

The total pretax charge included $9.6 million (included in Restructuring expense on the Consolidated Statement of Operations) for the write-down to realizable value the closed stores' property, equipment, pawn loans outstanding, intangible assets, and the estimated costs for the settlement of lease obligations, administrative costs, severance costs, and other exit costs. Also included in the total charge is approximately $1.0 million (included in Restructuring expense on the Consolidated Statement of Operations) related to other restructuring charges, primarily severance for administrative staff reductions.

All charges for severance included in the restructuring related to employees notified of their position elimination prior to September 30, 2000. The $11.8 million pretax charge included a $1.2 million write down of inventory (included in Cost of goods sold on the Consolidated Statement of Operations) for discounts expected in liquidating these stores' remaining inventory. Of the 54 stores, 47 were closed as of June 30, 2001, resulting in 148 employee terminations.

In June 2001, the Company re-evaluated the seven remaining stores and decided to continue their operation, based on their improved operating performance and future outlook. Accordingly, the Company reversed the $1.3 million restructure accrual related to these seven stores. The Company recorded an additional $0.3 million restructure expense for the 47 store previously closed, primarily to account for lease obligations costing more than originally estimated, resulting in a net credit to restructuring expense of $1.0 million in Fiscal 2001.

Of the $1.0 million net credit, $0.7 million is for the anticipated administrative costs and loss from disposing of fixed and intangible assets and is recorded as a credit to the restructuring expense, where the charge was recorded in September 2000. The remaining $0.3 million was originally charged to cost of goods sold to write these stores' inventory down to liquidation value, and was credited to cost of goods sold in Fiscal 2001, as the Company no longer expects to sell this inventory at liquidation prices.

The results of operations from the 47 closed stores were as follows (in thousands):

	Fiscal Years Ended September 30,		
	1999	2000	2001
Total revenues	$ 16,183	$ 15,367	$ 939
Operating loss	(2,277)	(3,212)	(461)

At September 30, 2001, the Company had a remaining restructuring reserve of $0.2 million. It is anticipated that all remaining material cash outlays required for these store closings and related restructuring costs will be made during Fiscal 2002.

LIQUIDITY AND CAPITAL RESOURCES

The Company's $11.7 million Fiscal 2001 cash flow from operations consisted of $10.2 million of earnings before non-cash depreciation and amortization, a $5.0 million income tax refund, and the collection of a $1.5 million note receivable, reduced by $1.9 million restructuring expenditures and other changes in operating assets and liabilities. In Fiscal 2000, net cash provided by operating activities increased to $10.9 million from $0.6 million in Fiscal 1999. Excluding restructuring expenses of $10.6 million and the $14.3 million cumulative effect of a change in accounting principle, the Company's most significant item in reconciling net loss to cash flow from operations was a $7.5 million decrease in inventory, compared to a $14.1 million increase in inventory in the year earlier period.

In Fiscal 2001, the Company invested $4.5 million in property and equipment and $1.2 million in funding the net increase in short-term loans. These investments and a $20.9 million reduction in debt were funded by cash flow from operating activities of $11.7 million, $14.0 million in proceeds from the sale of assets, primarily the sale-leaseback of owned properties, and $0.9 million of cash on hand.

During Fiscal 2001, the Company completed sales and sale-leasebacks of certain non-core assets and twenty owned properties in accordance with its restructuring plan. During Fiscal 2002, the Company plans to complete sale-leasebacks of other owned properties. The Company anticipates that cash flow from operations and proceeds from sale-leasebacks will be adequate to fund planned capital expenditures, working capital requirements, and required debt payments during the coming year. However, there can be no assurance that the sale of these assets will be completed or that cash flow from operating activities will be adequate for these expenditures.

Effective December 3, 2001, the Company amended and restated its credit agreement. Among other things, the amendment extends the maturity date to October 1, 2002. The amended credit agreement provides for a $45 million revolving credit facility and a term loan of approximately $15 million, which are secured by substantially all of the Company's assets. Availability under the revolving credit facility continues to be tied to loan and inventory balances. The term facility must be paid in full by July 1, 2002. These term facility payments will be made from operating cash flow and the sale of assets, primarily sale-leaseback transactions of owned properties. Interest on the revolving credit facility will accrue at the agent bank's prime rate ("Prime") plus 300 basis points, but will be payable monthly at Prime plus 100 basis points. The accrued but unpaid interest will be payable upon the earlier of the refinancing or maturity of the revolving credit facility. Interest on the term loan will accrue and be paid monthly at Prime plus 350 basis points. The Company pays a commitment fee of 25 basis points on the unused amount of the revolving facility.

The Company believes that the financial covenants established in the amended credit facility will be achieved based upon the Company's current and anticipated performance. Based upon management's expected performance for Fiscal 2002, including the sale-leaseback of certain assets and the availability under the revolving credit facility, the Company believes that there is adequate liquidity to fund the Company's operations and to make the required principal payments under the term loan during Fiscal 2002. However, material shortfalls or variances from anticipated performance or the delay in the sale of certain of its assets could require the Company to seek a further amendment to the amended credit facility or alternate sources of financing, or to limit capital expenditures to an amount less than that currently anticipated or permitted under the amended and restated credit facility.

SEASONALITY

Historically, pawn service charge revenues are highest in the fourth fiscal quarter (July, August and September) due to higher loan demand during the summer months and merchandise sales are highest in the first and second fiscal quarters (October through March) due to the holiday season and tax refunds.

FORWARD-LOOKING INFORMATION

This Annual Report on Form 10-K includes "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical information provided herein are forward-looking and may contain information about financial results, economic conditions, trends, and known uncertainties. The Company cautions the reader that actual results could differ materially from those expected by the Company depending on the outcome of certain factors, including without limitation (i) fluctuations in the Company's inventory and loan balances, inventory turnover, average yields on loan portfolios, redemption rates, labor and employment matters, competition, operating risk, acquisition, and expansion risk, liquidity, and capital requirements and the effect of government and environmental regulations, and (ii) adverse changes in the market for the Company's services. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The Company undertakes no obligations to release publicly the results of any revisions to these forward-looking statements which may be made to reflect events or circumstances after the date hereon, including without limitation, changes in the Company's business strategy or planned capital expenditures, or to reflect the occurrence of unanticipated events.

ITEM 7A. QUALITATIVE AND QUANTITATIVE DISCLOSURES ABOUT MARKET RISK

MARKET RISK DISCLOSURES

The following discussion about the Company's market risk disclosures involves forward-looking statements. Actual results could differ materially from those projected in the forward-looking statements. The Company is exposed to market risk related to changes in interest rates and foreign currency exchange rates. The Company does not use derivative financial instruments.

The Company's earnings are affected by changes in interest rates due to the impact those changes have on its debt, all of which is variable-rate debt at September 30, 2001. If interest rates average 25 basis points more in 2002 than they did in 2001, the Company's annual interest expense would be increased by approximately $150,000. This amount is determined by considering the impact of the hypothetical interest rates on the Company's variable-rate debt at September 30, 2001.

The Company's earnings and financial position are affected by foreign exchange rate fluctuations related to the equity investment in Albemarle & Bond Holdings, plc ("A&B"). A&B's functional currency is the U.K. pound. The U.K. pound exchange rate can directly and indirectly impact the Company's results of operations and financial position in several ways, including potential economic recession in the U.K. resulting from a devalued pound. The impact on the Company's financial position and results of operations of a hypothetical change in the exchange rate between the U.S. dollar and the U.K. pound cannot be reasonably estimated. The translation adjustment representing the weakening in the U.K. pound during Fiscal 2001 was approximately $241,000. On November 30, 2001, the U.K. pound closed at 0.7007 to 1.00 U.S. dollar, an increase from 0.6782 at September 30, 2001. No assurance can be given as to the future valuation of the U.K. pound and how further movements in the pound could effect future earnings or the financial position of the Company.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

INDEX TO FINANCIAL STATEMENTS

REPORT OF INDEPENDENT AUDITORS

Board of Directors
EZCORP, Inc.

We have audited the accompanying consolidated balance sheets of EZCORP, Inc. and its subsidiaries as of September 30, 2000 and 2001, and the related consolidated statements of operations, stockholders' equity, and cash flows for each of the three years in the period ended September 30, 2001. Our audits also included the financial statement schedule listed in the Index at Item 14(a)(2). These financial statements and schedule are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements and schedule based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the 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, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of EZCORP, Inc. and its subsidiaries at September 30, 2000 and 2001, and the consolidated results of their operations and their cash flows for each of the three years in the period ended September 30, 2001, in conformity with accounting principles generally accepted in the United States. Also in our opinion, the related financial statement schedule, when considered in relation to the basic financial statements taken as a whole, presents fairly in all material respects the information set forth therein.

As discussed in Note B to the financial statements, in the year ended September 30, 2000 the Company changed its method of accounting for revenue recognition on pawn loans.

ERNST & YOUNG LLP

Austin, Texas

November 13, 2001 except for Note H,
as to which the date is December 20, 2001.

CONSOLIDATED BALANCE SHEETS

	September 30, 2000	September 30, 2001
	(In thousands)	
Assets:		
Current assets:		
Cash and cash equivalents	$ 3,126	$ 2,186
Pawn loans	46,916	47,144
Short-term loans	33	1,250
Service charges receivable, net	8,636	8,841
Inventory, net	35,660	34,231
Deferred tax asset	9,636	7,413
Federal income tax receivable	5,045	--
Prepaid expenses and other assets	1,525	2,180
Total current assets	110,577	103,245
Investment in unconsolidated affiliates	14,021	13,812
Property and equipment, net	61,130	44,965
Other assets:		
Goodwill, net	12,160	11,655
Notes receivable from related parties	3,156	1,589
Other assets, net	2,749	3,294
Total assets	$ 203,793	$ 178,560
Liabilities and Stockholders' Equity		
Current liabilities:		
Current maturities of long-term debt	$ 22,087	$ 15,947
Accounts payable and other accrued expenses	12,011	9,666
Restructuring reserve	1,649	217
Customer layaway deposits	2,332	2,081
Total current liabilities	38,079	27,911
Long-term debt, less current maturities	59,025	44,245
Deferred tax liability	3,639	1,193
Deferred gains and other long-term liabilities	379	3,254
Total long-term liabilities	63,043	48,692
Commitments and contingencies		
Stockholders' equity:		
Preferred Stock, par value $.01 per share; Authorized 5,000,000 shares; none issued and outstanding	--	--
Class A Non-voting Common Stock, par value $.01 per share; Authorized 40,000,000 shares; 10,906,073 issued and 10,897,040 outstanding in 2000; 10,946,874 issued and 10,937,841 outstanding in 2001	109	109
Class B Voting Common Stock, convertible, par value $.01 Per share; Authorized 1,198,990 shares; 1,190,057 Issued and outstanding	12	12
Additional paid-in capital	114,569	114,664
Retained earnings (deficit)	(11,159)	(11,727)
	103,531	103,058
Treasury stock, at cost (9,033 shares)	(35)	(35)
Receivable from stockholder	(729)	(729)
Accumulated other comprehensive income (loss)	(96)	(337)
Total stockholders' equity	102,671	101,957
Total liabilities and stockholders' equity	$ 203,793	$ 178,560

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS

	Years Ended September 30,		
	1999	2000	2001
	(In thousands, except per share amounts)		
Revenues:			
Sales	$ 130,077	$ 139,753	$ 129,362
Service charges	101,892	57,646	56,808
Total revenues	231,969	197,399	186,170
Costs of goods sold	113,824	88,054	79,089
Net revenues	118,145	109,345	107,081
Operating Expenses			
Operations	81,963	85,513	75,245
Administrative	14,387	19,324	14,043
Depreciation	8,503	9,389	10,085
Amortization	932	866	723
Restructuring expense	--	10,572	(696)
Total operating expenses	105,785	125,664	99,400
Operating income (loss)	12,360	(16,319)	7,681
Interest expense, net	3,691	6,201	8,245
Equity in net income of unconsolidated affiliate	(304)	(225)	(267)
(Gain) loss on sale of assets	268	(280)	413
Income (loss) before income taxes	8,705	(22,015)	(710)
Income tax expense (benefit)	3,220	(3,785)	(142)
Income (loss) before cumulative effect of a change in accounting principle	$ 5,485	$ (18,230)	$ (568)
Cumulative effect on prior years (to September 30, 1999) of change in method of revenue recognition, net of tax	--	(14,344)	--
Net Income (loss)	$ 5,485	$ (32,574)	$ (568)
Income (loss) per common share (basic and diluted):			
Income (loss) before cumulative effect of a change in accounting principle	$ 0.46	$ (1.52)	$ (0.05)
Cumulative effect on prior years (to September 30, 1999) of change in method of revenue recognition, net of tax	$ --	$ (1.19)	$ --
Net income (loss)	$ 0.46	$ (2.71)	$ (0.05)
Weighted average shares outstanding			
Basic	12,004	12,017	12,104
Assuming dilution	12,008	12,017	12,104
Pro forma amounts assuming the new revenue recognition method is applied retroactively:			
Net income (loss)	$ 1,748	$ (18,230)	$ (568)
Net income (loss) per common share (basic and diluted)	$ 0.15	$ (1.52)	$ (0.05)

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended September 30, 1999	2000	2001
	(In thousands)		
Operating Activities:			
Net income (loss)	$ 5,485	$ (32,574)	$ (568)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Cumulative effect of change in accounting principle	--	14,344	--
Depreciation and amortization	9,435	10,255	10,808
Restructuring expenses	--	10,572	(696)
Net (gain)/loss on sale or disposal of assets	269	(280)	413
Deferred compensation expense	--	4	6
Income from investment in unconsolidated affiliate	(304)	(225)	(267)
Changes in operating assets and liabilities:			
Service charges receivable, net	(1,828)	711	(205)
Inventory	(14,080)	7,512	1,429
Notes receivable related parties	--	(201)	1,567
Prepaid expenses, other current assets, and other assets, net	(1,727)	1,565	(1,559)
Accounts payable and accrued expenses	2,247	1,340	(1,800)
Restructuring reserve	--	--	(1,887)
Customer layaway deposits	244	(90)	(251)
Deferred gains and other long-term liabilities	(50)	(129)	(145)
Federal income taxes payable	--	--	--
Deferred taxes	1,730	1,517	(223)
Federal income taxes receivable	(855)	(3,350)	5,045
Net cash provided by operating activities	566	10,971	11,667
Investing Activities:			
Pawn loans forfeited and transferred to inventory	77,908	71,800	71,058
Pawn loans made	(208,201)	(187,600)	(185,097)
Pawn loans repaid	126,311	122,190	113,811
	(3,982)	6,390	(228)
Short-term loans	--	(33)	(1,217)
Additions to property, plant and equipment	(25,793)	(18,534)	(4,456)
Acquisitions, net of cash acquired	(1,802)	--	--
Purchase of pawn related assets	--	--	--
Investment in unconsolidated affiliate	(1,808)	(841)	236
Proceeds from sale of assets	--	4,585	13,978
Net cash provided by (used in) investing activities	(33,385)	(8,433)	8,313
Financing Activities:			
Proceeds from bank borrowings	52,000	52,000	38,825
Payments on bank borrowings	(17,010)	(54,011)	(59,745)
Payment of dividends	(600)	(300)	--
Net cash provided by (used in) financing activities	34,390	(2,311)	(20,920)
Change in cash and equivalents	1,571	227	(940)
Cash and equivalents at beginning of period	1,328	2,899	3,126
Cash and equivalents at end of period	$ 2,899	$ 3,126	$ 2,186
Cash paid during the periods for:			
Interest	$ 3,911	$ 7,549	$ 7,818
Income taxes	$ 2,325	$ 311	$ 320
Non-cash investing and financing activities:			
Deferred gain on sale-leaseback	$ --	$ --	$ 3,281
Issuance of common stock to 401(k) plan	$ 72	$ 96	$ 89
Accumulated foreign currency translation adjustment	$ 174	$ (240)	$ (241)
Receivable from insurer for loss of fixed asset	$ 79	$ --	$ --

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Stock Shares	Common Stock Par Value	Additional Paid In Capital	Retained Earnings/ (Deficit)	Treasury Stock	Receivable From Stockholder	Accumulated Other Comprehensive Income (loss)	Total
				(In thousands)				
Balances at September 30, 1998	12,011	$ 120	$ 114,398	$ 16,830	$ (35)	$ (729)	$ (30)	$130,554
Issuance of common stock to 401(k) plan	10	--	72	--	--	--	--	72
Payment of dividends	--	--	--	(600)	--	--	--	(600)
Foreign currency translation Adjustment	--	--	--	--	--	--	174	174
Net income	--	--	--	5,485	--	--	--	5,485
Total comprehensive income	--	--	--	--	--	--	--	5,659
Balances at September 30, 1999	12,021	120	114,470	21,715	(35)	(729)	144	135,685
Issuance of common stock to 401(k) plan	75	1	95	--	--	--	--	96
Payment of dividends	--	--	--	(300)	--	--	--	(300)
Amortization of stock option Compensation	--	--	4	--	--	--	--	4
Foreign currency translation adjustment	--	--	--	--	--	--	(240)	(240)
Cumulative effect of change in accounting method	--	--	--	(14,344)	--	--	--	(14,344)
Net loss	--	--	--	(18,230)	--	--	--	(18,230)
Total comprehensive loss	--	--	--	--	--	--	--	(32,814)
Balances at September 30, 2000	12,096	121	114,569	(11,159)	(35)	(729)	(96)	102,671
Issuance of common stock to 401(k) plan	41	--	89	--	--	--	--	89
Amortization of stock option Compensation	--	--	6	--	--	--	--	6
Foreign currency translation adjustment	--	--	--	--	--	--	(241)	(241)
Net loss	--	--	--	(568)	--	--	--	(568)
Total comprehensive loss	--	--	--	--	--	--	--	(809)
Balances at September 30, 2001	12,137	$ 121	$ 114,664	$ (11,727)	$ (35)	$ (729)	$ (337)	$101,957

See notes to consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE A: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION: EZ Corp., Inc. (the "Company") is primarily engaged in establishing, acquiring, and operating pawnshops. As of September 30, 2001 and December 1, 2001, the Company operated 283 locations in 12 states. The pawnshops function as sources of customer credit and as specialty retailers primarily of previously owned merchandise.

CONSOLIDATION: The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. All significant inter-company accounts and transactions have been eliminated in consolidation. The Company accounts for its 29.47% interest in Albemarle & Bond Holdings, plc ("A&B") using the equity method.

REVENUE RECOGNITION: Pawn loans are made on the pledge of tangible personal property. Pawn service charges on pawn loans are recorded using the interest method for all pawn loans the Company deems to be collectible based on historical redemption rates (see Note B). If the pawn loan is not repaid, the forfeited collateral (inventory) is valued at the lower of cost (pawn loan principal) or market (net realizable value) of the property. When this inventory is sold, sales revenue and the related cost are recorded at the time of sale.

SHORT-TERM LOANS: Short-term loans, commonly known as "payday loans," generally are made for periods of less than 30 days. Based on historical collection rates, the Company accrues short-term loan service charges on the loans the Company deems to be collectible.

The Company charges defaulted short-term loans and related fees to bad debt expense when they default, leaving only active loans in the reported balance. The amount collected from defaulted loans is recorded as a reduction of bad debt expense at the time of collection. The Company provides for a valuation allowance on both the principal and fees receivable, based on recent net default rates. Net defaults and changes in the principal valuation allowance are charged to bad debt expense. Changes to the fee receivable valuation allowance are charged to service charge revenue. In Fiscal 2001, the Company's bad debt expense, included in store operating expense, was $1.2 million.

INVENTORY: Inventory is stated at the lower of cost (specific identification) or market (net realizable value). Inventory consists of merchandise acquired from forfeited pawn loans, merchandise purchased from customers, merchandise acquired from the acquisition of other pawnshops, and new merchandise purchased from vendors. The Company provides an allowance for shrinkage and valuation based on management's evaluation of the market value of the merchandise. At September 30, 2000 and 2001, the valuation allowance deducted from the carrying value of inventory amounted to $2,238,000 and $1,059,000, respectively.

SOFTWARE DEVELOPMENT COSTS: The Company accounts for software development costs in accordance with SOP 98-1, Accounting for the Costs of Computer Software Developed for or Obtained for Internal Use, which requires the capitalization of certain costs incurred in connection with developing or obtaining software for internal use. During 1999, 2000, and 2001, approximately $5,393,000, $8,055,000 and $1,979,000 were capitalized in connection with the development of internal software systems. Included in these amounts are $285,000, $942,000, and $278,000 of capitalized interest in 1999, 2000, and 2001. Capitalized costs are amortized over the estimated useful lives of each system when complete and ready for its intended use.

CUSTOMER LAYAWAY DEPOSITS: Customer layaway deposits are recorded as deferred revenue until the entire related sales price has been collected and the related merchandise has been delivered to the customer.

PROPERTY AND EQUIPMENT: Property and equipment are stated at cost. Provisions for depreciation are computed on a straight line basis using estimated useful lives of 30 years for buildings and 2 to 10 years for furniture, equipment, leasehold improvements, and software development costs.

INTANGIBLE ASSETS: Intangible assets consist primarily of excess purchase price over net assets acquired in acquisitions (or goodwill). Goodwill has been amortized on a straight-line basis over 20 to 40 years (the expected period of benefit). Accumulated amortization of goodwill was approximately $3,854,000 and $4,362,000 at September 30, 2000 and 2001, respectively. Accumulated amortization of all other intangible assets was approximately $1,232,000 and $2,250,000 at September 30, 2000 and 2001, respectively.

LONG-LIVED ASSETS: Long-lived assets (i.e., property, 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. The amount of the impairment loss, if any, is measured as the difference between the net book value and the estimated fair value of the related assets.

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. The Company considers investments with maturities of 90 days or less when purchased to be cash equivalents.

FOREIGN CURRENCY TRANSLATION: The Company's equity investment in A&B is translated into U.S. dollars at the exchange rate as of A&B's balance sheet date (June 30). The related interest in A&B's net income is translated at the average exchange rate for each six-month period reported by A&B. Resulting translation adjustments are reflected as a separate component of stockholders' equity.

ADVERTISING: Advertising costs are expensed as incurred. Advertising expense was approximately $1,467,000, $1,442,000, and $1,146,000 for the fiscal years ended September 30, 1999, 2000, and 2001.

INCOME TAXES: The Company files a consolidated return with its wholly owned subsidiaries. Deferred taxes are recorded based on the liability method and result primarily from differences in the timing of the recognition of certain revenue and expense items for federal income tax purposes and financial reporting purposes.

STOCK-BASED COMPENSATION: The Company accounts for its stock based compensation plans in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" ("APB 25"). In October 1995, the Financial Accounting Standards Board ("FASB") issued SFAS No. 123, "Accounting for Stock Based Compensation." SFAS No. 123 encourages expensing the fair value of employee stock options, but allows an entity to continue to account for stock based compensation to employees under APB 25 with disclosures of the pro forma effect on net income had the fair value accounting provisions of SFAS No. 123 been adopted. The Company has calculated the fair value of options granted in these periods using the Black-Scholes option-pricing model and has determined the pro forma impact on net income. See Note I, Common Stock, Warrants, and Options.

SEGMENTS: The Company accounts for its operations in accordance with SFAS No. 131, "Disclosures about Segments of an Enterprise and Related Information." No segment disclosures have been made as the Company considers its business activities as a single segment.

USE OF ESTIMATES: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates and such difference may be material.

RECLASSIFICATIONS: Certain prior year financial statement balances have been reclassified to conform to the current year presentation.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS: In June 2001, the FASB issued SFAS No. 141, "Business Combinations" that the Company adopted July 2001. SFAS No. 141 superceded Accounting Principles Board Opinion No. 16, "Business Combinations," and related literature, and requires that all business combinations initiated after June 30, 2001 be accounted for under the purchase method. Use of the pooling-of-interests method is prohibited. It also establishes criteria for the separate recognition of intangible assets acquired in a business combination. The adoption of SFAS No. 141 had no effect on the Company's consolidated financial position or results of operations.

In June 2001, the FASB issued SFAS No. 142, "Goodwill and Other Intangible Assets," which the Company must adopt by its fiscal year beginning October 1, 2002, but early adoption is allowed. Upon adoption, goodwill and other intangible assets having an indefinite useful life acquired in business combinations are no longer subject to amortization. All goodwill and other intangible assets having an indefinite useful life then become subject to periodic testing for impairment and are no longer amortized. The useful lives of other intangible assets must be reassessed and the remaining amortization periods adjusted accordingly. The Company has not yet determined SFAS No. 142's possible effect on the Company's consolidated financial position or results of operations, or if it will early-adopt the statement.

In August 2001, the FASB issued SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." SFAS No. 144 supercedes SFAS No. 121, "Accounting for the Impairment of Long-Lived Assets and for Long-Lived Assets to Be Disposed Of" and related literature and establishes a single accounting model, based on the framework established in SFAS No. 121, for long-lived assets impaired or to be disposed of. SFAS No. 144 is effective for the Company's Fiscal 2003 year beginning October 1, 2002, and is not expected to have a material effect on the Company's consolidated financial position or results of operations.

NOTE B: CHANGE IN ACCOUNTING PRINCIPLE

Effective October 1, 1999, the Company changed its method of revenue recognition on pawn loans by reducing the accrual of pawn service charge revenue to the estimated amount which will be realized through loan collection and recording forfeited collateral at the lower of cost (the principal amount of the loan) or market. Previously, pawn service charges were accrued on all loans, and the carrying value of the forfeited collateral was the lower of cost (principal amount of loan plus accrued pawn service charges) or market.

The Company believes the new method of revenue recognition is preferable in that it better aligns reported net revenues and earnings with current economic trends in its business and the management of the Company. In addition, the Company believes the new method improves comparability of its operating results and financial position with similar companies.

The new method was applied as of October 1, 1999. The charge of $14.3 million included in the accompanying statement of operations for the year ending September 30, 2000 represents the cumulative effect of applying the new method retroactively (net of an income tax benefit of $7.4 million). The pro forma amounts shown on the statements of operations reflect the effect of retroactive application on pawn service charge revenues and cost of goods sold had the new method been in effect for all periods, and the related income taxes.

NOTE C: RESTRUCTURING CHARGE

In Fiscal 2000 the Company reviewed its store portfolio to determine whether closing certain stores would improve the Company's profitability and to determine whether certain stores were strategically viable. As a result of this review and the continuing evaluation of such assets for impairment, the Company decided to close 54 stores and recorded a pretax charge of $11.8 million ($7.8 million net of tax) during the fourth quarter of Fiscal 2000.

The total pretax charge included $9.6 million (included in Restructuring expense on the Consolidated Statement of Operations) for the write-down to realizable value the closed stores' property, equipment, pawn loans outstanding, intangible assets, and the estimated costs for the settlement of lease obligations, administrative costs, severance costs, and other exit costs. Also included in the total charge is approximately $1.0 million (included in Restructuring expense on the Consolidated Statement of Operations) related to other restructuring charges, primarily severance for administrative staff reductions. All charges for severance included in the restructuring related to employees notified of their position elimination prior to September 30, 2000. The $11.8 million pretax charge includes a $1.2 million write down of inventory (included in Cost of goods sold on the Consolidated Statement of Operations) for discounts expected in liquidating these stores' remaining inventory.

In June 2001, the Company re-evaluated the seven remaining stores which had not been closed and decided to continue their operation, based on improved performance and future outlook for these stores. Accordingly, the Company reversed the $1.3 million restructure accrual related to these seven stores. The Company recorded an additional $0.3 million restructure expense for the 47 stores previously closed, primarily to account for lease obligations costing more than originally estimated, resulting in a net credit to restructuring expense of $1.0 million in the period ended June 30, 2001.

Of the $1.0 million net credit, $0.7 million is for the anticipated administrative costs and loss from disposing of the stores' fixed and intangible assets and is recorded as a credit to the restructuring expense, where the charge was recorded in September 2000. The remaining $0.3 million was originally charged to the cost of goods sold to write these stores' inventory down to liquidation value, and was credited to cost of goods sold in June 2001, as the Company no longer expects to sell this inventory at liquidation prices.

The results of operations from the 47 closed stores were as follows (in thousands):

	Fiscal Years Ended September 30,		
	1999	2000	2001
Total revenues	$ 16,183	$ 15,367	$ 939
Operating loss	(2,277)	(3,212)	(461)

At September 30, 2001, the Company had a remaining restructuring reserve of $217,000, primarily for remaining severance obligations and future rent on closed stores, the leases of which will expire over the next three years. The following is a summary of the types and amounts recognized as accrued expenses together with cash payments made against such accruals and adjustments made in the accruals (in thousands):

	Lease Settlement Costs	Workforce Severance	Write-off of Long-Lived and Intangible Assets	Administrative and Other Exit Costs	Net Book Value of Assets Sold	Proceeds from Sale of Assets	Total Reserve
Reserve balance at September 30, 1999	$ --	$ --	$ --	$ --	$ --	$ --	$ --
Additions (reductions)	693	1,159	7,669	543	1,714	(1,206)	10,572
Reserve Utilized	(111)	(251)	(7,669)	(87)	(1,284)	479	(8,923)
Reserve balance at September 30, 2000	582	908	--	456	430	(727)	1,649
Reserve Utilized	(677)	(784)	--	(380)	(46)		(1,887)
Adjustments	167	(18)	(1,151)	(22)	(399)	727	(696)
Reverse the utilization of the long-lived assets reserve of stores not being closed			1,151				1,151
Reserve balance at September 30, 2001	$ 72	$ 106	$ --	$ 54	$ (15)	$ --	$ 217

In conjunction with the restructuring in fiscal 2000, the Company recorded an additional $1.2 million inventory reserve for anticipated losses on sales at stores to be closed. This amount was charged to cost of goods sold in fiscal 2000 and is excluded from the table above. Of this inventory reserve, $0.1 million was utilized by September 30, 2000, $0.6 million was utilized in the first quarter of fiscal 2001, $0.2 million was utilized in the second quarter of fiscal 2001, and $0.3 million was reversed in the third quarter of fiscal 2001, as described above, leaving no balance as of June 30, 2001.

NOTE D: EARNINGS PER SHARE

A reconciliation of the numerators and denominators of basic and diluted earnings per share is shown in the table below:

	Years Ended September 30,		
	1999	2000	2001
	(In thousands)		
Numerator			
Numerator for basic and diluted earnings per share:			
Net income (loss)	$ 5,485	$ (32,574)	$ (568)
Denominator			
Denominator for basic earnings per share:			
Weighted average shares	12,004	12,017	12,104
Effect of dilutive securities:			
Employee stock options	--	--	--
Warrants	4	--	--
Dilutive potential common shares	4	--	--
Denominator for diluted earnings per share: adjusted weighted average shares and assumed conversions	12,008	12,017	12,104
Basic and diluted earnings per share	$ 0.46	$ (2.71)	$ (0.05)

Outstanding options to purchase shares of common stock were as follows:

	Years Ended September 30,		
	1999	2000	2001
Weighted average shares subject to options	1,534,763	1,569,924	1,289,441
Average exercise price per share	$ 11.30	$ 11.08	$ 8.57

These options were excluded from the computation of diluted earnings per share in 1999 because the options' exercise prices were greater than the average market price of common shares and, therefore, the effect would be anti-dilutive. Options outstanding in 2000 and 2001 were excluded from the computation of loss per share because the Company incurred a loss for those years.

NOTE E: ACQUISITION OF PAWN STORES AND PURCHASE OF PAWN RELATED ASSETS

During the fiscal year ended September 30, 1999, the Company paid approximately $1.8 million for the acquisition of pawn stores and pawn related assets. The purchase price of the acquisitions was funded primarily from an existing bank line of credit. These acquisitions have been accounted for under the purchase method of accounting. The operating results of the acquired locations have been included in the Company's consolidated results of operations since their purchase dates. Through September 30, 2001, the Company has amortized the related goodwill of approximately $508,000 on a straight-line basis over periods ranging from 20 to 40 years.

There were no acquisitions during the fiscal years ended September 30, 2000 and 2001.

Since none of these acquisitions are material to the results of operations or financial position of the Company (individually or collectively) no pro forma results have been presented.

On March 28, 1998, the Company acquired 29.99% of the common shares of Albemarle & Bond Holdings, plc ("A&B") for approximately $10.8 million. On October 16, 1998, the Company acquired an additional 1,896,666 newly issued common shares of A&B for approximately $2 million. Following this purchase the Company owns 13,276,666 common shares of A&B, or approximately 29.47% of the total outstanding shares. A&B is primarily engaged in pawnbroking, retail jewelry sales and check cashing in England and Wales. Through September 30, 2001, the related goodwill of approximately $9.0 million was amortized over 20 years. Summarized financial information for this equity investment is not presented since the investment is not material in relation to the financial position or results of operations of the Company. The acquisition is accounted for using the equity method. Since A&B's fiscal year end is June 30, the income reported by the Company for its investment in A&B is on a three-month lag. The income reported for the Company's fiscal year end of September 30 represents its percentage interest in the results of A&B's operations, reduced by the amortization of goodwill, from July 1 to June 30. A&B's shares are listed on the Alternative Investment Market of the London Stock Exchange and at November 30, 2001, the market value of this investment was approximately $11.9 million, based on the closing market price and foreign currency exchange rate on that date.

NOTE F: PROPERTY AND EQUIPMENT

Major classifications of property and equipment were as follows:

	September 30, 2000	September 30, 2001
	(In thousands)	
Land	$ 5,293	$ 2,397
Buildings and improvements	46,019	36,744
Furniture and equipment	36,507	33,986
Software	5,216	20,914
Construction in progress	15,110	52
Total	108,145	94,093
Less accumulated depreciation	(47,015)	(49,128)
	$ 61,130	$ 44,965

NOTE G: ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consisted of the following:

	September 30, 2000	September 30, 2001
	(In thousands)	
Trade accounts payable	$ 3,570	$ 1,864
Accrued payroll and related expenses	4,765	4,083
Other accrued expenses	3,676	3,719
	$ 12,011	$ 9,666

NOTE H: LONG-TERM DEBT

Long-term debt consisted of:

	September 30, 2000	September 30, 2001
	(In thousands)	
Note payable to bank under credit agreement dated December 10, 1998, as amended on September 29, 1999, March 31, 2000, December 15, 2000, and April 30, 2001; interest payable monthly at prime rate plus 2.5% to 3.5% (8.7% at September 30, 2001); annual commitment fee of 0.25% of the unused portion payable in quarterly installments; principal due December 3, 2001	$ 81,000	$ 60,192
Other	112	--
	81,112	60,192
Less current maturities	22,087	15,947
	$ 59,025	$ 44,245

Effective December 3, 2001, the Company amended and restated its credit agreement. Among other things, the amendment extends the maturity date to October 1, 2002. The amended credit agreement provides for a $45 million revolving credit facility and a term loan of approximately $15 million, which are secured by substantially all of the Company's assets. Availability under the revolving credit facility continues to be tied to loan and inventory balances. The term facility must be paid in full by July 1, 2002. These term facility payments will be made from operating cash flow and the sale of assets, primarily sale-leaseback transactions of owned properties. Interest on the revolving credit facility will accrue at the agent bank's prime rate ("Prime") plus 300 basis points, but will be payable monthly at Prime plus 100 basis points. The accrued but unpaid interest will be payable upon the earlier of the refinancing or maturity of the revolving credit facility. Interest on the term loan will accrue and be paid monthly at Prime plus 350 basis points. The Company pays a commitment fee of 25 basis points on the unused amount of the revolving facility.

The Company believes that the financial covenants established in the amended credit facility will be achieved based upon the Company's current and anticipated performance. Based upon management's expected performance for Fiscal 2002, including the sale-leaseback of certain assets and the availability under the revolving credit facility, the Company believes that there is adequate liquidity to fund the Company's operations and to make the required principal payments under the term loan during Fiscal 2002. However, material shortfalls or variances from anticipated performance or the delay in the sale of certain of its assets could require the Company to seek a further amendment to the amended credit facility or alternate sources of financing, or to limit capital expenditures to an amount less than that currently anticipated or permitted under the amended and restated credit facility.

The Company currently has a $691,000 letter of credit with the bank group as required by a legal agreement relating to certain insurance policies.

NOTE I: COMMON STOCK, WARRANTS, AND OPTIONS

The capital stock of the Company consists of two classes of common stock designated as Class A Non-voting Common Stock ("Class A Common Stock") and Class B Voting Common Stock ("Class B Common Stock"). The rights, preferences, and privileges of the Class A and Class B Common Stock are similar except that each share of Class B Common Stock has one vote and each share of Class A Common Stock has no voting privileges. All Class A Non-voting Common Stock is publicly held. Holders of Class B Common Stock may, individually or as a class, convert some or all of their shares into Class A Common Stock. Class A Common Stock becomes voting common stock upon the conversion of all Class B Common Stock to Class A Common Stock. The Company is required to reserve such number of authorized but unissued shares of Class A Common Stock as would be issuable upon conversion of all outstanding shares of Class B Common Stock.

At September 30, 2001, warrants to purchase 23,579 shares of Class A Common Stock and 4,074 shares of Class B Common Stock at $6.17 per share were outstanding. The warrants are exercisable through July 25, 2009.

The Company has an Incentive Stock Option Plan (the "1991 Plan") under which options to purchase Class A Common Stock could be granted to employees until adoption of the 1998 Plan discussed below. Options granted under the 1991 Plan were granted at exercise prices equal to or greater than the fair market value of the Class A Common Stock on the date of grant. Grants under the 1991 Plan provide for accelerated vesting upon a change in control of the Company.

On November 5, 1998, the Compensation Committee of the Board of Directors approved the adoption of the EZCORP, Inc. 1998 Incentive Plan (the "1998 Plan"), which provides for stock option awards of up to 1,275,000 of the Company's Class A Common Stock. In approving such plan, the Compensation Committee resolved that no further options would be granted under any previous plans.

On November 5, 1998, the Compensation Committee of the Board of Directors approved a grant of 1,023,000 options to named executives, exercisable at $10.00 per share, and, except as discussed below, vesting on October 6, 2008. As of September 30, 2001, 450,000 of these options remained outstanding (options granted less options canceled due to employee termination) and none had been exercised. The terms of this grant provide for accelerated vesting upon achievement of certain debt to equity ratios and levels of earnings per share, ranging from $1.30 in Fiscal 2001 to $3.66 in Fiscal 2005.

In Fiscal 2000 and 2001, the Compensation Committee of the Board of Directors approved additional grants of options under the 1998 Plan at exercise prices ranging from $2.00 to $15.00. Under both the 1991 Plan and the 1998 Plan, the options vest at 20% each year and are fully vested in five years. They have a contractual life of ten years. No options have been exercised pursuant to either Plan. Total options available for grant at September 30, 2001 under the 1998 Plan were 242,250. A summary of the option plan activity follows:

SUMMARY OF OPTION PLAN ACTIVITY

	Number of Shares	Price Range of Shares	Weighted Average
Outstanding at September 30, 1998	647,510	$ 8.75 - $21.75	$ 13.20
Granted	1,048,000	$10.00	$ 10.00
Canceled	(88,237)	$ 8.75 - $21.75	$ 11.58
Exercised	--	-	--
Outstanding at September 30, 1999	1,607,273	$10.00 - $21.75	$ 11.20
Granted	250,000	$ 2.00 - $15.00	$ 9.12
Canceled	(858,967)	$10.00 - $21.75	$ 11.15
Exercised	--	-	--
Outstanding at September 30, 2000	998,306	$ 2.00 - $21.75	$ 10.73
Granted	387,800	$ 2.00 - $ 2.41	$ 2.01
Canceled	(119,883)	$ 2.00 - $21.75	$ 5.10
Exercised	--	-	--
Outstanding at September 30, 2001	1,266,223	$ 2.00 - $21.75	$ 8.60

RANGE OF OPTIONS OUTSTANDING

Range of Exercise Prices	Number of Shares Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (years)	Exercisable	Exercisable Shares Weighted Avg. Exer. Price
$ 2.00-$ 4.00	406,750	$ 2.40	8.95	48,000	$ 3.92
$10.00-$10.00	526,000	$10.00	7.24	10,400	$ 10.00
$12.00-$12.75	88,273	$12.32	4.55	70,773	$ 12.40
$13.00-$21.75	245,200	$14.50	4.97	145,200	$ 14.84
$12.00-$21.75	1,266,223	$ 8.60	7.16	274,373	$ 12.12

In accordance with SFAS 123, the fair value of these options was estimated at the date of grant using a Black-Scholes option pricing model with the following weighted average assumptions for the years ended September 30, 2000 and 2001, respectively:

	September 30, 2000	September 30, 2001
Risk-free interest rate	6.00%	5.50%
Dividend yield	0%	0%
Volatility factor of the expected market price of the Company's common stock	0.890	1.490
Expected life of the options	5 years	5 years
Weighted average fair value of options granted:		
Exercise price greater than fair value at date of grant	$ 3.51	$ 0.99
Exercise price less than fair value on the date of grant	$ 2.38	$ 2.30

During Fiscal 2000, options to purchase 50,000 shares were granted to an employee below the market price on the date of grant. As a result, the Company recorded deferred compensation of approximately $31,000, of which $4,000 and $6,000 was amortized to non-cash compensation expense during Fiscal 2000 and 2001. The remaining unearned compensation will be recognized as non-cash compensation expense over the remaining vesting period of approximately three years.

The Black-Scholes option valuation model was developed for use in estimating the fair value of traded options which have no vesting restrictions and are fully transferable. In addition, this option valuation model requires the input of highly subjective assumptions including the expected stock price volatility. Because the Company's employee stock options have characteristics significantly different from those of traded options, and because changes in the subjective input assumptions can materially affect the fair value estimate, in management's opinion, the Black-Scholes model does not necessarily provide a reliable single measure of the fair value of its employee stock options. Additionally, because the provisions of SFAS 123 are not effective for options granted prior to October 1, 1996 and due to the nature and timing of option grants, the resulting pro forma compensation costs may not be indicative of future compensation costs. For purposes of pro forma disclosures, the estimated fair value of the options is amortized to expense over the options' vesting period. The Company's pro forma net income is as follows:

	1999	2000	2001
Net income (loss), as reported	$ 5,485	$(32,574)	$ (568)
Less: pro forma compensation expense	558	13	447
Net income (loss), pro forma	$ 4,927	$(32,587)	$ (1,015)
Basic and diluted earnings (loss) per share, pro forma	$ 0.41	$ (2.71)	$ (0.08)

Shares of reserved common stock at September 30, 2001, were as follows:

	Class A	Class B
Stock option plan	1,275,000	--
Stock warrants	23,579	4,074
401(k) plan	100,000	--
Conversion of Class B Common Stock	1,198,990	--
	2,597,569	4,074

NOTE J: INCOME TAXES

As of September 30, 2001, the Company had federal net operating loss carryforwards of $5,749,000 which will expire in 2020, if not utilized. The Company has alternative minimum tax and foreign tax credit carryforwards of $330,000 and $35,000 respectively. The alternative minimum tax credit carryforwards do not expire. The foreign tax credit carryforwards begin to expire in 2004, if not utilized.

Utilization of the net operating losses and credit carryforwards may be subject to a substantial limitation due to the "change in ownership" provisions of the Internal Revenue Code of 1986. If a change in ownership were to occur, the annual limitation may result in the expiration of net operating losses before utilization.

The income tax provision (benefit) attributable to continuing operations is as follows:

	Years Ended September 30,		
	1999	2000	2001
	(In thousands)		
Current			
Federal	$ 1,419	$ (5,302)	$ --
State	71	--	--
	1,490	(5,302)	--
Deferred			
Federal	1,730	1,517	(142)
State	--	--	--
	$ 3,220	$ (3,785)	$ (142)

Income tax expense (benefit) is included in the financial statements as follows:

	Years Ended September 30,		
	1999	2000	2001
	(In thousands)		
Continuing operations	$ 3,220	$ (3,785)	$ (142)
Cumulative effect of change in accounting principle	--	(7,390)	--
	$ 3,220	$(11,175)	$ (142)

A reconciliation of income taxes calculated at the statutory rate and the provision (benefit) for income taxes attributable to continuing operations is as follows:

	Years Ended September 30,		
	1999	2000	2001
	(In thousands)		
Income taxes at the federal statutory rate	$ 3,047	$ (7,485)	$ (242)
Effect of nondeductible amortization of intangible assets	27	27	--
State income tax, net of federal benefit	73	--	--
Change in valuation allowance	--	3,700	--
Other	73	(27)	100
	$ 3,220	$ (3,785)	$ (142)

Income before income taxes for continuing operations on the statements of operations differs from taxable income due to the following, which are accounted for differently for financial statement purposes than for federal income tax purposes and result in deferred tax expense (benefit):

	Years Ended September 30,		
	1999	2000	2001
	(In thousands)		
Inventory basis	$ (133)	$ 480	$ (661)
Provision for store closings and related charges	71	(3,240)	2,957
Software basis	1,870	2,611	(111)
General reserves	126	(981)	401
Tax carryforwards	--	(522)	(1,798)
Deferred gains	--	--	(1,075)
Valuation allowance	--	3,700	--
Other	(204)	(531)	145
	$ 1,730	$ 1,517	$ (142)

Significant components of the Company's deferred tax liabilities and assets as of September 30 are as follows:

	2000	2001
	(In thousands)	
Deferred tax liabilities:		
Amortization of software costs	$ 6,707	$ 7,235
Prepaid expenses	314	503
Other	160	10
Total deferred tax liabilities	7,181	7,748
Deferred tax assets:		
Book over tax depreciation	3,677	5,306
Tax over book inventory	7,560	7,826
Accrued liabilities	153	94
Provision for store closings and related charges	3,031	74
Pawn service charge receivable	1,935	2,037
Tax carryforwards	522	2,331
Total deferred tax assets	16,878	17,668
Net deferred tax asset	9,697	9,920
Valuation allowance	(3,700)	(3,700)
Net deferred taxes	$ 5,997	$ 6,220

The Company has established a valuation allowance due to uncertainties regarding the realization of certain deferred tax assets. The valuation allowance was not increased during the year ended

September 30, 2001 because management believes that it is more likely than not that the Company's net deferred tax asset will be realized as a result of expected future taxable income from operations and certain tax planning strategies.

Substantially all of the Company's operating income was generated from domestic operations during 2000 and 2001. At September 30, 2000 and 2001, the Company has provided deferred income taxes on all undistributed earnings from its foreign unconsolidated affiliate. Such earnings have been reinvested in foreign operations except for dividends at September 30, 2000 and 2001 of approximately $258,000 and $235,000, respectively. Furthermore, any taxes paid to foreign governments on those earnings may be used in whole or in part as credits against the U.S. tax on any dividends distributed from such earnings.

NOTE K: RELATED PARTY TRANSACTIONS

Pursuant to the terms of a financial advisory services agreement, Morgan Schiff, an affiliate of the general partner of the majority stockholder, provides management consulting and investment banking services to the Company for a $33,333 monthly retainer. These services include ongoing consultation with respect to offerings by the Company of its securities, including, but not limited to, the form, timing, and structure of such offerings. In addition to the retainer, the affiliate earns fees from the Company for other business and financial consulting services. Morgan Schiff has waived these consulting fees since July 2000. In Fiscal 2001, Morgan Schiff received expense reimbursements of $426,000 from the Company. In Fiscal 2000, Morgan Schiff received $33,333 per month from October to June for its services as a financial advisor and received expense reimbursements of $574,000. In Fiscal 1999, Morgan Schiff received $33,333 per month for its services as a financial advisor and received related expense reimbursements of $412,000.

In 1994, the Company loaned the former President and Chief Executive Officer and current director, Vincent Lambiase, $729,000 to purchase 50,000 shares of Class A Common Stock. The loan is shown as a reduction of stockholders' equity in these financial statements. The maturity date of the loan is the earlier of (a) ten business days following the first day that the closing price for the Company's stock is equal to or exceeds $10 per share, or (b) August 1, 2005. Additionally, under the agreement, all accrued and unpaid interest due on the loan is forgiven until the first day that the closing price for the Company's stock is equal to or exceeds $6 per share. As of September 30, 2001, the amount owed is approximately $729,000 plus accrued interest of approximately $54,500. The Company records interest income on the loan. Any forgiveness of interest is charged as compensation expense for Mr. Lambiase.

In October 1994, the Board of Directors approved agreements that provide incentive compensation to the Chairman, Sterling Brinkley, and Mr. Lambiase, based on growth in the share price of the Company's Class A Non-voting Common Stock. Each executive was advanced $1.5 million evidenced by a recourse promissory note, initially due in 2005 and bearing interest at the minimum rate allowable for federal income tax purposes (5.8% for Fiscal 2001).

Mr. Lambiase repaid his $1.5 million loan August 14, 2001. As stipulated by a loan amendment dated August 15, 2000, the company forgave the related accrued interest on this date and reimbursed Mr. Lambiase for the income tax consequences of the interest forgiven.

Under the terms of Mr. Brinkley's $1.5 million loan, as amended, the loan principal will be forgiven if, prior to October 1, 2005, a stock price target of $28.25 is attained. The loan provides that upon Mr. Brinkley's death or disability or certain changes in control the then remaining principal and interest will be forgiven. Accrued interest is forgiven based upon continued employment and the Company is required to reimburse Mr. Brinkley for the income tax consequences of forgiveness of any portion of the debt. Through September 30, 2001, the stock price target had not been attained.

Under both the $1.5 million loans to Mr. Lambiase and Mr. Brinkley, charges to operations consist of interest forgiveness and related income tax costs and totaled approximately $272,000, $306,000, and $288,000 for the years ended September 30, 1999, 2000, and 2001, respectively. In Fiscal 2001, the interest forgiveness and related income tax costs related to Mr. Lambiase's $1.5 million loan were $127,000 and were charged to the Company's restructuring reserve.

In February 2000, the Company loaned Mr. Rotunda $200,000. The principal and interest of the loan are subject to forgiveness in equal increments over a three-year period conditioned upon Mr. Rotunda's continued employment with the Company on February 24th of each year. The Company is required to reimburse Mr. Rotunda for the income tax consequence of any portion of the interest forgiven. The remaining balance of this loan was $133,333 at September 30, 2001.

NOTE L: LEASES

The Company leases various facilities and certain equipment under operating leases. Future minimum rentals due under noncancelable leases including closed stores are as follows for each of the years ending September 30:

	Total (In thousands)
2002	$ 10,919
2003	8,812
2004	5,846
2005	3,859
2006	2,588
Thereafter	15,367
	$ 47,391

The Company subleases some of the above facilities. Future minimum rentals expected under these subleases amount to $173,000 in 2002 and $99,000 in 2003.

Rent expense for the years ending September 30, 1999, 2000, and 2001 was $13.0 million, $13.6 million, and $13.0 million, respectively.

During Fiscal 2001, the Company completed several sale-leaseback transactions of some of its previously owned facilities. Losses on such sales were recognized immediately, and gains on such sales were deferred and are being amortized as a reduction of lease expense over the terms of the related leases. Future rentals pursuant to these sale-leasebacks are included in the above schedule of future minimum rentals. Terms of these leases are consistent with the terms on the Company's other lease agreements.

NOTE M: EMPLOYMENT AGREEMENTS

Pursuant to a settlement agreement dated February 4, 1998, the Company and its founder and former President and Chief Executive Officer, Courtland L. Logue, Jr., reached an out of court settlement to the lawsuit styled EZCORP, Inc. v. Courtland L. Logue, Jr., in the 201st District Court of Travis County, Texas. Under the terms of the settlement, which closed February 18, 1998, both the Company and Mr. Logue released their claims against each other, including all claims under Mr. Logue's employment agreement, and neither party admitted any liability nor paid any cash consideration to the other.

The Company agreed to accelerate the release of contractual restrictions on the transfer of Mr. Logue's 967,742 shares of common stock. The settlement released 191,548 shares immediately, and a like amount was released on October 29, 1998. An additional 95,774 shares were released from restrictions on each of October 29, 1999 and October 29, 2000, with the remaining 40% of the shares released in July 2001. As a result of this settlement, on February 4, 1998, 285,417 shares of Mr. Logue's Class B Voting Common Stock were converted to publicly traded Class A Non-voting Common Stock. The majority holder of the Class B Voting Common Stock had previously approved and implemented the conversion of Mr. Logue's other 682,325 shares from Class B Common Stock to Class A Common Stock during the fiscal years ended September 30, 1996 and 1997. Also as a part of this settlement, Mr. Logue agreed to assign 10,000 shares of his stock to the Company. The Company accounted for the receipt of these shares as a capital transaction and has excluded the effect of this transfer from net income. The Company and Mr. Logue also clarified the scope of Mr. Logue's continuing non-competition agreement, negotiated a five year limitation on Mr. Logue's financial investments in competing pawnshop businesses and negotiated renewal options with respect to certain existing real estate leases for store locations.

As President and Chief Executive Officer, Joseph L. Rotunda's annual compensation includes a base salary of $400,000 and an annual bonus ranging from 50% to 150% of his base salary dependent upon the attainment of Board approved operating goals. In the event of a change of control, Mr. Rotunda is entitled to receive a bonus payment equivalent to 200% of his annual compensation, as well as the immediate vesting of all stock options. If Mr. Rotunda's employment is terminated, other than for cause, he is entitled to receive a severance payment equal to his annual compensation. As long as Mr. Rotunda's employment with the Company continues, a $200,000 loan by the Company to Mr. Rotunda is subject to forgiveness over a three-year period ending on February 24, 2003.

Vincent A. Lambiase was employed as the Company's President and Chief Executive Officer pursuant to an employment which provided for an annual salary, a bonus, and a $1,500,000 loan and a $729,000 loan from the Company, among other things. As of August 15, 2000, the Company entered into an agreement with Mr. Lambiase whereby the parties mutually agreed to terminate his employment with the Company. According to the terms of this agreement, the Company paid Mr. Lambiase a monthly salary of $37,500 through August 14, 2001. This agreement further modified the terms and conditions of the $1.5 million and $729,000 loans. See Note K.

NOTE N: 401(k) PLAN

The Company sponsors a 401(k) Plan under which eligible employees of the Company may contribute a maximum of 15% of their compensation within allowable limits. To be eligible, an employee must be at least 21 years old and have been employed by the Company for at least six months. The Company will match 25% of each employee's contribution, up to 6% of their compensation, in the form of the Company's Class A Non-voting Common Stock. Contribution expense related to the plan for 1999, 2000 and 2001 was approximately $72,000, $96,000 and $89,000, respectively.

NOTE O: CONTINGENCIES

From time to time, the Company is involved in litigation relating to claims arising from its normal business operations. Currently, the Company is a defendant in several lawsuits. Some of these lawsuits involve claims for substantial amounts. While the ultimate outcome of these lawsuits cannot be ascertained, after consultation with counsel, the Company believes the resolution of these suits will not have a material adverse effect on the Company's financial condition or results of operations. However, there can be no assurance as to the ultimate outcome of these matters.

NOTE P: STOCKHOLDERS' EQUITY

On July 27, 1998, the Board of Directors declared an annual $0.05 per share cash dividend payable quarterly. The first quarterly dividend of $0.0125 per share was paid on August 25, 1998 to stockholders of record on August 11, 1998. The Company continued its quarterly payment of $0.0125 per share through the quarter ended March 31, 2000.

NOTE Q: QUARTERLY INFORMATION (UNAUDITED)

	Year Ended September 30			
	First Quarter(1)	Second Quarter	Third Quarter	Fourth Quarter
	(In thousands, except per share amounts)			
Fiscal 2001				
Total revenues	$ 47,241	$ 48,819	$ 43,100	$ 47,010
Net revenues	29,143	27,384	24,673	25,881
Restructuring expense	--	--	(696)	--
Net income (loss)	1,053	33	(442)	(1,212)
Net income (loss) per share	$ 0.09	$ 0.00	$ (0.04)	$ (0.10)
Fiscal 2000				
Total revenues	$ 53,940	$ 53,697	$ 42,238	$ 47,524
Net revenues	31,257	29,010	26,153	22,925
Restructuring expense	--	--		(10,572)
Net income (loss) before cumulative effect of change in accounting principle	1,263	(1,279)	(2,150)	(16,064)
Cumulative effect of change in accounting principle	(14,344)	--	--	--
Net income (loss)	(13,081)	(1,279)	(2,150)	(16,064)
Per share amounts:				
Net income (loss) before cumulative effect of change in accounting principle	$ 0.10	$ (0.11)	$ (0.18)	$ (1.33)
Net income (loss)	$ (1.09)	$ (0.11)	$ (0.18)	$ (1.33)
Fiscal 1999				
Total revenues	$ 60,415	$ 60,083	$ 53,902	$ 57,569
Net revenues	31,393	28,982	28,520	29,250
Net income	2,379	2,151	469	486
Net income per share	$ 0.20	$ 0.18	$ 0.04	$ 0.04

(1) The numbers presented for the quarter ended December 31, 1999 have been adjusted for the change in accounting principle as it was effective October 1, 1999.

Included in the fourth quarter of Fiscal 2000 is a restructuring charge of $11.8 million for store closings, associated closing costs, asset impairment and other restructuring charges (see Note C). Included in the $11.8 million is the $10.6 million separately classified charge shown above and a $1.2 million write-down of inventory that was charged to cost of goods sold.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

The Company had no disagreements on accounting or financial disclosure matters with its independent certified public accountants to report under this Item 9.

PART III

ITEM 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT

The executive officers and directors of the Company as of December 1, 2001 were as follows:

Name	Age	Title
Sterling B. Brinkley(1)	49	Chairman of the Board of Directors
Joseph L. Rotunda(1)(3)	54	President, Chief Executive Officer, and Director
Daniel N. Tonissen(1)(3)	51	Senior Vice President, Chief Financial Officer, Assistant Secretary, and Director
Mark C. Pickup(2)(4)	51	Director
Steve Price(2)(4)	63	Director
Richard D. Sage(2)(4)	61	Director
Vincent A. Lambiase	61	Director
Robert F. Bloom	50	Senior Vice President of Operations
John R. Kissick	59	Vice President of Strategic Development
Matthew B. Campbell	45	Vice President of Administration
Connie L. Kondik	37	Secretary and General Counsel
Daniel M. Chism	33	Controller and Assistant Secretary
Tom B. Young	52	Chief Information Officer

(1) Member of Executive Committee

(2) Member of Incentive Compensation Committee

(3) Member of Section 401(k) Plan Committee

(4) Member of Audit Committee

Mr. Brinkley has served as either Chairman of the Board or Chairman of the Executive Committee of the Board of Directors of the Company since 1989. He served as a Managing Director of Morgan Schiff & Co., Inc., an affiliate of Mr. Phillip Cohen, from 1986 to 1990. See "Security Ownership of Certain Beneficial Owners and Management." Mr. Brinkley has also served as Chairman of the Board or Chairman of the Executive Committee of Crescent Jewelers, Inc., a 150-store jewelry chain since 1988. In addition, since 1990, he has served as Chairman of the Board or Chairman of the Executive Committee of Friedman's, Inc., and Pietrafesa Corp., an apparel manufacturing business. In addition, Mr. Brinkley is President and Chairman of the Board of MS Pawn Corporation, the general partner of MS Pawn Limited Partnership. Morgan Schiff & Co., Inc., Crescent Jewelers, Inc., and Pietrafesa Corp. are affiliates of the Company.

Mr. Rotunda has served as director, President, and Chief Executive Officer of the Company since August 2000 following his initial employment with EZCorp as director, President, and Chief Operating Officer in February 2000. From 1998 to 2000, he was Chief Operating Officer of G&K Services, Inc, a $500 million provider of uniform and textile products based in Minneapolis MN. From 1991 to 1998 he progressed through several officer positions to ultimately become Executive Vice President and Chief Operating Officer of Thorn Americas, Inc. (d.b.a. Rent-A-Center, Remco, and U-Can Rent) as the company grew from 700 to 1400 stores. Mr. Rotunda began his career with Montgomery Ward, from 1969 through 1991, and held numerous positions including Territory Vice President and Vice President of Customer Service and New Stores. Mr. Rotunda also currently serves as a Director of RTO Enterprises, Inc., Toronto, Canada.

Mr. Tonissen has served as a director, Senior Vice President, Chief Financial Officer, and Assistant Secretary of the Company since August 1994. Prior to 1994, he held senior level financial positions with La Salsa Holding Company, Valley Grain Products, Inc., and Denny's, Inc.

Mr. Pickup has served as director of the Company since 1993. He served as President and Co-Chief Executive Officer of Crescent Jewelers, Inc. from 1993 to 1995 and Chief Financial Officer of Crescent Jewelers, Inc. from 1992 until 1995. Since 1993, Mr. Pickup has also served as a director of Friedman's, Inc. (and MS Jewelers Corporation, its predecessor). Prior to 1992, Mr. Pickup was a partner in the firm of Ernst & Young LLP.

Mr. Price has served as director of the Company since September 1998. He has served as President and CEO of JAMS/Endispute, a mediation and arbitration firm, since 1997. From 1994 to 1997, he served as President and CEO of Supercuts, a hair styling and product salon. From 1988 to 1994, he was a senior vice president of Citibank.

Mr. Sage has served as director of the Company since July 1995. He was a co-founder of AmeriHealth, Inc., which owned and managed hospitals. He served as Treasurer of AmeriHealth, Inc. from April 1983 to October 1995 and was a member of the board of directors of AmeriHealth, Inc. from April 1983 to December 1994. Mr. Sage served from 1988 to 1993 as a Regional Vice President of HHL Financial Services Company, which specializes in the collection of health care accounts receivable. He was a member of the Board of Directors of Champion Healthcare Corporation from January 1995 to August 1996. Since June 1993, he has been associated with Sage Law Offices in Miami, Florida.

Mr. Lambiase has served as a director of the Company since 1994. Mr. Lambiase also served as Chief Executive Officer of the Company from 1994 to August 2000 and as President of the Company from 1994 to February 2000. From 1991 to 1994, he was a Vice President for Blockbuster Entertainment, Inc. From 1986 to 1991, he was an associate of E.S. Jacobs & Company, a venture capital firm. From 1978 to 1985, he was CEO of Winchell's Donut House.

Mr. Bloom has served as the Senior Vice President of Operations since June 2000. From January 1999 to May 2000, he served as the Metromedia Restaurant Group Regional Vice President of Franchise Operations for the Family Steakhouse division. Prior to 1999, he served as the Divisional Vice President of the Rural Division for Thorn Americas, Vice President and General Manager for Thorn Leasing Concepts, and Vice President Operations Administration for Thorn Americas, Inc.

Mr. Kissick has served as Vice President of Strategic Development since August 2001. From 1991 to 1998 he served as Vice President of Strategic Planning for Thorn Americas, Inc. Prior to 1991, he held senior marketing positions at Reynolds and Reynolds, Hobart Corporation, and Pizza Hut.

Mr. Campbell served as the Company's Vice President of Human Resources from May 2001 to August 2001. Since August 2001, Mr. Campbell has served as the Company's Vice President of Administration. From 1998 to 2001, Mr. Campbell served as the Chief Operating Officer of SpinCycle, Inc., where he also served as the Chief Learning Officer from 1997 to 1998. From 1994 to 1997, Mr. Campbell was the Senior Director of Training and Management Development for Thorn Americas, Inc. From 1991 to 1994, he served as the Dean of Remco University for Remco America, Inc. Mr. Campbell also served as a Professor of Political Science for Troy State University from 1983 to 1991.

Ms. Kondik has served as General Counsel since June 2000 and as Secretary since January 2001. From June 1995 to June 2000, Ms. Kondik served as Sr. Associate General Counsel, Vice--President, and Assistant Secretary of Empire Funding Corp. and TMI Financial, Inc., a national sub-prime mortgage lender and servicer.

Mr. Chism has served as Controller and Assistant Secretary of the Company since August 1999 and as Secretary from May 2000 to January 2001. From 1996 to 1999, Mr. Chism served as Audit Manager for Ernst & Young LLP, where he also served as an audit Senior and audit staff member from 1991 to 1995. From 1995 to 1996, Mr. Chism served as a Director of Internal Audit and a departmental Controller for VarTec Telecom, Inc. Mr. Chism is a Certified Public Accountant licensed by the Texas State Board of Public Accountancy.

Mr. Young has served as the Chief Information Officer of the Company since May 2000. From 1995 to 1999 he served as the Director of Retail Systems for Cracker Barrel Old Country Stores. Prior to 1995 he served as Director of Systems and Director of Telecommunications for Service Merchandise.

COMMITTEES OF THE BOARD

The Board of Directors held five meetings during the year ended September 30, 2001. The Board of Directors has appointed four committees: an Executive Committee, an Audit Committee, a Compensation Committee, and a Section 401(k) Plan Committee. The members of the Executive Committee for Fiscal 2001 were Mr. Brinkley, Mr. Rotunda, and Mr. Tonissen. The Executive Committee held four meetings, which all members attended. The members of the Audit Committee for Fiscal 2001 were Mr. Pickup, Mr. Sage, and Mr. Price. The Audit Committee held four meetings which all members attended. All audit committee members are independent directors and are financially literate. As a former Partner of Ernst & Young LLP, Mr. Pickup has significant accounting and financial expertise. The Compensation Committee, comprised of Mr. Pickup and Mr. Price, held one meeting during Fiscal 2001 of which all members attended. The committee that administers the Section 401(k) Plan consists of Mr. Rotunda and Mr. Tonissen and held one meeting during Fiscal 2001 of which all members attended. All directors attended at least 75% of the total number of meetings of the Board and of the committees on which they serve.

COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT

Based primarily on statements received from officers and directors and a review of the relevant Forms 3, 4, and 5, all officers, directors, and beneficial owners of more than ten percent of any class of equity securities were timely throughout the fiscal year in filing all reports required by Section 16(a) of the Exchange Act.

ITEM 11. EXECUTIVE COMPENSATION

CASH COMPENSATION

The following table sets forth compensation paid by the Company and its subsidiaries for services during Fiscal 1999, Fiscal 2000 and Fiscal 2001 to the Company's Chief Executive Officer, and to each of the Company's four most highly compensated executive officers whose total annual compensation exceeded $100,000 (such persons collectively herein referred to as the "Named Executive Officers").

		Annual Compensation			All other Compensation
Name and Principal Position	Year	Salary($)	Bonus($)	Other($)	($)(1)(2)
Sterling B. Brinkley	1999	325,000	124,468	70,270	--
Chairman of the Board(3)	2000	282,502	83,720	78,528	2,311
	2001	25,472	87,000	81,605	1,669
Joseph L. Rotunda	1999	--	--	--	--
President & Chief Executive Officer(4)	2000	208,654	--	170,191	690
	2001	400,000	78,298	75,852	2,622
Vincent A. Lambiase	1999	450,000	135,538	159,413	3,600
Former President & Chief Executive Officer,	2000	450,000	154,783	576,294	2,370
Current director(5)	2001	--	148,947	101,568	--
Daniel N. Tonissen	1999	239,423	--	22,000	2,592
Senior Vice President, Chief Financial	2000	240,000	--	41,798	1,706
Officer and Assistant Secretary(6)	2001	240,000	--	28,018	1,830
Robert F. Bloom	1999	--	--	--	--
Senior Vice President of Operations(7)	2000	73,596	--	30,048	210
	2001	161,539	--	--	1,179
Tom B. Young	1999	--	--	--	--
Chief Information Officer	2000	41,827	--	--	--
	2001	126,803	--	--	276
Daniel M. Chism	1999	19,231	--	--	--
Controller and Secretary	2000	125,000	8,712	--	891
	2001	129,810	--	--	313

(1) The Company's long-term compensation program for most senior officers does not include long-term incentive payouts, SARs, or other forms of compensation.

(2) This category includes the value of any insurance premiums paid on behalf of the named executive.

(3) Mr. Brinkley's Other Annual Compensation includes $81,605 for payment of taxes for Fiscal 2001.

(4) Mr. Rotunda's Other Annual Compensation includes $54,523 for payment of taxes for Fiscal 2001.

(5) Mr. Lambiase's Other Annual Compensation includes $101,568 for payment of taxes for Fiscal 2001. Mr. Lambiase's Fiscal 2001 salary was reported as "Other" compensation in Fiscal 2000 due to its inclusion in a termination agreement at that time.

(6) Mr. Tonissen's Other Annual Compensation includes $22,036 for auto allowance.

(7) Mr. Bloom's Other Annual Compensation for Fiscal 2000 includes $30,048 for relocation to Austin, Texas.

EMPLOYMENT AGREEMENTS

As President and Chief Executive Officer, Joseph L. Rotunda's annual compensation includes a base salary of $400,000 and an annual bonus ranging from 50% to 150% of his base salary dependent upon the attainment of Board approved operating goals. In the event of a change of control, Mr. Rotunda is entitled to receive a bonus payment equivalent to 200% of his annual compensation, as well as immediate vesting of all stock options. If Mr. Rotunda's employment is terminated, other than for cause, he is entitled to receive a severance payment equal to his annual compensation. As long as Mr. Rotunda's employment with the Company continues, a $200,000 loan by the Company to Mr. Rotunda is subject to forgiveness over a three-year period ending on February 24, 2003.

Vincent A. Lambiase was employed as the Company's President and Chief Executive Officer pursuant to an employment agreement which provided for an annual salary, a bonus, and a $1.5 million loan and a $729,000 loan from the Company, among other things. As of August 15, 2000, the Company entered into an agreement with Mr. Lambiase whereby the parties mutually agreed to terminate his employment with the Company. Pursuant to the terms of this agreement, the Company paid Mr. Lambiase a monthly salary of $37,500 through August 14, 2001. This agreement further modified the terms and conditions of the $1.5 million loan by extending the term and forgiving interest. Mr. Lambiase repaid the $1.5 million loan in accordance with its terms. As stipulated by the loan amendment dated August 15, 2000, the Company forgave the related accrued interest on this date and reimbursed Mr. Lambiase for the income tax consequences of the interest forgiven. The $729,000 loan was also modified to change the maturity date and provisions related to forgiveness and repayment of interest.

INSIDER NOTES

In 1994, the Company loaned the former President and Chief Executive Officer and current director, Vincent Lambiase, $729,000 to purchase 50,000 shares of Class A Common Stock. The loan is shown as a reduction of stockholders' equity in these financial statements. The maturity date of the loan is the earlier of (a) ten business days following the first day that the closing price for the Company's stock is equal to or exceeds $10 per share, or (b) August 1, 2005. Additionally, under the agreement, all accrued and unpaid interest due on the loan is forgiven until the first day that the closing price for the Company's stock is equal to or exceeds $6 per share. As of September 30, 2001, the amount owed is approximately $729,000 plus accrued interest of approximately $54,500. The Company records interest income on the loan. Any forgiveness of interest is charged as compensation expense for Mr. Lambiase.

In October 1994, the Board of Directors approved agreements that provide incentive compensation to the Chairman, Sterling Brinkley, and Mr. Lambiase, based on growth in the share price of the Company's Class A Non-voting Common Stock. Each executive was advanced $1.5 million evidenced by a recourse promissory note, initially due in 2005 and bearing interest at the minimum rate allowable for federal income tax purposes (5.8% for Fiscal 2001).

Mr. Lambiase repaid his $1.5 million loan in accordance with its terms. As stipulated by the loan amendment dated August 15, 2000, the company forgave the related accrued interest on this date and reimbursed Mr. Lambiase for the income tax consequences of the interest forgiven.

Under the terms of Mr. Brinkley's $1.5 million loan, as amended, the loan principal will be forgiven if, prior to October 1, 2005, a stock price target of $28.25 is attained. The loan provides that upon Mr. Brinkley's death or disability or certain changes in control the then remaining principal and interest will be forgiven. Accrued interest is forgiven based upon continued employment and the Company is required to reimburse Mr. Brinkley for the income tax consequences of forgiveness of any portion of the debt. Through September 30, 2001, the stock price target had not been attained.

In February 2000, the Company loaned Mr. Rotunda $200,000. The principal and interest of the loan are subject to forgiveness in equal increments over a three-year period ending February 24, 2003 conditioned upon Mr. Rotunda's continued employment with the Company on February 24th of each year. The Company is required to reimburse Mr. Rotunda for the income tax consequence of any portion of the interest forgiven. The remaining balance of this loan was $133,333 at September 30, 2001.

DIRECTOR COMPENSATION

Mr. Pickup receives $25,000 per annum as compensation for his service as a director and Chairman of the Audit Committee. Mr. Price and Mr. Sage each receive $12,000 per annum as compensation for their board service. No other outside director receives compensation from the Company.

STOCK OPTIONS

On November 5, 1998, the Compensation Committee of the Board of Directors approved the grant of 350,000 options to Sterling B. Brinkley and 100,000 options to Daniel N. Tonissen which remain outstanding. The options are exercisable at $10 per share, vest on October 6, 2008, and have a contractual life of ten years. The terms of this grant provide for accelerated vesting upon achievement of certain debt to equity ratios and levels of earnings per share, ranging from $1.30 in Fiscal 2001 to $3.66 in Fiscal 2005. If any of these options fail to qualify as incentive options under the Internal Revenue Code, the Company has agreed to pay a bonus to each Optionee at the time and in the amount of any tax savings actually realized by the Company resulting therefrom.

OPTION/SAR GRANTS IN LAST FISCAL YEAR

INDIVIDUAL GRANTS

Name	Number of Securities Underlying Options/ SARs Granted(1)	% of Total Options/ SARs Granted to Employees in Fiscal Year	Exercise or Base Price ($/Sh)	Expiration Date	Potential Realizable Value At Assumed Annual Rates of Stock Price Appreciation for Option Term(2) 5%	10%
Sterling B. Brinkley Chairman of the Board	--	--	$ --	--	$ --	$ --
Joseph L. Rotunda President & Chief Executive Officer	200,000	52%	2.00		$ --	$ 167,407
Robert Bloom Senior Vice President of Operations	10,000	3%	2.00	--	$ --	$ 8,370
John R. Kissick Vice President of Strategic Development	10,000	3%	2.00	--	$ 9,809	$ 27,465
Matthew B. Campbell Vice President of Administration	10,000	3%	2.41	--	$ 16,785	$ 41,003
Connie L. Kondik Secretary and General Counsel	5,000	1.5%	2.00	--	$ --	$ 4,185
Daniel M. Chism Controller and Assistant Secretary	5,000	1.5%	2.00	--	$ --	$ 4,185
Tom Young Vice President, Chief Information Officer	10,000	3%	2.00	--	$ --	$ 8,370

(1) Stock options become exercisable in five equal installments beginning one year after the date of grant.

(2) As suggested by the Securities and Exchange Commission's rules on executive compensation disclosure, the Company projected the potential realizable value of each grant of options or freestanding SARs, assuming that the market price of the underlying security appreciates in value from the date of grant to the end of the option or SAR term at annualized rates of 5% and 10%.

AGGREGATE OPTIONS/SAR EXERCISES IN LAST
FISCAL YEAR AND FY-END OPTION/SAR VALUES

The following table sets forth certain information concerning the exercise of stock options (or tandem SARs) and freestanding SARs in Fiscal 2001 and the value of unexercised options and SARs held by each of the Named Executive Officers at the end of the Company's last fiscal year.

Name	Shares Acquired On Exercise (#)	Value Realized ($)	Number of Securities Underlying Unexercised Options/SARs at FY-End (#) Exercisable/Unexercisable	Value of Unexercised In-the-Money Options/SARs at FY-End ($)(1) Exercisable/Unexercisable
STERLING B. BRINKLEY Chairman of the Board	--	--	125,000/350,000	0/0
JOSEPH L. ROTUNDA President & Chief Executive Officer	--	--	106,667/293,333	0/0
DANIEL N. TONISSEN Senior Vice President and Chief Financial Officer and Assistant Secretary	--	--	42,313/112,000	0/0
ROBERT BLOOM Senior Vice President of Operations	--	--	4,000/16,000	0/0
JOHN R. KISSICK Vice President of Strategic Development	--	--	0/10,000	0/0
MATTHEW B. CAMPBELL Vice President of Administration	--	--	0/10,000	0/0
CONNIE L. KONDIK Secretary and General Counsel	--	--	1,000/4,000	0/0
DANIEL M. CHISM Controller and Secretary	--	--	5,000/10,000	0/0
TOM YOUNG Vice President, Chief Information Officer	--	--	4,000/16,000	0/0

(1) Values stated are based upon the closing price of $1.700 per share of the Company's Class A Non-voting Common Stock on The NASDAQ Stock Market on September 27, 2001, the last trading day of the fiscal year.

COMPENSATION PURSUANT TO PLANS

STOCK INCENTIVE PLAN

The Company's Board of Directors and stockholders adopted the EZCORP, Inc. 1991 Long-Term Incentive Plan on June 6, 1991 (the "1991 Plan"). The 1991 Plan provides for (i) the granting of stock options qualified under the Internal Revenue Code of 1986, as amended (the "Code") section 422 (so-called "incentive stock options") to purchase Class A Common Stock, (ii) the granting of stock options not qualified under Code section 422 ("nonqualified stock options") to purchase Class A Common Stock, (iii) the granting of stock appreciation rights ("SARs"), which give the holder the right to receive cash or Class A Common Stock in an amount equal to the difference between the fair market value of a share of Class A Common Stock on the date of exercise and the date of grant, (iv) the granting of limited stock appreciation rights ("LSARs"), which give the holder the right under limited circumstances to receive cash in an amount equal to the difference between (a) the per-share price paid in an applicable tender offer or exchange offer for the Company or fair market value of the Class A Common Stock in the event of specified "change of control" events and (b) the fair market value of the Class A Common Stock on the date of grant. The 1991 Plan permits the exercise price of the options to be paid either in cash, by withholding from the shares to be delivered pursuant to the exercise of the option that number of shares equal in value to the exercise price, or by the delivery of already-owned Class A Common Stock.

There are 1,800,000 shares of Class A Common Stock (subject to certain adjustments) reserved under the Plan for issuance upon the exercise of options and the settlement of SARs and LSARs. Adoption of the 1998 Plan, described below, precluded any further grants under the 1991 Plan.

In general, the Committee had the discretion to establish the terms, conditions, and restrictions to which options, SARs, and LSARs are subject. The options, SARs, and LSARs are not transferable except by will and by the laws of descent and distribution, and under other limited circumstances. The 1991 Plan is intended to be qualified under Rule 16b-3 promulgated by the Securities and Exchange Commission, which Rule generally exempts certain option grants and certain stock or cash awards from the provisions of Section 16(b) under the Securities Exchange Act of 1934.

Options granted under the 1991 Plan were granted at exercise prices equal to or above the fair market value on the date of the grant. In October 1994, the Board of Directors amended the Plan to provide accelerated vesting upon a change in control of the Company. As of September 30, 2000, the Company had 193,813 active options outstanding to executives under the 1991 Plan at prices ranging from $12.00 to $14.00. Of these options, 179,013 are vested and none has been exercised.

On November 5, 1998, the Compensation Committee of the Board of Directors approved the adoption of the EZCORP, Inc. 1998 Incentive Plan (the "1998 Plan"). The 1998 Plan permits grants of the same types of options, SARs and LSARs as the 1991 Plan and provides for stock option awards of up to 1,275,000 of the Company's Class A Common Stock. In approving such plan, the Compensation Committee resolved that no further options would be granted under any previous plans.

These options vest at the end of 119 months, but are subject to early vesting from November 5, 1999 to November 5, 2005 (10%, 10%, 15%, 15%, 20%, 20%, and 10%) if the Company meets certain earnings per share targets. See Notes to Consolidated Financial Statements-Note H "Common Stock, Warrants and Options."

As of September 30, 2001, the Company had 947,000 active options outstanding to executives (options granted less options canceled due to employee termination) under the 1998 Plan at prices ranging from $2.00 to $15.00. Of these options, 127,467 are vested and none have been exercised.

401(k) PLAN

On June 6, 1991, the Company adopted the EZCORP, Inc. 401(k) Plan (the "401(k) Plan"), a savings and profit sharing plan intended to qualify under Section 401(k) of the Code. Under the 401(k) Plan, employees of the Company and those subsidiaries that adopt it may contribute up to 15% of their compensation (not to exceed $10,500 in 2001) to the plan trust. The Company will match 25% of an employee's contributions up to 6% of his compensation. Employer contributions may be made in the form of or invested in Class A Common Stock. Contribution expense related to the 401(k) Plan for 2001 was approximately $89,000. The Company's contributions vest based on the employee's length of service with the Company and its subsidiaries, with 20% of the total contributions vesting each year once the employee has three years of service. On termination of employment, an employee will receive all of his contributions and any vested portion of the Company's contributions, as adjusted by any earnings and losses.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

Not applicable.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

SECURITY OWNERSHIP OF MANAGEMENT AND PRINCIPAL STOCKHOLDERS

The Company is controlled, indirectly, by Phillip Ean Cohen, through his ownership of all of the issued and outstanding stock of MS Pawn Corporation, the sole general partner of MS Pawn Limited Partnership ("MS Pawn") which owns 100% of the Class B Voting Common Stock of the Company.

The table below sets forth information regarding the beneficial ownership of the Company's Common Stock as of November 30, 2001 for (i) each of the Company's current directors, (ii) each of the named executive officers, (iii) beneficial owners known to the registrant to own more than five percent of any class of the Company's voting securities, and (iv) all current officers and directors as a group.

Name and Address of the Beneficial Owners(a)	Class A Non-voting Common Stock		Class B Voting Common Stock		
	Number	Percent	Number	Percent	Voting Percent
MS Pawn Limited Partnership(b)(g) MS Pawn Corporation	1,388,857(h)	11.44%(h)	1,194,131	100.00%	100%
Phillip Ean Cohen 350 Park Avenue, 8th Floor New York, New York 10022					
Sterling B. Brinkley (c) 350 Park Avenue, 8th Floor New York, New York 10022	325,615	2.94%	--	--	--
Vincent A. Lambiase 1901 Capital Parkway Austin, Texas 78746	63,150	0.58%	--	--	--
Joseph L. Rotunda(d) 1901 Capital Parkway Austin, TX 78746	106,667	0.97%			
Daniel N. Tonissen(e) 1901 Capital Parkway Austin, Texas 78746	47,313	0.43%	--	--	--
Robert Bloom(i) 1901 Capital Parkway Austin, Texas 78746	4,000	0.04%	--	--	--
John Kissick(k) 1901 Capital Parkway Austin, Texas 78746	0	0.00%	--	--	--

Matthew Campbell(j) 1901 Capital Parkway Austin, Texas 78746	0	0.00%	--	--	--
Connie Kondik(n) 1901 Capital Parkway Austin, Texas 78746	1,000	0.01%	--	--	--
Daniel M. Chism(l) 1901 Capital Parkway Austin, Texas 78746	5,000	0.05%	--	--	--
Tom Young(m) 1901 Capital Parkway Austin, Texas 78746	4,000	0.04%	--	--	--
Mark C. Pickup 6734 Corte Segunda Martinez, California 94553	2,600	0.02%	--	--	--
Steve Price 7 Monterey Pine Drive Newport Coast, California 92657	0	0.00%	--	--	--
Richard D. Sage(o) 13636 Deering Bay Drive Coral Gables, Florida 33158	31	0.00%	--	--	--
All officers and directors as a group (fifteen persons)(b)(f)	289,202	4.98%	--	--	--

(a) Except as indicated in the footnotes to this table, the persons named in the table have sole voting and investment power with respect to all shares of Class B Common Stock shown as beneficially owned by them, subject to community property laws where applicable.

(b) MS Pawn Corporation is the general partner of MS Pawn and has the sole right to vote its shares of Class B Common Stock and to direct their disposition. Mr. Cohen is the sole stockholder of MS Pawn Corporation. See "Certain Relationships and Related Transactions." Mr. Cohen also owns 189,341 shares of Class A common stock directly.

(c) Includes options to acquire 125,000 shares of Class A Common Stock at $14.00 per share and warrants to acquire 1,191 shares of Class A Common Stock at $6.17 per share. Does not include options to acquire 350,000 shares of Class A Common Stock at $10.00 per share, none of which are currently exercisable.

(d) Includes options to acquire 40,000 shares of Class A Common Stock at $4.00 per share and 66,667 shares of Class A Common Stock at $2.00. Does not include options to acquire 50,000 shares of Class A Common Stock at $10.00, 50,000 shares of Class A Common Stock at $13.00 or 50,000 shares of Class A Common Stock at $15.00, none of which are currently exercisable.

(e) Includes options to acquire 24,313 shares of Class A Common Stock at $12.75 per share and 18,000 shares of Class A Common Stock at $12.00 per share. Does not include options to acquire 100,000 shares of Class A Common Stock at $10.00 per share or 20,000 shares of Class A Common Stock at $2.00 per share, none of which are currently exercisable.

(f) Includes options to acquire 287,980 shares of Class A Common Stock at prices ranging from $2.00 to $14.00 per share and warrants to acquire 1,222 Class A Common Stock shares at $6.17 per share.

(g) Includes warrants for 4,093 shares of Class A Common Stock and 4,074 shares of Class B Common Stock held by MS Pawn and warrants for 1,292 shares of Class A Common Stock held by Mr. Cohen.

(h) The number of shares and percentage reflect Class A Common Stock, together with Class B Common Stock which is convertible to Class A Common Stock.

(i) Includes options to acquire 2,000 shares of Class A Common Stock at $2.00 per share and 2,000 shares of Class A Common Stock at $4.00 per share. Does not include options to acquire 20,000 shares of Class A Common Stock at $2.00 per share, none of which are currently exercisable.

(j) Does not include options to acquire 10,000 shares of Class A Common Stock at $2.41 per share nor 20,000 shares of Class A Common Stock at $2.00 per share, none of which are currently exercisable.

(k) Does not include options to acquire 30,000 shares of Class A Common Stock at $2.00 per share, none of which are currently exercisable.

(l) Includes options to acquire 4,000 shares of Class A Common Stock at $10.00 per share and 1,000 shares of Class A Common Stock at $2.00 per share. Does not include options to acquire 7,000 shares of Class A Common Stock at $2.00 per share, none of which are currently exercisable.

(m) Includes options to acquire 2,000 shares of Class A Common Stock at $2.00 per share and 2,000 shares of Class A Common Stock at $4.00 per share. Does not include options to acquire 20,000 shares of Class A Common Stock at $2.00 per share, none of which are currently exercisable.

(n) Includes options to acquire 1,000 shares of Class A Common Stock at $2.00 per share. Does not include options to acquire 7,000 shares of Class A Common Stock at $2.00 per share, none of which are currently exercisable.

(o) Includes warrants to acquire 31 shares of Class A Common Stock at $6.17 per share.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

For information concerning the $729,000 loan from the Company to Mr. Lambiase, the $1.5 million loans from the Company to each of Mr. Brinkley and Mr. Lambiase, and the $200,000 loan from the Company to Mr. Rotunda, see "Executive Compensation, Employment Agreements."

The Company and Morgan Schiff & Co., Inc. ("Morgan Schiff"), whose sole stockholder is Mr. Cohen, are parties to a Financial Advisory Agreement renewed January 1, 2000, pursuant to which Morgan Schiff receives certain fees for its provision of financial advisory services to the Company. These services include, among other matters, ongoing consultation with respect to the business and financial strategies of the Company. In Fiscal 2000, from October to June, Morgan Schiff received $33,333 per month for its services as a financial advisor and received expense reimbursements of $574,000. Morgan Schiff waived the monthly advisory fee from July 2000 through September 2001. In Fiscal 2001, Morgan Schiff received expense reimbursements of $426,000.

PART IV

ITEM 14. FINANCIAL STATEMENT SCHEDULES, EXHIBITS, AND REPORTS ON FORM 8-K

(a)(1) The following consolidated financial statements of EZCORP, Inc. and subsidiaries are included in Item 8:

CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Auditors

Consolidated Balance Sheets as of September 30, 2000 and 2001

Consolidated Statements of Operations for each of the three years in the period ended September 30, 2001

Consolidated Statements of Cash Flows for each of the three years in the period ended September 30, 2001

Consolidated Statements of Stockholders' Equity for each of the three years in the period ended September 30, 2001

Notes to Consolidated Financial Statements.

(2) The following Financial Statement Schedule is included herein:

Schedule II-Allowance for Valuation of Inventory

All other schedules for which provision is made in the applicable accounting regulation of the Securities and Exchange Commission are not required under the related instructions or are inapplicable, and therefore, have been omitted.

(3) Listing of Exhibits (included herein)

(b) Through the fourth quarter ended September 30, 2001, the Company has not filed any reports on Form 8-K.

EZCORP, INC. AND SUBSIDIARIES

SCHEDULE II-ALLOWANCE FOR VALUATION OF INVENTORY
(In millions)

Description	Balance at Beginning of Period	ADDITIONS Charged to Expense	Charged to Other Accts	Deductions	Balance at End of Period
Allowance for valuation of inventory:					
Year ended September 30, 1999	$ 6.8	$ 3.1	$ --	$ 1.6	$ 8.3
Year ended September 30, 2000	$ 8.3	$ 0.4	$ 1.2	$ 7.7	$ 2.2
Year ended September 30, 2001	$ 2.2	$ 0.2	$ --	$ 1.3	$ 1.1

The Company does not determine its inventory valuation allowance by specific inventory items. During the year ended September 30, 2000, the $1.2 million charged to other accounts was recorded as cost of goods sold as part of the Company's restructuring.

LISTING OF EXHIBITS

See Exhibit Index immediately following signature page on page 65.

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.

EZCORP, Inc.

December 21, 2001
By: /s/ Joseph L. Rotunda
(Joseph L. Rotunda)
(President & Chief Executive Officer)

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	Title	Date
/s/ Sterling B. Brinkley Sterling B. Brinkley	Chairman of the Board	December 21, 2001
/s/ Joseph L. Rotunda Joseph L. Rotunda	President, Chief Executive Officer & Director (Principal Executive Officer)	December 21, 2001
/s/ Daniel N. Tonissen Daniel N. Tonissen	Senior Vice President, Chief Financial Officer & Director (Principal Financial and Accounting Officer)	December 21, 2001
/s/ Vincent A. Lambiase Vincent A. Lambiase	Director	December 21, 2001
/s/ Mark C. Pickup Mark C. Pickup	Director	December 21, 2001
/s/ Steve Price Steve Price	Director	December 21, 2001
/s/ Richard D. Sage Richard D. Sage	Director	December 21, 2001

EXHIBIT INDEX

EXHIBIT NUMBER	DESCRIPTION	INCORPORATED BY REFERENCE TO
3.1	Amended and Restated Certificate of Incorporation of the Company	Exhibit 3.1 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
3.1A	Certificate of Amendment to Certificate of Incorporation of the Company	Exhibit 3.1A to the Registration Statement on Form S-1 effective July 15, 1996 (File No. 33-1317)
3.2	Bylaws of the Company.	Exhibit 3.2 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
3.3	Amendment to the Bylaws.	Exhibit 3.3 to Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 1994 (File No. 0-19424)
3.4	Amendment to the Certificate of Incorporation of the Company.	Exhibit 3.4 to Registrant's Annual Report on Form 10-K for the year ended September 30, 1994 (File No. 0-19424)
3.5	Amendment to the Certificate of Incorporation of the Company	Exhibit 3.5 to Registrant's Annual Report on Form 10-K for the year ended September 30, 1997
3.6	Amendment to the Certificate of Incorporation of the Company	Exhibit 3.6 to Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 1998
4.1	Specimen of Class A Non-voting Common Stock certificate of the Company.	Exhibit 4.1 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
10.2	Omitted	N/A
10.3	$5 million Revolving Credit Note - Franklin Federal Bancorp.	Exhibit 10.3 to Registrant's Annual Report on Form 10-K for the year ended September 30, 1992 (File No. 0-19424)
10.4	Omitted	N/A

10.3	$5 million Revolving Credit Note - Franklin Federal Bancorp.	Exhibit 10.3 to Registrant's Annual Report on Form 10-K for the year ended September 30, 1992 (File No. 0-19424)
10.4	Omitted	N/A
10.5	Security Agreement executed by EZPAWN Texas, Inc. (substantially the same agreement also was executed by EZPAWN Oklahoma, Inc.; EZPAWN Mississippi, Inc.; EZPAWN Arkansas, Inc.; EZPAWN Colorado, Inc.; EZPAWN Alabama, Inc.; EZPAWN Tennessee, Inc.; and Houston Financial Corporation).	Exhibit 10.5 to Registrant's Annual Report on Form 10-K for the year ended September 30, 1992 (File No. 0-19424)
10.6	Guaranty Agreement executed by EZPAWN Texas, Inc. (substantially the same agreement also was executed by EZPAWN Oklahoma, Inc.; EZPAWN Mississippi, Inc.; EZPAWN Arkansas, Inc.; EZPAWN Colorado, Inc.; EZPAWN Alabama, Inc.; EZPAWN Tennessee, Inc.; and Houston Financial Corporation).	Exhibit 10.6 to Registrant's Annual Report on Form 10-K for the year ended September 30, 1992 (File No. 0-19424)
10.7	Loan Agreement between the Company, as Borrower, and Franklin Federal Bancorp, FSB, as lender, dated April 30, 1993.	Exhibit 10.7 to Registrant's Annual Report on Form 10-K for the year ended September 30, 1993 (File No. 0-19424)
10.8	Omitted	N/A
10.9	Omitted	N/A
10.10	Letter agreement executed December 20, 1990 between Morgan Schiff & Co., Inc. ("Morgan Schiff") and the Company.	Exhibit 10.10 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
10.11	Stock Purchase Agreement between the Company, Courtland L. Logue, Jr., Courtland L. Logue, Sr., James D. McGee, M. Frances Spears, Porter A. Stratton and Steve A. Stratton dated as of May 18, 1989.	Exhibit 10.11 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)

10.12	Capitalization and Subscription Agreement between MS Pawn Limited Partnership ("MS Pawn") and the Company, dated as of July 25, 1989.	Exhibit 10.12 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
10.13	Omitted	N/A
10.14	Consulting Agreement between the Company and Courtland L. Logue, Sr., dated February 15, 1993	Exhibit 10.14 to Registrant's Annual Report on Form 10-K for the year ended September 30, 1993 (File No. 0-19424)
10.15	Omitted	N/A
10.16	Junior Subordinated Note due 1996 issued July 25, 1989 to Court-land L. Logue, Sr. in the original Principal amount of $238,319.95.	Exhibit 10.16 to Registration Statement on Form S-1 effective August 23,1991 (File No. 33-41317)
10.17	Omitted	N/A
10.18	Warrant Certificate issued by the Company to MS Pawn on July 25, 1989.	Exhibit 10.18 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
10.19	Amendment to the Stock Purchase Agreement dated as of June 19, 1989 Between the Company and the Stockholders of the Predecessor Company.	Exhibit 10.19 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
10.20	Second Amendment to Stock Pur-chase Agreement dated as of April 20, 1990 between the Company and the Stockholders of the Predecessor Company.	Exhibit 10.20 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
10.21	Omitted	N/A
10.22	Omitted	N/A
10.23	Omitted	N/A
10.24	Omitted	N/A
10.25	Omitted	N/A
10.27	Omitted	N/A
10.28	Omitted	N/A
10.29	Omitted	N/A

10.30	Omitted	N/A
10.31	Omitted	N/A
10.32	Omitted	N/A
10.33	Omitted	N/A
10.34	Omitted	N/A
10.35	Stockholders' Agreement dated as of July 25, 1989 between the Company, MS Pawn and Courtland L. Logue, Jr.	Exhibit 10.35 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
10.36	Joinder Agreement to the Stock-Holders' Agreement dated as of May 1, 1991 between the Company MS Pawn, Mr. Kofnovec, Mr. Gary, Mr. Ross and Ms. Berger.	Exhibit 10.36 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
10.37	Incentive Stock Option Plan.	Exhibit 10.37 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
10.38	401(k) Plan.	Exhibit 10.38 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
10.39	Section 125 Cafeteria Plan.	Exhibit 10.39 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
10.40	Lease of 1970 Cessna 210K Aircraft Between Courtland L. Logue, Jr. and Transamerica Pawn Corporation, dated July 25, 1989.	Exhibit 10.40 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
10.41	Omitted	N/A
10.42	Omitted	N/A
10.43	Omitted	N/A
10.44	Lease of Cessna P210 Aircraft Between Courtland L. Logue, Jr. and Transamerica Pawn Corporation, dated December 29, 1989.	Exhibit 10.44 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)

10.45	Lease between Logue, Inc. and E-Z Corporation for real estate located at 1166 Airport Boulevard, Austin, Texas, dated July 25, 1989.	Exhibit 10.45 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
10.46	Lease between Logue, Inc. and E-Z Corporation for real estate located at 5415 North Lamar Boulevard, Austin, Texas, dated July 25, 1989	Exhibit 10.46 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
10.47	Agreement of Lease between LDL Partnership and Logue-Drouin Industries, Inc. for real property at 8540 Broadway Blvd., Houston, Texas, dated May 3, 1988 and related Assignment of Lease.	Exhibit 10.47 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
10.48	Lease Agreement between C Minus Corporation and Logue-Drouin Industries, Inc. DBA E-Z Pawn #5 for real property located at 5209 Cameron Road, Austin, Texas, dated December 28, 1987.	Exhibit 10.48 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
10.49	Lease Agreement between Logue, Inc. and E-Z Corporation for real Property located at 901 E. 1st St., Austin, Texas, dated July 25, 1989.	Exhibit 10.49 to the Registration Statement on Form S-1 effective August 23, 1991 (File No. 33-41317)
10.50	Agreements between the Company and MS Pawn dated February 18, 1992 for the payment of $1.377 million of Series A Increasing Rate Senior Subordinated Notes held by MS Pawn.	Exhibit 10.50 to the Registration Statement on Form S-1 effective March 16, 1992 (File No. 33-45807)
10.51	Agreement Regarding Reservation of Shares.	Exhibit 10.51 to Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 1993 (File No. 0-19424)
10.52	Omitted	N/A
10.53	Omitted	N/A
10.54	Omitted	N/A
10.55	Omitted	N/A
10.56	Omitted	N/A
10.57	Omitted	N/A

10.58	Omitted	N/A
10.59	Omitted	N/A
10.60	Loan Agreement between Sterling B. Brinkley and the Company dated October 7, 1994 (an identical document exists with respect to Vincent A. Lambiase).	Exhibit 10.60 to Registrant's Annual Report on Form 10-K for the year ended September 30, 1995 (File No. 0-19424)
10.61	Promissory Note between Sterling B. Brinkley and the Company in the original principal amount of $1,500,000 attached thereto (an identical document exists with respect to Vincent A. Lambiase).	Exhibit 10.61 to Registrant's Annual Report on Form 10-K for the year ended September 30, 1995 (File No. 0-19424)
10.62	July 1, 1994 Employment Agreement between the Company and Vincent A. Lambiase and Promissory Note in the amount of $729,112.50 in connection therewith.	Exhibit 10.62 to Registrant's Annual Report on Form 10-K for the year ended September 30, 1995 (File No. 0-19424)
10.63	EZCORP, Inc. Incentive Stock Option Award Agreement, Employee Form	Exhibit 10.63 to Registrant's Annual Report on Form 10-K For the year ended September 30,1998 (File No.0-19424)
10.64	EZCORP, Inc. Incentive Stock Option Award Agreement, Executive Form	Exhibit 10.64 to Registrant's Annual Report on Form 10-K for the year ended September 30, 1998 (File No. 0-19424)
10.71	Amended and restated Loan Agreement between the Company, as Borrower, and Franklin Federal Bancorp, FSB, as Lender, dated March 17, 1994.	Exhibit 10.71 to Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 1994 (File No. 0-19424)
10.72	First Amendment to Amended and Restated Loan Agreement between the Company and First Interstate Bank of Texas, N.A. as	Form 10-Q for the quarter ended December 31, 1994 (File No. 0-19424)
10.73	Second Amendment to Amended and Restated Loan Agreement between the Company and First Interstate Bank of Texas, N.A. as Agent, re: Revolving Credit Loan.	Form 10-Q for the quarter ended June 30, 1995 (File No. 0-19424)

10.74	Third Amendment to Amended and Restated Loan Agreement between the Company and Wells Fargo Bank (Texas), N.A. as Agent, re: Revolving Credit Loan.	Form 10-Q for the quarter ended June 30, 1996 (File No. 0-19424)
10.75	Fourth Amendment to Amended and Restated Loan Agreement between the Company and Wells Fargo Bank (Texas), N.A. as Agent, re: Revolving Credit Loan.	Form 10-Q for the quarter ended March 31, 1998 (File No. 0-19424)
10.76	Fifth Amendment to Amended and Restated Loan Agreement between the Company and Wells Fargo Bank (Texas), N.A. as Agent, re: Revolving Credit Loan.	Exhibit 10.76 to Registrant's Annual Report on Form 10-K for the year ended September 30, 1998 (File No. 0-19424)
10.77	Credit Agreement between the Company and Wells Fargo Bank (Texas), N.A., as Agent and Issuing Bank, re: $110 million Revolving Credit Loan	Exhibit 10.77 to Registrant's Annual Report on Form 10-K for the year ended September 30, 1998 (File No. 0-19424)
10.78	First Amendment to Credit Agreement Between the Company and Wells Fargo Bank (Texas), N.A., as Agent and Issuing Bank, re: $110 million Revolving Credit Loan.	Exhibit 10.78 to Registrant's Annual Report on Form 10-K for the year Ended September 30, 1999 (File No. 0-19424)
10.79	Second Amendment to Credit Agreement and Waiver between the Company and Wells Fargo Bank (Texas), N.A., as Agent and Issuing Bank, re: $85 million Revolving Credit Loan.	Exhibit 10.79 to Registrant's Quarterly Report on Form 10-Q for the quarter ended March 31, 2000 (File No. 0-19424)
10.80	Limited Waiver between the Company and Wells Fargo Bank Texas, N.A., as Agent and Issuing Bank, re: $85 million Revolving Credit Loan.	Exhibit 10.80 to Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2000 (File No. 0-19424)
10.81	Amended and Restated Credit Agreement between the Company and Wells Fargo Bank Texas, N.A., as Agent and Issuing Bank, re: $85 million Credit Facility.	Exhibit 10.81 to Registrant's Annual Report on Form 10-K for the year ended September 30, 2000 (File No. 0-19424)
10.82	Waivers of Selected Sections of Credit Agreement between the Company and Wells Fargo Bank, N.A., as Agent and Issuing Bank, re: $85 million Credit Facility.	Exhibit 10.82 to Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2001 (File No. 0-19424)

10.83	First Amendment to Amended and Restated Credit Agreement between the Company and Wells Fargo Bank, N.A., as Agent and Issuing Bank, re: $85 million Credit Facility.	Exhibit 10.83 to Registrant's Quarterly Report on Form 10-Q for the quarter ended June 30, 2001 (File No. 0-19424)
10.84	Second Amendment to Amended and Restated Credit Agreement between the Company and Wells Fargo Bank, N.A., as Agent and Issuing Bank, re: $85 million Credit Facility.*	N/A
10.85	Third Amendment to Amended and Restated Credit Agreement between the Company and Wells Fargo Bank, N.A., as Agent and Issuing Bank, re: $85 million Credit Facility.*	N/A
22.1	Subsidiaries of Registrant.*	N/A
23.1	Consent of Ernst & Young LLP.*	N/A

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*Filed herewith.

EXHIBIT 10.84

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EZCORP, INC.

SECOND AMENDMENT TO
AMENDED AND RESTATED CREDIT AGREEMENT

DATED AS OF OCTOBER 10, 2001

WELLS FARGO BANK TEXAS, NATIONAL ASSOCIATION,

AS AGENT

AND

ISSUING BANK

==

SECOND AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT

THIS SECOND AMENDMENT TO CREDIT AGREEMENT (the "Amendment"), dated as of October 10, 2001 is among EZCORP, INC., a Delaware corporation ("Borrower"), each of the Lenders signatory hereto party to the Agreement referred to below, and WELLS FARGO BANK TEXAS, NATIONAL ASSOCIATION, a national banking association, as Agent for itself and the other Lenders (in such capacity, together with its successors in such capacity the "Agent") and as the Issuing Bank.

RECITALS;

Borrower, Agent, Required Lenders and Issuing Bank have previously entered into that certain Amended and Restated Credit Agreement dated as of December 15, 2000 as amended by that certain First Amendment to Amended and Restated Credit Agreement dated as of May 1, 2001 (as amended, the "Agreement").

Borrower, Agent, Lenders and Issuing Bank now desire to amend Schedules 9.1 and 9.2 to the Agreement as hereinafter more specifically provided.

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE I

Definitions

1.1 Definitions. All capitalized terms not otherwise defined herein, shall have the same meanings as in the Agreement, as amended hereby.

ARTICLE II

Amendments

2.1 Amendment to Schedule 9.1 to the Agreement. Effective as of the date hereof, Schedule 9.1 to the Agreement is amended by adding thereto the following:

> "Indebtedness of Borrower in the principal amount of $1,623,600.00 to AFCO Premium Credit LLC pursuant to that certain Premium Finance Agreement dated in October 2001 at an annual percentage rate of 4.632%, payable in 11 consecutive monthly payments each in the amount of $151,040.73 with the first monthly installment due November 1, 2001."

2.2 Amendment to Schedule 9.2 to the Agreement. Effective as of the date hereof, Schedule 9.2 to the Agreement is amended by deleting the word "None" therefrom and adding thereto the following:

> "Security interest created pursuant to that certain Premium Finance Agreement dated in October 2001 executed by Borrower in favor of AFCO

Premium Credit LLC securing the indebtedness evidenced thereby in the principal amount of $l,623,600.00, such security interest covering Borrower's interest in unearned premiums and dividends which may become payable under the insurance policies listed therein and loss payments which reduce the unearned premiums, subject to any mortgagee or loss payee interest."

ARTICLE III

Ratifications, Representations and Warranties

3.1 Ratifications. The terms and provisions set forth in this Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Agreement and except as expressly modified and superseded by this Amendment, the terms and provisions of the Agreement and the other Loan Documents are ratified and confirmed and shall continue in full force and effect. Borrower, Lenders, Issuing Bank and Agent agree that the Agreement as amended hereby and the other Loan Documents shall continue to be legal, valid, binding and enforceable in accordance with their respective terms.

3.2 Representations and Warranties. Borrower hereby represents and warrants to the Lenders, Agent and Issuing Bank that (i) the execution, delivery and performance of this Amendment and any and all other Loan Documents executed and/or delivered in connection herewith have been authorized by all requisite corporate action on the part of Borrower and will not violate the articles of incorporation or bylaws of Borrower, (ii) the representations and warranties contained in the Agreement, as amended hereby, and any other Loan Document are true and correct on and as of the date hereof as though made on and as of the date hereof, except to the extent such representations and warranties speak to a specific date, (iii) except for a possible violation of Section 10.6 of the Agreement which Borrower understands is not being waived hereby, no Default has occurred and is continuing, and (iv) except for a possible violation of Section 10.6 of the Agreement which Borrower understands is not being waived hereby, Borrower is in full compliance with all covenants and agreements contained in the Agreement as amended hereby.

ARTICLE IV

Miscellaneous

4.1 Survival of Representations and Warranties. All representations and warranties made in this Amendment or any other Loan Document including any Loan Document furnished in connection with this Amendment shall survive the execution and delivery of this Amendment and the other Loan Documents, and no investigation by the Lenders, Agent or Issuing Bank or any closing shall affect the representations and warranties or the right of the Lenders, Agent or Issuing Bank to rely upon them.

4.2 Reference to Agreement. Each of the Loan Documents, including the Agreement and any and all other agreements, documents, or instruments now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms of the Agreement as amended hereby, are hereby amended so that any reference in such Loan Documents to the Agreement shall mean a reference to the Agreement as amended hereby.

4.3 Severability. Any provision of this Amendment held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Amendment and the effect thereof shall be confined to the provision so held to be invalid or unenforceable.

4.4 Applicable Law. This Amendment and all other Loan Documents executed pursuant hereto shall be deemed to have been made and to be performable in Travis County, Texas and shall be governed by and construed in accordance with the laws of the State of Texas.

4.5 Successors and Assigns. This Amendment is binding upon and shall inure to the benefit of the Lenders, Agent, Issuing Bank and Borrower and their respective successors and assigns, except Borrower may not assign or transfer any of its rights or obligations hereunder without the prior written consent of the Lenders.

4.6 Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument.

4.7 WAIVER AND RELEASE. IN ORDER, TO INDUCE THE AGENT, THE LENDERS AND THE ISSUING BANK TO AGREE TO THIS AMENDMENT, BORROWER AND EACH GUARANTOR REPRESENT AND WARRANT THAT AS OF THE DATE HEREOF THERE ARE NO CLAIMS OR OFFSETS AGAINST OR DEFENSES OR COUNTERCLAIMS TO THEIR OBLIGATIONS UNDER THE LOAN DOCUMENTS AND IN ACCORDANCE THEREWITH EACH OF THEM:

(a) WAIVER, WAIVES ANY AND ALL SUCH CLAIMS, OFFSETS, DEFENSES OR COUNTERCLAIMS, WHETHER KNOWN OR UNKNOWN, ARISING PRIOR TO THE DATE HEREOF, AND

(b) RELEASE. RELEASES AND DISCHARGES THE AGENT, THE LENDERS AND THE ISSUING BANK, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, SHAREHOLDERS, AFFILIATES AND ATTORNEYS (COLLECTIVELY, THE "RELEASED PARTIES") FROM ANY AND ALL OBLIGATIONS, INDEBTEDNESS, LIABILITIES, CLAIMS, RIGHTS, CAUSES OF ACTION OR DEMANDS WHATSOEVER, WHETHER KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, IN LAW OR EQUITY, WHICH THE BORROWER OR ANY GUARANTOR EVER HAD, NOW HAS, CLAIMS TO HAVE OR MAY HAVE AGAINST ANY RELEASED PARTY ARISING PRIOR TO THE DATE HEREOF AND FROM OR IN CONNECTION WITH THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY AND HEREBY.

4.8 ENTIRE AGREEMENT. THIS AMENDMENT AND ALL OTHER INSTRUMENTS, DOCUMENTS AND AGREEMENTS EXECUTED AND DELIVERED IN CONNECTION WITH THIS AMENDMENT REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

[Remainder of Page Intentionally Left Blank]

Executed as of the date first written above.

BORROWER:

EZCORP, INC.

By: ____________________________________

Name: ____________________________________

Title: ____________________________________

AGENT, ISSUING BANK AND LENDER:

WELLS FARGO BANK TEXAS, NATIONAL ASSOCIATION

By: ____________________________________

Larry Clayton
Vice President

OTHER LENDERS:

BANK ONE, NA (successor by merger to Bank One, Texas, National Association)

By: ---------------------------------------

Name: ---------------------------------

Title: --------------------------------

GUARANTY BANK (formerly known as Guaranty Federal Bank, F.S.B.)

By:

Name:

Title:

COMERICA BANK-TEXAS

By:

Name:

Title:

THE CHASE MANHATTAN BANK (successor by merger to Chase Bank of Texas, National Association)

By: ---------------------------------------
Name: ---------------------------------
Title: --------------------------------

Obligated Parties Consent and Agreement

Each of the undersigned Obligated Parties (i) consent and agree to this Amendment; and (ii) agree that the Loan Documents to which it is a party shall remain in full force and effect and shall continue to be the legal, valid and binding obligation of such Obligated Party enforceable against it in accordance with their respective terms.

OBLIGATED PARTIES:

EZPAWN ALABAMA, INC.
EZPAWN ARKANSAS, INC.
EZPAWN COLORADO, INC.
EZPAWN FLORIDA, INC.
EZPAWN GEORGIA, INC.
EZPAWN HOLDINGS, INC.
EZPAWN INDIANA, INC.
EZPAWN LOUISIANA, INC.
EZPAWN NEVADA, INC.
EZPAWN NORTH CAROLINA, INC.
EZPAWN OKLAHOMA, INC.
EZPAWN TENNESSEE, INC.
TEXAS EZPAWN MANAGEMENT, INC.
EZ CAR SALES, INC.
EZPAWN CONSTRUCTION, INC.
EZPAWN KANSAS, INC.
EZPAWN KENTUCKY, INC.
EZPAWN MISSOURI, INC.
EZPAWN SOUTH CAROLINA, INC.
EZCORP INTERNATIONAL, INC.
EZ MONEY NORTH CAROLINA, INC.

By: ____________________________________

Name: ____________________________________

Title: ____________________________________

TEXAS EZPAWN L.P.

By: TEXAS EZPAWN MANAGEMENT, INC.,
its sole general partner

By: ____________________________________

Name: ____________________________________

Title: ____________________________________

EXHIBIT 10.85

==

EZCORP, INC.

THIRD AMENDMENT TO
AMENDED AND RESTATED CREDIT AGREEMENT

DATED AS OF DECEMBER 3, 2001

WELLS FARGO BANK TEXAS, NATIONAL ASSOCIATION,

AS AGENT

AND

ISSUING BANK

==

THIRD AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT

THIS THIRD AMENDMENT TO AMENDED AND RESTATED CREDIT AGREEMENT (this "Amendment"), dated as of December 3, 2001 is among EZCORP, INC., a Delaware corporation ("Borrower"), each of the Lenders signatory hereto party to the Agreement referred to below, and WELLS FARGO BANK TEXAS, NATIONAL ASSOCIATION, a national banking association, as Agent for itself and the other Lenders (in such capacity, together with its successors in such capacity the "Agent") and as the Issuing Bank.

RECITALS:

Borrower, Agent, Lenders and Issuing Bank have previously entered into that certain Amended and Restated Credit Agreement dated as of December 15, 2000 as amended by (a) that certain First Amendment to Amended and Restated Credit Agreement dated as of May 1, 2001 and (b) that certain Second Amendment to Amended and Restated Credit Agreement dated as of October 10, 2001 (as amended, the "Agreement").

Borrower, Agent, Lenders and Issuing Bank now desire to amend the Agreement (a) to restructure the existing Loans, (b) to modify certain financial covenants, and (c) to make such other modifications, in each case as hereinafter more specifically provided. Additionally, the Lenders desire to waive the Existing Specified Defaults (as defined herein).

NOW, THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE I

Definitions

1.1 Definitions. All capitalized terms not otherwise defined herein, shall have the same meanings as in the Agreement, as amended hereby.

ARTICLE II

Amendments

2.1 Amendments to Definitions in Section 1.1. Effective as of the date hereof, the following definitions in Section 1.1 of the Agreement are amended and restated to read in their entirety as follows:

> "Advance" means an advance of funds by the Lenders or any of them to the Borrower pursuant to Article II (inclusive of the Tranche A Loan, the Tranche B Loan and the Swing Loan).
>
> "Applicable Rate" means the lesser of (a) the Base Rate plus the Base Rate Margin and (b) the Maximum Rate.

"Base Rate Margin" means (a) for the Tranche A Loan, three percent (3.0%) per annum, and (b) for the Tranche B Loan three and one-half percent (3.5%) per annum.

"Commitment" means, as to each Lender, collectively, the obligation of such Lender to purchase participations (or with respect to the Swing Lender or the Issuing Bank, hold other interests in) the Swing Loan and in Letters of Credit as described in Articles II and III hereunder, the Tranche A Commitment and the Tranche B Commitment.

"Loans" means, collectively, the Tranche A Loan, the Tranche B Loan and the Swing Loan.

"Required Lenders" means at any time while no Advances or Letters of Credit Liabilities are outstanding, two or more Lenders having at least sixty-six and two-thirds percent (66 2/3%) of the aggregate amount of the Commitments and, at any time while Advances or Letter of Credit Liabilities are outstanding, two or more Lenders holding at least sixty-six and two-thirds percent (66 2/3%) of the outstanding aggregate principal amount of the Tranche A Advances, the Tranche B Loan, the LC Participations, and the SL Participations.

"Termination Date" means 8:00 a.m. San Francisco, California time (a) with respect to the Tranche A Loan and the Swing Loan, October 1, 2002, or such earlier date and time on which the Tranche A Commitment and the Swing Commitment terminate as provided in this Agreement, and (b) with respect to Tranche B Loan, June 28, 2002.

"Tranche A Commitment" means, as to each Lender, the obligation of such Lender to make Tranche A Advances as described in Article II hereunder in an aggregate principal amount at any one time outstanding up to but not exceeding the amount set forth opposite the name of such Lender on Schedule 1.1(a) hereto under the heading "Tranche A Commitment", as the same may be reduced pursuant to Section 2.13, or terminated pursuant to Section 2.13 or 11.2. As of December 3, 2001, the aggregate amount of the Tranche A Commitments of all Lenders equals Forty-Five Million Dollars ($45,000,000).

"Tranche B Commitment" means, as to each Lender, the obligation of such Lender to make Tranche B Loan as described in Article II hereunder in the principal amount up to but not exceeding the amount set forth opposite the name of such Lender on Schedule 1.1(a) hereto under the heading "Tranche B Commitment". As of December 3, 2001, the aggregate amount of the Tranche B Commitments of all Lenders equals Fourteen Million Nine Hundred Forty Thousand Two Hundred Eighty-Six and 36/100 Dollars ($14,940,286.36).

2.2 Additions to Definitions in Section 1.1. Effective as of the date hereof, the following definitions are added to Section 1.1 of the Agreement in alphabetical order to read in their entirety as follows:

"Third Amendment Closing Date" means December 20, 2001.

"Tranche A Pay Rate" means the lesser of (a) Base Rate plus one percent (1.0%) per annum and (b) the Maximum Rate.

2.3 Deletion of Definitions in Section 1.1. Effective as of the date hereof, the definitions of "Term Loan Reduction Event", "Tranche C Commitment", "Tranche C Loan" and "Tranche C Payment Amount" in Section 1.1 of the Agreement are deleted in their entirety.

2.4 Amendment to Section 1.2. Effective as of the date hereof, the following is added to the end of Section 1.2 of the Agreement to read in its entirety as follows:

> In the event of any changes in accounting principles required by GAAP or recommended by the Borrower's certified public accountants and implemented by the Borrower occur and such changes result in a change in the method of the calculation of financial covenants, standards, or terms under this Agreement, then the Borrower, the Agent, and the Lenders agree to enter into negotiations in order to amend such provisions of this Agreement so as to equitably reflect such changes with the desired result that the criteria for evaluating such covenants, standards, or terms shall be the same after such changes as if such changes had not been made. Until such time as such an amendment shall have been executed and delivered by the Agent, the Borrower and the Required Lenders, all financial covenants, standards, and terms in this Agreement shall continue to be calculated or construed as if such changes had not occurred.

2.5 Amendment to Section 2.1. Effective as of the date hereof, the reference in Section 2.1 of the Agreement to "Termination Date" is deleted and the reference to "Tranche A Loan Termination Date" is inserted in lieu thereof.

2.6 Amendment to Section 2.2. Effective as of the date hereof, Section 2.2 of the Agreement is amended and restated to read in its entirety as follows:

> Section 2.2 Tranche B Loan. Subject to the terms and conditions of this Agreement, each Lender severally agrees to restructure a portion of the loans outstanding under this Agreement (as amended through and including the Second Amendment to Amended and Restated Credit Agreement) as the Tranche B Loan to the Borrower as of December 3, 2001 up to but not exceeding, the amount of such Lender's Tranche B Commitment. The Borrower may not reborrow hereunder any Tranche B Advance which has been repaid. The Tranche B Loan made by each Lender shall be made and maintained at such Lender's Applicable Lending Office.

2.7 Amendment to Section 2.3. Effective as of the date hereof, Section 2.3 of the Agreement is amended and restated to read in its entirety as follows:

> Section 2.3 [Intentionally Deleted.]

2.8 Amendment to Section 2.4. Effective as of the date hereof, Section 2.4 of the Agreement is amended and restated to read in its entirety as follows:

> Section 2.4 Master Credit Notes. The obligation of the Borrower to repay each Lender for Tranche A Advances and Tranche B Loan made by such Lender and interest thereon shall be evidenced by each Lender's Master Credit Note.

2.9 Amendment to Section 2.5. Effective as of the date hereof, Section 2.5 of the Agreement is amended and restated to read in its entirety as follows:

> Section 2.5 Repayment of Loans. The Borrower shall repay the outstanding principal amount of (a) the Tranche A Loan and the Swing Loan on the Tranche A Termination Date and (b) the Tranche B Loan on the Tranche B Loan Termination Date.

2.10 Amendment to Section 2.6. Effective as of the date hereof, Section 2.6 of the Agreement is amended and restated to read in its entirety as follows:

> Section 2.6 Interest. The unpaid principal amount of the Loans shall bear interest at a varying rate per annum equal from day to day to the Applicable Rate. If at any time the Applicable Rate for any Advance shall exceed the Maximum Rate, thereby causing the interest accruing on such Advance to be limited to the Maximum Rate, then any subsequent reduction in the Applicable Rate for such Advance shall not reduce the rate of interest on such Advance below the Maximum Rate until the aggregate amount of interest accrued on such Advance equals the aggregate amount of interest which would have accrued on such Advance if the Applicable Rate had at all times been in effect. Accrued and unpaid interest on the Advances shall be due and payable (i) on each Monthly Payment Date and (ii) on the applicable Termination Date; provided however, with respect only to the Tranche A Loan, so long as no Event of Default has occurred, the amount of interest payable on such dates may be in an amount equal to the Tranche A Pay Rate. Upon the occurrence of an Event of Default or payment in full of the Tranche A Loan for any reason, with respect only to the Tranche A Loan, the difference between the Applicable Rate and the Tranche A Pay Rate that has been accumulating from December 3, 2001 is immediately due and payable, and thereafter the amount of interest payable on the Tranche A Loan shall be in an amount equal to the Applicable Rate.
>
> Notwithstanding the foregoing, upon the occurrence and during the continuance of an Event of Default, the outstanding principal amounts of all Advances and (to the fullest extent permitted by law) any other amounts payable by the Borrower under any Loan Document shall bear interest at the Default Rate at the Required Lenders' option beginning upon the occurrence of such Event of Default or such later date as selected by the Required Lenders. Interest payable at the Default Rate shall be payable from time to time on demand.

2.11 Amendment to Section 2.9(a). Effective as of the date hereof, the reference in Section 2.9(a) of the Agreement to "Termination Date" is deleted and the reference to "Tranche A Loan Termination Date" is inserted in lieu thereof.

2.12 Amendment to Section 2.11. Effective as of the date hereof, Section 2.11 of the Agreement is amended and restated to read in its entirety as follows:

> Section 2.11 Fees. (a) On the Third Amendment Closing Date, the Borrower agrees to pay to the Agent for the account of the Agent an annual agent fee in an amount to be agreed to by the Borrower and the Agent pursuant to a side letter agreement, (b) the Borrower agrees to pay to the Agent for the account of the Lenders a nonrefundable commitment fee ("Commitment Fee") on the average daily unused amount of such Lender's Tranche A Commitment for the period from and including the date of this Agreement to and including the Tranche A Loan Termination Date at the Commitment Fee Rate based on a 360 day year and the actual number of days elapsed, (c) on the Third Amendment Closing Date, the Borrower agrees to pay to the Agent for the account of the Lenders a nonrefundable amendment fee of $300,000, and (d) on or before June 28, 2002, if the Tranche B Loan has not been paid in full, the Borrower agrees to pay to the Agent for the account of the Lenders a nonrefundable fee of $500,000 on June 28, 2002; provided however, upon the acceleration of the Tranche B Loan Termination Date under Article XI, the fee described in clause (d) above shall be due and payable upon such accelerated Tranche B Loan Termination Date. The accrued Commitment Fee shall be payable in arrears on each Quarterly Payment Date and on the Tranche A Loan Termination Date. For the purpose of calculating the Commitment Fee hereunder, the Tranche A Commitments shall be deemed utilized by the amount of all Tranche A Advances and all Letter of Credit Liabilities and without giving effect to any Swing Loan Advances.

2.13 Amendment to Section 2.13(b). Effective as of the date hereof, Section 2.13(b) of the Agreement is amended and restated to read in its entirety as follows:

> (b) Mandatory. Upon the occurrence of any event requiring a mandatory prepayment under Section 4.3(c), (i) the Tranche A Commitments shall automatically reduce by the amount equal to 100% of the Net Proceeds of any issuances described in Section 4.3(c) occurring on such date or such lesser amounts required to be applied to the Swing Loan Advances, Tranche A Advances and Letter of Credit Liabilities pursuant to Section 4.3(c), and (ii) the Borrower shall simultaneously prepay the amount by which the unpaid principal amount of the Tranche A Advances plus the Letter of Credit Liabilities exceeds the Tranche A Commitments (after giving effect to such reduction) plus accrued and unpaid interest on the principal amount so prepaid.

2.14 Amendment to Section 3.1(a). Effective as of the date hereof, (a) the reference in Section 3.1(a) of the Agreement to "Termination Date" is deleted and the reference to

"Tranche A Loan Termination Date" is inserted in lieu thereof, and (b) the second sentence in Section 3.1(a) of the Agreement is amended and restated to read in its entirety as follows:

> Each Letter of Credit shall have an expiration date not beyond the earlier of (a) one year from the date of issuance of such Letter of Credit or (b) the Tranche A Loan Termination Date, shall be payable in Dollars, must support a transaction that is entered into in the ordinary course of the Borrower's business, must be satisfactory in form and substance to the Issuing Bank, and shall be issued pursuant to such documents and instruments (including, without limitation, the Issuing Bank's standard application for issuance of letters of credit as then in effect) as the Issuing Bank may require; provided, however, that certain Irrevocable Standby Letter of Credit No. NZS241408 dated February 22, 1996 in the face amount of $691,300 issued for the account of the Borrower for the benefit of Continental Casualty Company and/or Continental Insurance Co. and/or Transcontinental Technical Services Inc. shall have an expiration date not beyond October 31, 2002.

2.15 Amendment to Section 3.3. Effective as of the date hereof, the reference in Section 3.3 of the Agreement to "Termination Date" is deleted and the reference to "Tranche A Loan Termination Date" is inserted in lieu thereof.

2.16 Amendment to Section 3.4. Effective as of the date hereof, the reference in Section 3.4 of the Agreement to "Termination Date" is deleted and the reference to "Tranche A Loan Termination Date" is inserted in lieu thereof.

2.17 Amendment to Sections 4.3(a), (b) (c), (e), (f) and (g). Effective as of the date hereof, Sections 4.3(a), (b), (c), (e), (f) and (g) of the Agreement are amended and restated to read in their entirety as follows:

> (a) If at any time the amount equal to the sum of (i) the outstanding principal amount of all Tranche A Advances and the Swing Loan Advances, plus (ii) the Letter of Credit Liabilities exceeds the lesser of (A) the aggregate amount of the Tranche A Commitments and (B) the Borrowing Base, the Borrower shall promptly prepay first the outstanding Swing Loan Advances, then the Letter of Credit Disbursement for which the Issuing Bank has not been reimbursed by the Borrower, and then Tranche A Advances by the amount of the excess or, if no Swing Loan Advances, Letter of Credit Disbursements or Tranche A Advances are outstanding, the Borrower shall immediately pledge to the Agent cash or Cash Equivalent Investments (subject to no other Liens) in an amount equal to the excess as security for the Obligations. Any such mandatory prepayments shall be applied first to Swing Loan Advances, then to Letter of Credit Disbursements for which the Issuing Bank has not been reimbursed by the Borrower, then to Tranche A Advances, and then to the remaining Letter of Credit Liabilities. Any prepayments hereunder shall be accompanied with accrued and unpaid interest on the amount prepaid to the date of prepayment. On or before August 15, 2002, the Borrower shall immediately pledge to the Agent, for the benefit of the Lenders,

cash or Cash Equivalent Investments (subject to no other Liens) in an amount (the "Letter of Credit Liabilities Amount") equal to the outstanding Letter of Credit Liabilities as security for the Obligations; and upon receipt of the pledge of such cash or Cash Equivalent Investments, the Agent shall deposit such funds in an interest bearing cash collateral account at the Agent without any right of withdrawal by the Borrower.

(b) [Intentionally Deleted.]

(c) Upon the issuance, sale or other disposition of any shares of equity securities (or any securities convertible or exchangeable for any such shares, or any rights, warrants, or options to subscribe for or purchase any such shares), by the Borrower or any Subsidiary, the Borrower shall promptly prepay the Advances by an amount equal to 100% of the Net Proceeds of any such issuance's. Any such mandatory prepayments shall be applied first to the Tranche B Loan, then to the Swing Loan Advances, then to Letter of Credit Disbursements for which the Issuing Bank has not been reimbursed by the Borrower, then to Tranche A Advances, and then to the remaining Letter of Credit Liabilities. Any prepayments hereunder shall be accompanied with accrued and unpaid interest on the amount prepaid to the date of prepayment and any partial prepayments thereof shall be applied to the principal installments due in the inverse order of maturity.

. . .

(e) Upon (i) the sale, sale/lease back, liquidation or other disposition of any Real Property or computer equipment by the Borrower or any Subsidiary, (ii) the receipt by the Borrower or any Subsidiary of any federal or state income tax refunds, (iii) the collection of notes receivable by the Borrower or any Subsidiary, (iv) the sale or other disposition of certain store locations (including sales of Real Property and operating business (which may include the sale of Inventory and pawn loans and Pay-Day Advance Loans of the Borrower or any Subsidiary in connection with the sale of such location), but excluding liquidating sales of Inventory and pawn loans and Pay-Day Advance Loans of the Borrower or any Subsidiary which do not occur in connection with the sale of any Real Property or operating business) by the Borrower or any Subsidiary permitted by Section 9.8(e), (v) the sale, transfer or other disposition of the Borrower's or any Subsidiary's stock or other equity interest in Albemarle & Bond Holdings PLC or (vi) the sale of any other assets (other than the sale of Inventory in the ordinary course of business and liquidating sales of Inventory and pawn loans and Pay-Day Advance Loans of the Borrower or any Subsidiary which do not occur in connection with the sale of any Real Property or operating business), the Borrower shall promptly prepay the Advances by an amount equal to the Net Proceeds of any such sales or dispositions, the amount of such tax refund or the amount of such collection of notes, as applicable; provided however, any such Net Proceeds received pursuant to clause (iv) above may be released to the Borrower at the Lenders' sole discretion. Any such mandatory prepayments shall be applied first to the Tranche B Loan, then any remaining amount shall be deposited into an interest bearing cash collateral account at the Agent without any right of withdrawal by the Borrower to be held as security for the Obligations. Accrued and unpaid interest on the amount prepaid hereunder to the date of prepayment shall be due and payable at the next Monthly Payment Date or at any other time at the request of the Agent.

(f) The Borrower shall promptly prepay the Tranche B Loan by an amount sufficient to reduce the outstanding principal amount of the Tranche B Loan to the following amounts: (i) on or before December 31, 2001, equal to or less than $12,000,000; and (ii) on or before March 31, 2002, equal to or less than $5,000,000. Accrued and unpaid interest on the amount prepaid hereunder to the date of prepayment shall be due and payable at the next Monthly Payment Date or at any other time at the request of the Agent.

(g) Beginning on December 31, 2001 and continuing on the last Business Day of each calendar month thereafter through and including May 31, 2002, the Borrower shall promptly prepay the Tranche B Loan by the principal amount of not less than $1,500,000 (such payment not to come from the Net Proceeds received from the transactions described in Section 4.3(e). Accrued and unpaid interest on the amount prepaid hereunder to the date of prepayment shall be due and payable at the next Monthly Payment Date or at any other time at the request of the Agent.

2.18 Amendment to Section 4.4. Effective as of the date hereof, Section 4.4 of the Agreement is amended and restated to read in its entirety as follows:

Section 4.4 Pro Rata Treatment. Except to the extent otherwise provided herein: (a) each Tranche A Advance shall be made by the Lenders under Section 2.1, the Tranche B Loan shall be made by the Lenders under Section 2.2, each payment of the Commitment Fee under Section 2.11 and each payment of the Letter of Credit fee under Section 3.5 (except as provided therein) shall be made for the account of the Lenders, and each termination or reduction of the Tranche A Commitments under Section 2.13 shall be applied to the Tranche A Commitments of the Lenders, pro rata according to the respective Tranche A Commitments; (b) each payment and prepayment of principal of or interest on Advances by the Borrower or any Obligated Party of a particular Loan shall be made to the Agent for the account of the Lenders holding Advances of such Loan pro rata in accordance with the respective unpaid principal amounts of such Advances of such Loan held by such Lenders; (c) any and all other monies received by the Agent from any source other than pursuant to any of clauses (a) through (b) hereinabove (including, without limitation, from the Borrower or any Guarantor) to be applied first against the Primary Obligations shall be for the pro rata benefit and account of the Lenders based upon each Lender's aggregate outstanding Advances and LC Participations and SL Participations to the aggregate outstanding Advances and LC Participations and SL Participations of all Lenders and then against the Secondary Obligations shall be for the pro rata benefit and account of the Lenders based upon their respective unpaid amounts of the Secondary Obligations; and (d) the Lenders shall purchase from the Issuing Bank and the Swing Lender pursuant to Section 3.1 and Section 2.9 respectively, participations in the Letters of Credit and the related Letter of Credit Liabilities and the Swing Loan respectively, pro rata in accordance with their Tranche A Commitments.

2.19 Amendment to Section 6.2(a). Effective as of the date hereof, Section 6.2(a)of the Agreement is amended and restated to read in its entirety as follows:

(a) Advance Request Form, Telephonic Request, or Letter of Credit Request Form. The Agent in respect of Tranche A Advances and the Tranche B Loan, the Swing Lender in respect of Swing Loan Advances, and the Issuing Bank in respect of Letters of Credit shall have received, in accordance with Section 2.7, 2.9 or 3.2, as the case may be, an Advance Request Form, a telephonic request, or Letter of Credit Request Form, as applicable, executed by an authorized officer of the Borrower;

2.20 Additions to Article VIII. Effective as of the date hereof, new Sections 8.14 and 8.15 are added to Article VIII of the Agreement to read in their entirety as follows:

Section 8.14 Enterprise Valuation. Upon the occurrence of an Event of Default, at the election of the Required Lenders, the Borrower will permit an enterprise valuation of Albemarle & Bond Holdings PLC to be conducted by auditors selected by the Required Lenders and engaged by the Agent or counsel. The Borrower will pay the reasonable costs and expenses of such valuation upon the request of the Agent.

Section 8.15 Endorsements to Mortgagee Title Policies. The Borrower agrees that it shall, and shall cause each Significant Subsidiary, to deliver to the Agent, with respect to each parcel of the Real Property, an endorsement to the lender's title insurance policy issued as required pursuant to Section 8.13 by the applicable title insurer and reasonably satisfactory to the Agent as soon as available but in any event on or before March 1, 2002.

2.21 Amendment to Sections 9.2(g) and (h). Effective as of the date hereof, Sections 9.2(g) and (h) of the Agreement is amended and restated to read in its entirety as follows:

(g) Liens on the Indemnity Account in favor of County Bank of Rehoboth Beach, Delaware; provided however, the amount held in the Indemnity Account will not at any time exceed the lesser of (i) $600,000 or (ii) the greater of $50,000 or 120% of County Bank of Rehoboth Beach, Delaware's interest in all outstanding Pay-Day Advance Loans implemented with Texas EZPAWN, L.P.; provided further, however, that the Borrower shall not permit any amounts contributed, deposited or paid to either this Indemnity Account or the Litigation Fund Account to be drawn by the County Bank of Rehoboth Beach, Delaware in an aggregate amount in excess of $300,000 cumulatively for all periods of time during the term of this Agreement for the purposes of payment of fees and expenses incurred in connection with any litigation.

(h) Liens on the Litigation Fund Account in favor of County Bank of Rehoboth Beach, Delaware; provided however, the amount held in the Litigation Fund Account will not at any time exceed $50,000; provided further, however, that the Borrower shall not permit any amounts contributed, deposited or paid to either this Litigation Fund Account or the Indemnity Account to be drawn by the County Bank of Rehoboth Beach, Delaware in an aggregate amount in excess of $300,000 cumulatively for all periods of time during the term of this Agreement for purposes of payment of fees and expenses incurred in connection with any litigation.

2.22 Amendment to Section 9.7. Effective as of the date hereof, the following sentence is added to the end of Section 9.7 of the Agreement to read in its entirety as follows:

Notwithstanding anything to the contrary contained herein, the Borrower will not, and will not permit any Subsidiary to, make payment of any management fees or any other payments or fees of any kind to any Affiliate or any insider of the Borrower, including without limitation, Morgan Shiff & Co., Inc., until the Commitments have been terminated and the Obligations have been paid in full; provided that (a) the Borrower may pay to any insider of the Borrower compensation in the ordinary course of business and (b) the Borrower may pay to its Affiliates out-of-pocket expenses incurred in the ordinary course of business in an aggregate amount not to exceed $500,000 during any Fiscal Year.

2.23 Amendment to Section 10.1. Effective as of the date hereof, Section 10.1 of the Agreement is amended and restated to read in its entirety as follows:

Section 10.1 Consolidated Net Worth. Beginning with the calendar month ending September 30, 2001, the Borrower will at all times maintain Consolidated Net Worth in an amount not less than (a) One Hundred Million Dollars ($100,000,000), plus (b) an amount equal to one hundred percent (100%) of Consolidated Net Income (not less than zero dollars [$0.00]) for all periods subsequent to the calendar month ending October 31, 2001, plus (c) an amount equal to one hundred percent (100%) of the Net Proceeds of all equity offerings (including conversions of debt securities into common stock) of the Borrower subsequent to October 31, 2001.

2.24 Amendment to Section 10.2. Effective as of the date hereof, Section 10.2 of the Agreement is amended and restated to read in its entirety as follows:

Section 10.2 Leverage Ratio. The Borrower will at all times maintain a Leverage Ratio of not greater than (a) 3.2 for the Fiscal Quarter ending December 31, 2001 and (b) 2.5 for each Fiscal Quarter thereafter.

2.25 Amendment to Section 10.5. Effective as of the date hereof, Section 10.5 of the Agreement is amended and restated to read in its entirety as follows:

> Section 10.5 Fixed Charge Coverage Ratio. The Borrower will at all times maintain a Fixed Charge Coverage Ratio of not less than (a) 1.2 for the Fiscal Quarter ending December 31, 2001, (b) 1.3 for the Fiscal Quarter ending March 31, 2002, (c) 1.4 for the Fiscal Quarter ending June 30, 2002 and (d) 1.5 for each Fiscal Quarter thereafter.

2.26 Amendment to Section 10.6. Effective as of the date hereof, Section 10.6 of the Agreement is amended and restated to read in its entirety as follows:

> Section 10.6 EBITDA. The Borrower will maintain an EBITDA (calculated at the end of each Fiscal Quarter) of not less than (a) $5,500,000 for the Fiscal Quarter ending December 31, 2001 (the "First Quarter"), (b) $11,000,000 for the period beginning as of the First Quarter through and including the Fiscal Quarter ending March 31, 2002, (c) $14,500,000 for the period beginning as of the First Quarter through and including the Fiscal Quarter ending June 30, 2002 and (d) $18,500,000 for the period beginning as of the First Quarter through and including each Fiscal Quarter thereafter.

2.27 Amendment to Section 12.3. Effective as of the date hereof, the first sentence of Section 12.3 of the Agreement is amended and restated to read in its entirety as follows:

> If any Lender shall obtain any payment of any principal of or interest on any Advance made by it under this Agreement or payment of any other obligation under the Loan Documents then owed by the Borrower or any other Obligated Party to such Lender, whether voluntary, involuntary, through the exercise of any right of set-off, banker's lien, counterclaim or similar right, or otherwise, in excess of its pro rata share (calculated (i) pursuant to Section 3.5 in respect of letter of credit fees, and (ii) for all other of the Primary Obligations on the basis of the unpaid principal of and interest on the Tranche A Loan, the Tranche B Loan, the Swing Loan, LC Participations and SL Participations held by it), such Lender shall promptly purchase from the other Lenders participations in the Primary Obligations owed to them hereunder in such amounts, and make such other adjustments from time to time as shall be necessary to cause such purchasing Lender to share the excess payment ratably with each of the other Lenders in accordance with its pro rata portion thereof.

2.28 Amendment to Schedule 1.1(a). Effective as of the date hereof, all references in the Agreement to "Schedule 1.1(a)" shall be deemed to be references to the "Schedule 1.1(a)" attached hereto as Schedule 1.1(a).

ARTICLE III

Limited Waiver

Borrower has informed the Agent and the Lenders that certain Events of Default have occurred under the Agreement solely by reason of (a) Borrower's failure to comply with Section 10.6 of the Agreement for the Fiscal Quarter ending September 30, 2001, (b) a payment default under Section 11.1(a) of the Agreement on December 3, 2001, and (c) the existence of a Letter of Credit with an expiration date beyond December 3, 2001 as prohibited by Section 3.1(a) of the Agreement (collectively, the "Existing Specified Defaults"). By execution of this Amendment, the Agent and the Lenders hereby waive the Existing Specified Defaults. Except as otherwise specifically provided for in this Article III, nothing contained herein shall be construed as a waiver by the Agent and the Lenders of any covenant or provision of the Agreement, the other Loan Documents, this Amendment, or of any other contract or instrument among Borrower, the Agent and the Lenders, and the failure of the Agent or any Lender at any time or times hereafter to require strict compliance by Borrower of any provision thereof shall not waive, affect or diminish any right of the Agent and the Lenders to thereafter demand strict compliance therewith. The Agent and the Lenders hereby reserve all rights granted under the Agreement, the other Loan Documents, this Amendment and any other contract or instrument among Borrower, the Agent and the Lenders.

ARTICLE IV

Conditions Precedent

4.1 Condition. The effectiveness of this Amendment is subject to the satisfaction of the following conditions precedent:

(a) Agent shall have received all of the following, each dated (unless otherwise indicated) the date of this Amendment, in form and substance satisfactory to the Agent:

(i) This Amendment executed by the Borrower, the Agent, the Issuing Bank and the Lenders and consented by the Guarantors.

(ii) Modifications to the Real Property Security Documents executed by the Borrower or the applicable Guarantor.

(iii) Resolutions of the Board of Directors of Borrower certified by its secretary or assistant secretary which authorizes the execution, delivery and performance by Borrower of this Amendment and the other Loan Documents executed in connection herewith.

(iv) A certificate of incumbency certified by the secretary or the assistant secretary of Borrower certifying the names of the officers thereof authorized to sign this Amendment and the other Loan Documents together with specimen signatures of such officers.

(v) Resolutions of the Board of Directors of each of the Guarantors certified by its secretary or assistant secretary which authorize the execution, delivery and performance by each of the Guarantors of this Amendment and the other Loan Documents executed in connection herewith.

(vi) A certificate of incumbency certified by the secretary or the assistant secretary of each Guarantor certifying the names of the officers thereof authorized to sign this Amendment and the other Loan Documents together with specimen signatures of such officers.

(vii) A bring down certificate of the Secretary or Assistant Secretary of the Borrower and each Guarantor certifying that the Articles of Incorporation (or Partnership Agreement) and Bylaws have not been modified in any respect from the copies thereof previously provided to the Agent and the Lenders in connection with the Credit Agreement dated as of December 10, 1998 among the Borrower, the Agent, the Issuing Bank and the Lenders.

(viii) A favorable opinion of Strasburger & Price, L.L.P., legal counsel to the Borrower and each Guarantor satisfactory to the Agent as to such matters as the Agent may reasonably request.

(b) No Default. No Default (other than the Existing Specified Defaults) shall have occurred and be continuing.

(c) Representations and Warranties. All of the representations and warranties contained in Article VII of the Agreement, as amended hereby and in the other Loan Documents shall be true and correct on and as of the date of this Amendment with the same force and effect as if such representations and warranties had been made on and as of such date, except to the extent such representations and warranties speak to a specific date.

(d) Fees. The Borrower shall have paid to the Agent for the account of the Lenders the fee described in Section 2.11(e) of the Agreement.

ARTICLE V

Ratifications, Representations and Warranties

5.1 Ratifications. The terms and provisions set forth in this Amendment shall modify and supersede all inconsistent terms and provisions set forth in the Agreement and except as expressly modified and superseded by this Amendment, the terms and provisions of the Agreement and the other Loan Documents are ratified and confirmed and shall continue in full force and effect. Borrower, Lenders, Issuing Bank and Agent agree that the Agreement as amended hereby and the other Loan Documents shall continue to be legal, valid, binding and enforceable in accordance with their respective terms.

5.2 Representations and Warranties. Borrower hereby represents and warrants to the Lenders, Agent and Issuing Bank that (i) the execution, delivery and performance of this Amendment and any and all other Loan Documents executed and/or delivered in connection herewith have been authorized by all requisite corporate action on the part of Borrower and will not violate the articles of incorporation or bylaws of Borrower, (ii) the representations and warranties contained in the Agreement, as amended hereby, and any other Loan Document are true and correct on and as of the date hereof as though made on and as of the date hereof, except to the extent such representations and warranties speak to a specific date, (iii) except for the Existing Specified Defaults, no Default has occurred and is continuing, and (iv) except for the Existing Specified Defaults, Borrower is in full compliance with all covenants and agreements contained in the Agreement as amended hereby.

ARTICLE VI

Miscellaneous

6.1 Authorization to File Financing Statements. The Borrower and each Guarantor irrevocably authorize the Agent at any time and from time to time to file in any jurisdiction any amendments to existing financing statements and any initial financing statements and amendments thereto that (a) indicate the Collateral (i) as all assets of the Borrower or such Guarantor or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Chapter 9 of the UCC, or (ii) as being of an equal or lesser scope or with greater detail, and (b) contain any other information required by subchapter E of Chapter 9 of the UCC for the sufficiency or filing office acceptance of any financing statement or amendment, including without limitation, (A) whether the Borrower or such Guarantor is an organization, the type of organization and any organization identification number issued to the Borrower or such Guarantor, (B) in the case of a financing statement filed as a fixture filing or indicating Collateral as as-extracted collateral or timber to be cut, a sufficient description of real property to which the Collateral relates, and (C) any other amendments necessary to properly effectuate the transactions described in the Loan Documents. The Borrower and each Guarantor agree to furnish any such information to the Agent promptly upon request.

6.2 Survival of Representations and Warranties. All representations and warranties made in this Amendment or any other Loan Document including any Loan Document furnished in connection with this Amendment shall survive the execution and delivery of this Amendment and the other Loan Documents, and no investigation by the Lenders, Agent or Issuing Bank or any closing shall affect the representations and warranties or the right of the Lenders, Agent or Issuing Bank to rely upon them.

6.3 Reference to Agreement. Each of the Loan Documents, including the Agreement and any and all other agreements, documents, or instruments now or hereafter executed and delivered pursuant to the terms hereof or pursuant to the terms of the Agreement as amended hereby, are hereby amended so that any reference in such Loan Documents to the Agreement shall mean a reference to the Agreement as amended hereby.

6.4 Severability. Any provision of this Amendment held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Amendment and the effect thereof shall be confined to the provision so held to be invalid or unenforceable.

6.5 Applicable Law. This Amendment and all other Loan Documents executed pursuant hereto shall be deemed to have been made and to be performable in Travis County, Texas and shall be governed by and construed in accordance with the laws of the State of Texas.

6.6 Successors and Assigns. This Amendment is binding upon and shall inure to the benefit of the Lenders, Agent, Issuing Bank and Borrower and their respective successors and assigns, except Borrower may not assign or transfer any of its rights or obligations hereunder without the prior written consent of the Lenders. Signatures hereto transmitted by facsimile shall be effective as originals.

6.7 Counterparts. This Amendment may be executed in one or more counterparts, each of which when so executed shall be deemed to be an original, but all of which when taken together shall constitute one and the same instrument.

6.8 WAIVER AND RELEASE. IN ORDER, TO INDUCE THE AGENT, THE LENDERS AND THE ISSUING BANK TO AGREE TO THIS AMENDMENT, BORROWER AND EACH GUARANTOR REPRESENT AND WARRANT THAT AS OF THE DATE HEREOF THERE ARE NO CLAIMS OR OFFSETS AGAINST OR DEFENSES OR COUNTERCLAIMS TO THEIR OBLIGATIONS UNDER THE LOAN DOCUMENTS AND IN ACCORDANCE THEREWITH EACH OF THEM:

(a) WAIVER. WAIVES ANY AND ALL SUCH CLAIMS, OFFSETS, DEFENSES OR COUNTERCLAIMS, WHETHER KNOWN OR UNKNOWN, ARISING PRIOR TO THE DATE HEREOF, AND

(b) RELEASE. RELEASES AND DISCHARGES THE AGENT, THE LENDERS AND THE ISSUING BANK, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, SHAREHOLDERS, AFFILIATES AND ATTORNEYS (COLLECTIVELY, THE "RELEASED PARTIES") FROM ANY AND ALL OBLIGATIONS, INDEBTEDNESS, LIABILITIES, CLAIMS, RIGHTS, CAUSES OF ACTION OR DEMANDS WHATSOEVER, WHETHER KNOWN OR UNKNOWN, SUSPECTED OR UNSUSPECTED, IN LAW OR EQUITY, WHICH THE BORROWER OR ANY GUARANTOR EVER HAD, NOW HAS, CLAIMS TO HAVE OR MAY HAVE AGAINST ANY RELEASED PARTY ARISING PRIOR TO THE DATE HEREOF AND FROM OR IN CONNECTION WITH THE LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY AND HEREBY.

6.9 ENTIRE AGREEMENT. THIS AMENDMENT AND ALL OTHER INSTRUMENTS, DOCUMENTS AND AGREEMENTS EXECUTED AND DELIVERED IN CONNECTION WITH THIS AMENDMENT REPRESENT THE FINAL AGREEMENT AMONG THE PARTIES HERETO AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. THERE ARE NO UNWRITTEN ORAL AGREEMENTS AMONG THE PARTIES HERETO.

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Executed as of the date first written above.

BORROWER:

EZCORP, INC.

By: ___________________________________

Name: ______________________________

Title: _____________________________

(Signature Page to Third Amendment to Amended and Restated Credit Agreement)

AGENT, ISSUING BANK AND LENDER:

WELLS FARGO BANK TEXAS, NATIONAL ASSOCIATION

By:

Larry Clayton
Vice President

(Signature Page to Third Amendment to Amended and Restated Credit Agreement)

OTHER LENDERS:

BANK ONE, NA (successor by merger to Bank One, Texas, National Association)

By:

Name:

Title:

(Signature Page to Third Amendment to Amended and Restated Credit Agreement)

GUARANTY BANK (formerly known as Guaranty Federal Bank, F.S.B.)

By: ------------------------------------
Name: ------------------------------
Title: -----------------------------

(Signature Page to Third Amendment to Amended and Restated Credit Agreement)

COMERICA BANK-TEXAS

By:

Name:

Title:

(Signature Page to Third Amendment to Amended and Restated Credit Agreement)

JPMORGAN CHASE BANK (formerly known as The Chase Manhattan Bank, successor by merger to Chase Bank of Texas, National Association)

By: ------------------------------------

Name: ------------------------------

Title: -----------------------------

(Signature Page to Third Amendment to Amended and Restated Credit Agreement)

Guarantors hereby consent and agree to this Amendment and agree that each Guaranty shall remain in full force and effect and shall continue to (i) guarantee the Guaranteed Indebtedness (as defined in such Guaranty), and (ii) be the legal, valid and binding obligation of Guarantors and enforceable against Guarantors and collateral in accordance with their respective terms. In addition, Guarantors hereby agree that each Subsidiary Security Agreement, each Subsidiary Pledge Agreement, each Contribution and Indemnification Agreement and each Real Property Security Document shall remain in full force and effect and shall continue to (i) secure the Obligations (as defined in the Loan Documents other than the Real Property Security Documents) and Debt (as defined in the Real Property Security Documents), and (ii) be the legal, valid and binding obligation of Guarantors and enforceable against Guarantors and collateral in accordance with their respective terms.

OBLIGATED PARTIES:

EZPAWN ALABAMA, INC.
EZPAWN ARKANSAS, INC.
EZPAWN COLORADO, INC.
EZPAWN FLORIDA, INC.
EZPAWN GEORGIA, INC.
EZPAWN HOLDINGS, INC.
EZPAWN INDIANA, INC.
EZPAWN LOUISIANA, INC.
EZPAWN NEVADA, INC.
EZPAWN NORTH CAROLINA, INC.
EZPAWN OKLAHOMA, INC.
EZPAWN TENNESSEE, INC.
TEXAS EZPAWN MANAGEMENT, INC.
EZ CAR SALES, INC.
EZPAWN CONSTRUCTION, INC.
EZPAWN KANSAS, INC.
EZPAWN KENTUCKY, INC.
EZPAWN MISSOURI, INC.
EZPAWN SOUTH CAROLINA, INC.
EZCORP INTERNATIONAL, INC.
EZ MONEY NORTH CAROLINA, INC.

By: -----------------------------------

Name: ------------------------------

Title: -----------------------------

(Signature Page to Third Amendment to Amended and Restated Credit Agreement)

TEXAS EZPAWN L.P.

By: TEXAS EZPAWN MANAGEMENT, INC.,
its sole general partner

By: -----------------------------------

Name: ------------------------------

Title: -----------------------------

(Signature Page to Third Amendment to Amended and Restated Credit Agreement)

SCHEDULE 1.1(a)

Commitments

Lenders	Tranche A Commitment	Tranche B Commitment
Wells Fargo Bank Texas, National Association	$14,318,181.82	$4,753,727.48
Guaranty Bank	$10,227,272.72	$3,395,519.63
Bank One, Texas, National Association	$10,227,272.72	$3,395,519.63
Comerica Bank-Texas	$ 6,136,363.64	$2,037,311.77
JPMorgan Chase Bank	$ 4,090,909.10	$1,358,207.85

EXHIBIT 22.1

EZCORP, INC.

FORM 10-K FOR FISCAL YEAR ENDED SEPTEMBER 30, 2001

SUBSIDIARIES OF EZCORP, INC.

1. EZPAWN Colorado, Inc.
2. EZPAWN Arkansas, Inc.
3. EZPAWN Mississippi, Inc.(1)
4. EZPAWN Oklahoma, Inc.
5. EZPAWN Tennessee, Inc.(2)
6. EZPAWN Alabama, Inc.
7. EZPAWN Kansas, Inc.
8. EZPAWN Missouri, Inc.
9. EZPAWN Florida, Inc.
10. EZPAWN Georgia, Inc.
11. EZPAWN Indiana, Inc.
12. EZPAWN North Carolina, Inc.
13. EZPAWN South Carolina, Inc.
14. EZPAWN Construction, Inc.
15. EZPAWN Kentucky, Inc.
16. EZPAWN Nevada, Inc.
17. EZPAWN Louisiana, Inc.
18. EZPAWN Holdings, Inc.(1)(3)
19. Texas EZPAWN Management, Inc.(3)
20. EZ MONEY North Carolina, Inc.
21. EZCORP International, Inc.

(1) EZPAWN Mississippi, Inc. merged with EZPAWN Holdings, Inc. on January 1, 1995, leaving EZPAWN Holdings, Inc. as the surviving entity.

(2) EZ Car Sales, Inc. is a subsidiary of EZPAWN Tennessee, Inc.

(3) EZPAWN Texas, Inc. transferred all its assets to Texas EZPAWN, L.P., a Texas limited partnership, of which EZPAWN Holdings, Inc., formerly EZPAWN Texas, Inc. is the limited partner, and Texas EZPAWN Management, Inc. is the sole general partner and holds a certificate of authority to conduct business in Texas.

EXHIBIT 23.1

CONSENT OF ERNST & YOUNG LLP

We consent to the incorporation by reference in the Registration Statement (Form S-8 No. 33-63078) pertaining to the 1991 EZCORP, Inc. Stock Incentive Plan and the Registration Statement (Form S-8 No. 33-63082) pertaining to the EZCORP, Inc. 401(k) Plan of our report dated November 13, 2001, except for Note H, as to which the date is December 20, 2001, with respect to the consolidated financial statements and schedule of EZCORP, Inc. and subsidiaries included in the Form 10-K for the year ended September 30, 2001.

ERNST & YOUNG LLP

Austin, Texas
December 20, 2001