
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):
September 29, 2008

EZCORP, INC.

(Exact name of registrant as specified in its charter)

DELAWARE
(State or other jurisdiction of
incorporation)

0-19424
(Commission File
Number)

74-2540145
(I.R.S. Employer
Identification No.)

1901 CAPITAL PARKWAY
AUSTIN, TEXAS
(Address of principal executive offices)

78746
(Zip Code)

Registrant's telephone number, including area code:

(512) 314-3400

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

ADVISORY SERVICES AGREEMENT WITH RELATED PARTY

On September 29, 2008, EZCORP, Inc. (“EZCORP”) entered into an advisory services agreement with Madison Park, a related party, (the “MP Agreement”). The MP Agreement is effective as of October 1, 2008. Prior to approving the MP Agreement, the Board of Directors appointed a special committee comprised of the four independent directors of EZCORP (the “Committee”) to perform a review of EZCORP’s relationship with Madison Park (the “Review”). The Review included a review of the advisory services provided to EZCORP by Madison Park during EZCORP’s 2008 fiscal year, a determination whether to continue utilizing Madison Park’s services, and a determination whether to enter into a new advisory services agreement with Madison Park. The Committee was also authorized to retain consultants and to review, negotiate, and approve the contractual terms of any agreement. As part of the Review, the Committee retained a qualified, independent financial advisory firm to evaluate the MP Agreement and render a fairness opinion, from a financial point of view, of the fee to be paid to Madison Park relative to the reasonable market rates for the services contemplated in the MP Agreement. Based on the Committee’s findings and conclusions, it elected to negotiate and approve the terms of the MP Agreement. The MP Agreement requires Madison Park to provide advice on EZCORP’s business and long-term strategic plan including, but not limited to, acquisitions and strategic alliances, operating and strategic objectives, investor relations, relations with investment bankers and other members of the financial services industry, international business development and strategic investment opportunities, and financial matters. The monthly fee for the services is \$200,000. The MP Agreement has a one-year term and either party may terminate the MP Agreement at any time on thirty days’ written notice. A copy of the agreement is attached hereto as Exhibit 10.1.

INCENTIVE COMPENSATION PROGRAM FOR SENIOR MANAGEMENT TEAM

On September 29, 2008, EZCORP adopted and approved a fiscal year 2009 Incentive Compensation Program for its executive officers and key employees. See Item 5.02 in this Current Report on Form 8-K for a more complete description.

ITEM 5.02. COMPENSATORY ARRANGEMENTS OF CERTAIN OFFICERS

INCENTIVE COMPENSATION PROGRAM FOR SENIOR MANAGEMENT TEAM

On September 29, 2008, EZCORP adopted and approved a fiscal year 2009 Incentive Compensation Program (the “ICP”). The ICP is an annual plan for EZCORP’s executive officers and key employees (collectively the “Participants”). The ICP provides each of the Participants an opportunity to receive an annual incentive cash bonus based on EZCORP’s financial performance as a company and the Participant’s personal performance during fiscal 2009. The Compensation Committee of the Board of Directors approved the Officers and certain key employees’ participation in the ICP and the level of participation. The Board of Directors approved the financial company objectives.

The key terms of the ICP and the criteria for awarding bonuses under the ICP for the fiscal year ending September 30, 2009 are:

1. Each Participant’s target bonus is determined as a percentage of base pay. Each Participant may have a Financial Performance Component and/or Personal Component discussed below. The percentages vary by position.
 2. EZCORP’s financial performance during fiscal 2009 will be measured by its net income, which may be adjusted for any special items, charges, or credits pursuant to the terms of the ICP (the “Financial Performance Component”). The Financial Performance Component payout ranges from 0% to 150% of the
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Financial Performance Component target bonus for each Participant depending on the level of net income achieved.

3. The Participant's performance during fiscal 2009, in accomplishing defined personal (financial or non-financial) objectives, which are intended to enhance and support EZCORP's strategic initiatives (the "Personal Component"). The Personal Component payout ranges from 0% to a maximum of 100% of the Personal Component target bonus for each Participant. No Personal Component payout is allowed unless EZCORP's net income is at least 90% of the target net income (as described above).

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS

10.1 Advisory Services Agreement between EZCORP, Inc. and Madison Park LLC.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EZCORP, INC.
(Registrant)

Date: September 29, 2008

By: /s/ Daniel N. Tonissen

(Signature)
Senior Vice President, Chief Financial Officer,
and Director

EXHIBIT INDEX

10.1 Advisory Services Agreement between EZCORP, Inc. and Madison Park LLC.

MADISON PARK, L.L.C.
30 East 71st #1A
New York, NY 10021
(212) 717-0520
(212) 717-4263

as of October 1, 2008

CONFIDENTIAL

EZCORP, Inc.
1901 Capital Parkway
Austin, TX 78746

Gentlemen:

The purpose of this letter is to set forth the agreement and understanding as of October 1, 2008, between EZCORP, Inc. ("EZCORP") and Madison Park, L.L.C. ("Madison Park") regarding advisory services to be rendered by Madison Park to EZCORP (the "Agreement").

1. EZCORP hereby engages Madison Park to provide advisory services related to EZCORP's business and long term strategic plan, as modified by EZCORP from time to time, including but not limited to the following:
 - (a) Identifying, evaluating and negotiating potential acquisitions and strategic alliances;
 - (b) Assessing operating and strategic objectives including new business development;
 - (c) Advising on investor relations and relations with investment bankers, securities analysts and other members of the financial services industry;
 - (d) Assisting in international business development and strategic investment opportunities that complement EZCORP's business lines and strategic objectives;
 - (e) Analyzing financial condition and results of operations, evaluating strengths and weaknesses of financial performance and recommending measures to improve performance;
 - (f) Advising on dividend policy and corporate transactions such as stock repurchases, splits, recapitalizations and restructuring;
 - (g) Providing briefings on business strategy to the Board of Directors from time to time as appropriate; and
 - (h) Performing such other services as agreed between EZCORP and Madison Park.
 2. Madison Park hereby accepts the engagement described in paragraph 1 above. As compensation for its services, EZCORP agrees to pay Madison Park an annual retainer fee of \$2,400,000, payable in \$200,000 monthly installments (the "Retainer").
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3. The term of Madison Park's engagement shall extend from October 1, 2008, through September 30, 2009. The Agreement shall terminate on September 30, 2009, unless terminated earlier as provided for herein. Paragraph 6 herein shall survive any termination or expiration of this Agreement.
 4. EZCORP shall reimburse Madison Park for its out-of-pocket travel and entertainment expenses incurred in order to render the services contemplated to be provided by Madison Park pursuant to this Agreement. Any other expenses must be agreed to by EZCORP in advance. The expenses shall be documented in a similar manner applicable to EZCORP's executive officers and paid by EZCORP within 30 days after receipt by EZCORP of a detailed invoice including supporting documentation.
 5. Either party may terminate this Agreement with or without cause upon 30 days written notice to the other party.
 6. Indemnification.
 - (a) EZCORP agrees to indemnify and hold harmless Madison Park, its affiliates, the respective officers, directors, employees, consultants, associates and agents of Madison Park and its affiliates, and any person controlling Madison Park or any of its affiliates within the meaning of either Sections 15 of the Securities Act of 1933 or Section 9 of the Securities Exchange Act of 1934 (each an "indemnified person") in connection with this engagement from and against all claims, costs, expenses, liabilities, losses and damages (or actions in respect thereof) related to or arising out of this engagement or Madison Park's connection therewith; provided, however, that EZCORP shall not be responsible for any claims, costs, expenses, liabilities, losses or damages of an indemnified person to the extent that it is finally determined by a court or other tribunal of competent jurisdiction that they resulted primarily from actions taken or omitted to be taken by such indemnified person due to such indemnified person's recklessness, willful misconduct or bad faith or that they arose primarily out of or were based primarily upon any untrue statement or omission made (i) in any document or writing in reliance upon and in conformity with information furnished to EZCORP by such indemnified person for use in such document or writing or (ii) in any document in connection with the engagement without the prior approval of EZCORP.
 - (b) If any action or proceeding, including, but not limited to, any governmental investigation, shall be brought or asserted against an indemnified person in respect of which indemnity shall be sought from EZCORP, such indemnified person shall promptly notify EZCORP in writing of an indemnified person's knowledge of such claim, action or proceedings, and EZCORP shall assume the defense thereof, including, but not limited to, the employment of counsel reasonably satisfactory to such indemnified person and the payment of all fees and disbursements of such counsel and all other expenses related to such actions or proceeding. Such indemnified person shall have the right to employ separate counsel in any such action or proceeding to participate in defense thereof, but the fees and expenses of such separate counsel shall be at the expense of such indemnified person unless (i) EZCORP has agreed to pay such fees and expenses or (ii) EZCORP shall have failed to timely assume the defense of such actions or proceeding, to employ counsel reasonably satisfactory to such indemnified person in any such action or proceeding and if requested by such indemnified person, to confirm in writing that it is obligated to indemnify such indemnified person against all claims, costs, expenses, liabilities, losses and damages related to or arising out of such action or proceeding in accordance with this agreement or (iii) counsel shall determine that there is or could reasonably be expected to be a conflict of interest by reason of having common counsel in any action or proceeding, in which case, if such indemnified person
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notifies EZCORP in writing that it elects to employ separate counsel at the expense of EZCORP, EZCORP shall not have the right to assume the defense of such action or proceeding on behalf of any such indemnified person, it being understood, however, that EZCORP shall not, in connection with any one such action or proceeding or separate but substantially similar or related actions or proceedings in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of more than one separate firm of attorneys (together with appropriate local counsel) at any time for such indemnified person, which firm shall be designated in writing by such indemnified person. EZCORP shall not be liable for any settlement of any such action or proceeding effected without EZCORP's written consent, which should not be unreasonably withheld. If settled with EZCORP's prior written consent or if there be a final and nonappealable judgment for the plaintiff in any such action or proceeding, EZCORP agrees to indemnify and hold harmless such indemnified person from and against any loss or liability to the extent stated above by reason of such settlement or judgment.

- (c) If for any reason the indemnification provided herein is unavailable to an indemnified person under paragraph 6(b) above in respect of any claims, costs, expenses, liabilities, losses or damages referred to therein or if such indemnification shall be insufficient to hold such indemnified person harmless from all such claims, costs, expenses, liabilities, losses or damages, then EZCORP, in lieu of indemnifying such indemnified person shall contribute to the amount paid or payable by such indemnified person as a result of such claims, costs, expenses, liabilities, losses or damages, (i) in such proportion as is appropriate to reflect the relative benefits received by EZCORP on the one hand and such indemnified person on the other hand or (ii) if the allocation provided by clause (i) above is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) but also the relative fault of EZCORP, on the one hand, and such indemnified person, on the other, as well as any other relevant equitable consideration. The amount paid or payable by a party as a result of the claims, costs, expenses, liabilities, losses or damages, referred to above shall be deemed to include, subject to the limitations set forth in paragraph 6(b) any legal or other fees or expenses reasonably incurred by such party in connection with investigating or defending any action or claim. Notwithstanding the provisions herein, Madison Park shall not be required to contribute any amount in excess of the amount of fees received by Madison Park under this Agreement.
7. The terms of this Agreement and the advice provided under this Agreement shall not be disclosed by either party without the express written consent of the other party, except (i) any EZCORP regulatory filing, (ii) a court proceeding, or (iii) as required by law.
8. This Agreement shall be governed by the laws of the State of New York.
9. The obligations under this Agreement may be assigned by Madison Park on written notice to EZCORP. Such written notice must be delivered to EZCORP at least 30 calendar days prior to the effective date of any such assignment.
10. This Agreement constitutes the entire agreement of the parties hereto with respect to all matters contemplated hereby and supersedes all previous agreements and understandings among them concerning such matters. No statements or agreements, oral or written, made prior to or at the signing hereof, shall vary, waive or modify the written terms hereof.

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If the foregoing correctly sets forth the understanding and agreement between Madison Park and EZCORP, please so indicate in the space provided below for this purpose, whereupon this letter shall constitute a binding agreement.

MADISON PARK, L.L.C.

/s/ Virginia D. Dodson

By: Virginia D. Dodson

Title: Vice President

AGREED AND ACCEPTED ON THIS 29th DAY OF September, 2008 and effective as of October 1, 2008.

EZCORP, INC.

/s/ Daniel N. Tonissen

By: Daniel N. Tonissen

Title: Sr. Vice President and CFO