FIRST CASH FINANCIAL SERVICES INC
Form DEF 14A
April 28, 2011

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

(Amendment No.__)

Filed by the Registrant [X]

Filed by a Party other than the Registrant [ ]

Check the appropriate box:

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

<u>First Cash Financial Services, Inc.</u>

(Name of Registrant as Specified in its Charter)

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

Payment of Filing Fee (Check the appropriate box):

[X] No fee required.

[ ] Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

1)

Title of each class of securities to which transaction applies:

2)

Aggregate number of securities to which transaction applies:

3)

Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

4)

Proposed maximum aggregate value of transaction:

5)

Total fee paid:

[ ]

Fee paid previously with preliminary materials.

[ ]

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the

filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

1)

Amount Previously Paid:

2)

Form, Schedule or Registration Statement No.:

3)

Filing Party:

4)

Date Filed:

To Our Stockholders:

We cordially invite you to attend the Annual Meeting of Stockholders of First Cash Financial Services, Inc., which will be held on Wednesday, June 22, 2011, at 10:00 a.m. CDT at our corporate offices located at 690 East Lamar Boulevard, Suite 400, Arlington, Texas, 76011. At this meeting you will be asked to act upon the proposals as contained herein.

Your Board of Directors recommends that you vote in favor of each of these proposals. You should read with care the attached Proxy Statement, which contains detailed information about these proposals.

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

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

Very truly yours,

/s/ Rick L. Wessel

Rick L. Wessel

Chairman of the Board,

Chief Executive Officer and President

First Cash Financial Services, Inc.

690 East Lamar Boulevard, Suite 400

Arlington, Texas 76011

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held June 22, 2011

Notice is hereby given that the Annual Meeting of Stockholders of First Cash Financial Services, Inc. (the "Company") will be held at the Company s corporate offices located at 690 East Lamar Boulevard, Suite 400, Arlington, Texas 76011 at 10:00 a.m. CDT on Wednesday, June 22, 2011, for the following purposes:

1.

To elect Messrs. Mikel D. Faulkner and Randel G. Owen as directors of the Company;

2.

To ratify the selection of Hein & Associates LLP as the independent registered public accounting firm of the Company for the year ending December 31, 2011;

3.

To consider and act upon a proposal to approve the First Cash Financial Services, Inc. 2011 Long-Term Incentive Plan;

4.

To consider an advisory vote on the compensation of the Company s named executive officers;

5.

To consider an advisory vote on the frequency of advisory votes (whether every one, two or three years) on executive compensation; and

6.

To transact such other business as may properly come before the meeting.

Common stockholders of record at the close of business on April 25, 2011 will be entitled to notice of and to vote at the meeting.

By Order of the Board of Directors,

/s/ R. Douglas Orr

Arlington, Texas

R. Douglas Orr

April 25, 2011

Executive Vice President,

Chief Financial Officer, Secretary

and Treasurer

First Cash Financial Services, Inc.

690 East Lamar Boulevard, Suite 400

Arlington, Texas 76011

PROXY STATEMENT

Annual Meeting of Stockholders

This Proxy Statement is being furnished to stockholders in connection with the solicitation of proxies by the Board of Directors of First Cash Financial Services, Inc., a Delaware corporation (the "Company"), for use at the Annual Meeting of Stockholders of the Company (the Annual Meeting) to be held at the Company s corporate offices located at 690 East Lamar Boulevard, Suite 400, Arlington, Texas 76011 at 10:00 a.m. CDT, on Wednesday, June 22, 2011, and at any adjournments thereof for the purpose of considering and voting upon the matters set forth in the accompanying Notice of Annual Meeting of Stockholders. This Proxy Statement and the accompanying form of proxy are first being mailed to stockholders on or about May 2, 2011.

The close of business on April 25, 2011 has been fixed as the record date for the determination of stockholders entitled to notice of and to vote at the Annual Meeting and any adjournment thereof. As of the record date, there were 31,309,791 shares of the Company s common stock, par value $.01 per share ("Common Stock"), issued and outstanding. The presence, in person or by proxy, of a majority of the outstanding shares of Common Stock on the record date is necessary to constitute a quorum at the Annual Meeting. Abstentions and broker non-votes will be counted as present for the purposes of determining the presence of a quorum. A broker non-vote occurs when a bank, broker or other nominee who holds shares for another person returns a proxy but does not vote on a particular item, usually because the nominee does not have discretionary voting authority for that item and has not received instructions from the owner of the shares.

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

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

Item Two (Ratification of Independent Registered Public Accounting Firm). The affirmative vote of a majority of the shares of Common Stock present in person or represented by proxy and entitled to vote at the Annual Meeting is required for the approval of Item 2. The ratification of the selection of Hein & Associates LLP as the Company s independent public accountants for 2011 will be deemed to be a discretionary matter and brokers will be permitted to vote uninstructed shares as to such matter. Therefore there will be no broker non-votes on this proposal. Abstentions will have the same effect as votes against Item 2.

Item Three (Approval of 2011 Incentive Plan). Under Nasdaq listing rules, the approval of the 2011 Incentive Plan requires an affirmative vote of a majority of the total votes cast on the proposal. Nasdaq does not define the term "votes cast" but rather defers to applicable state law. Under Delaware law, abstentions and broker non-votes will not be treated as votes cast for purposes of this proposal, and therefore will not affect the outcome.

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

Item Five (Advisory Vote on Frequency of Votes on Executive Compensation). With respect to Item 5, the frequency option (whether every one, two or three years) receiving the highest number of votes cast by shareholders will be the frequency for the advisory vote on executive compensation selected by shareholders. Abstentions and broker non-votes will not be counted as having been voted on Items 5, and will have no effect on the outcome.

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

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

All shares represented by properly executed proxies, unless such proxies previously have been revoked, will be voted at the Annual Meeting in accordance with the directions on the proxies. If no direction is indicated, the shares will be voted to: (i) ELECT MESSRS. MIKEL D. FAULKNER AND RANDEL G. OWEN AS DIRECTORS; (ii) RATIFY THE SELECTION OF HEIN & ASSOCIATES LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM OF THE COMPANY FOR THE YEAR ENDING DECEMBER 31, 2011; (iii) APPROVE THE FIRST CASH FINANCIAL SERVICES, INC. 2011 LONG-TERM INCENTIVE PLAN; (iv) APPROVE THE ADVISORY PROPOSAL ON THE COMPENSATION OF THE COMPANY S NAMED EXECUTIVE OFFICERS; (v) APPROVE THE ADVISORY PROPSOSAL THAT AN ADVISORY VOTE ON EXECUTIVE COMPENSATION OCCUR EVERY THREE YEARS; AND (vi) TRANSACT SUCH OTHER BUSINESS AS MAY PROPERLY COME BEFORE THE MEETING. The enclosed proxy, even though executed and returned, may be revoked at any time prior to the voting of the proxy (a) by the execution and submission of a revised proxy, (b) by written notice to the Secretary of the Company or (c) by voting in person at the Annual Meeting.

ANNUAL REPORT

The Annual Report on Form 10-K, covering the Company s fiscal year ended December 31, 2010 including audited financial statements, is enclosed herewith. The Annual Report on Form 10-K does not form any part of the material for solicitation of proxies.

The Company s website can be accessed at **www.firstcash.com**, where a link to the Annual Report on Form 10-K is available on the Investor Relations page of the website**. The Company will provide, without charge, a printed copy of its Annual Report on Form 10-K upon written request to R. Douglas Orr, Chief Financial Officer, at 690 East Lamar Boulevard, Suite 400, Arlington, Texas 76011.** The Company will provide exhibits to its Annual Report on Form 10-K, upon payment of the reasonable expenses incurred by the Company in furnishing such exhibits.

ITEM 1

TO ELECT TWO DIRECTORS

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

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

The Board of Directors of the Company currently consists of four directors divided into three classes. At each annual meeting of stockholders, one class is elected to hold office for a term of three years. Directors serving until the earlier of (i) resignation or (ii) expiration of their terms at the annual meeting of stockholders in the years indicated are as follows: 2011 - Messrs. Mikel D. Faulkner and Randel G. Owen; 2012 - Mr. Rick L. Wessel; and 2013 Amb. Jorge Montaño. The directors standing for election at the Annual Meeting of Stockholders are as follows:

Mikel D. Faulkner, age 61, was appointed to the Board of Directors in 2009. He has served as chief executive officer of HKN, Inc. (NYSE Amex: HKN) since 1982 and president of HKN since 2003. HKN, Inc., formerly Harken Energy Corporation, is an independent energy company engaged both in the development and production of crude oil, natural gas and coalbed methane assets. Since 2002, Mr. Faulkner has also served as chairman of the board of directors of Global Energy Development PLC, a quoted company on the London Stock Exchange (AIM). The Company believes that Mr. Faulkner is qualified to serve as a director of the Company based on his experience in senior executive officer and board member roles for publicly-held, multi-national corporations.

Randel G. Owen, age 52, was appointed to the Board of Directors in 2009. He has served as chief financial officer and executive vice president of Emergency Medical Services Corporation (NYSE Amex: EMS) since 2005. EMS is the publicly-held holding company for American Medical Response and EmCare. Mr. Owen s recent employment experience also includes service as executive vice president and chief financial officer of American Medical Response from 2003 to 2005 and experience in a progression of senior financial positions, including CFO, at EmCare Holdings, Inc. from 1999 to 2003. The Company believes that Mr. Owen is qualified to serve as a director of the Company based on his experience as the principal financial and accounting officer for a publicly-held corporation.

All officers serve at the discretion of the Board of Directors. No family relationships exist between any director and any executive officer, except that Mr. John C. Powell, senior vice president of information technology, is the brother of Mr. Phillip E. Powell, a consultant to the Company and the former director and chairman of the Board of Directors of the Company.

Directors Not Standing For Election

Rick L. Wessel, age 52, has served as chairman of the board since October 2010, as chief executive officer since November 2006, as president since May 1998 and has been a director since November 1992. He previously served as vice chairman of the board from November 2004 to October 2010 and secretary and treasurer of the Company from

May 1992 to November 2006 and the Company s chief financial officer from May 1992 to December 2002. Prior to February 1992, Mr. Wessel was employed by Price Waterhouse LLP for approximately nine years.

***Ambassador Jorge Montaño**,* age 65, was elected to the Board of Directors in 2010. He is a native and resident of Mexico, where he has served in a variety of senior diplomatic positions and business consulting roles. His extensive diplomatic career includes service as Ambassador of Mexico to the United States, Permanent representative of Mexico to the United Nations and Assistant Secretary of Foreign Affairs. He was part of Mexico s NAFTA negotiations team and a private consultant on NAFTA affairs. Amb. Montaño is currently the President of Asesoria y Analisis, a Mexico-based consulting and lobbying firm, a position he has held since 1995. In addition, he has served as a professor of International Organizations at the Instituto Tecnológico Autónoma de México since 1996. Amb. Montaño has a doctoral degree in international affairs from the London School of Economics.

Board of Directors, Committees and Meetings

The Board of Directors held five meetings during the year ended December 31, 2010. Messrs. Wessel, Faulkner and Owen each attended, either telephonically or in person, all of the meetings of the Board of Directors during the year ended December 31, 2010. Former chairman Mr. Phillip E. Powell resigned from the Board of Directors effective October 19, 2010, and attended, either telephonically or in person, 75% of the Board of Directors meetings during such time as he served as chairman. Former director Ms. Tara MacMahon, whose term as a director expired on June 16, 2010 and did not stand for re-election, attended, either telephonically or in person, 75% of the Board of Directors meetings during such time as she served as director in 2010. There were three meetings of the Board of Directors subsequent to the election of Amb. Montaño as a director on June 16, 2010, which he attended telephonically or in person. Members of the Board of Directors are encouraged to attend the Company s annual meeting; however, attendance is not mandatory. Mr. Wessel attended telephonically last year s Annual Meeting.

From January 1, 2010 through June 16, 2010, the Audit Committee consisted of Ms. MacMahon, Mr. Faulkner and Mr. Owen; the Nominating and Corporate Governance Committee consisted of Mr. Owen and Ms. MacMahon; and the Compensation Committee consisted of Mr. Faulkner, Ms. MacMahon and Mr. Owen. From June 16, 2010 through December 31, 2010, the Audit Committee consisted of Amb. Montaño, Mr. Faulkner and Mr. Owen; the Nominating and Corporate Governance Committee consisted of Mr. Owen and Amb. Jorge Montaño; and the Compensation Committee consisted of Mr. Faulkner, Mr. Owen and Amb. Montaño. The Audit Committee held six meetings during the year ended December 31, 2010, the Compensation Committee held four meetings during the year ended December 31, 2010, and the Nominating and Corporate Governance Committee held two meetings during the year ended December 31, 2010. During the time periods that each member served on such committees, each attended 100% of the committee meetings during the respective time periods, either in person or telephonically.

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

Compensation Committee. The Compensation Committee approves the standards for salary ranges for executive, managerial and technical personnel of the Company and establishes, subject to existing employment contracts, the specific compensation, incentive and bonus plans of all corporate officers. In addition, the Compensation Committee oversees the Company s stock option plans and the incentive compensation plans.

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

Directors' Fees

For the year ended December 31, 2010, the independent directors received compensation for service as a director and attending the 2010 meetings of the Board of Directors and committee meetings thereof. In addition, the directors were reimbursed for their reasonable expenses incurred for each Board of Directors and committee meetings attended. See Compensation of Directors for a complete summary.

Corporate Governance

The Company has adopted a Code of Ethics that applies to all of its directors, officers, and employees. This Code of Ethics is publicly available on the Company s website at **www.firstcash.com**. The Company intends to disclose future amendments to, or waivers from, certain provisions of its Code of Ethics on its website in accordance with applicable Nasdaq and SEC requirements. In addition, the Board of Directors has adopted charters for the Audit Committee, the Compensation Committee and the Nominating and Corporate Governance Committee. The Code of Ethics and committee charters can be accessed on the Company s website at **www.firstcash.com**. Copies of the Company s Code of Ethics and committee charters are also available, free of charge, by submitting a written request to First Cash Financial Services, Inc., Investor Relations, 690 E. Lamar Boulevard, Suite 400, Arlington, Texas 76011.

Director Independence

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

Oversight of Risk Management

The Board of Directors is responsible for overseeing and monitoring the material risks facing the Company. In its oversight role, the Board of Directors regularly reviews the Company s strategic initiatives, which address, among other things, the risks and opportunities facing the Company. The Board also has overall responsibility for executive officer succession planning and reviews succession plans from time to time. The Board has delegated certain risk management oversight responsibility to the Board committees. As part of its responsibilities set forth in its charter, the Audit Committee is responsible for discussing with management the Company s major financial risk exposures and the steps management has taken to monitor and control those exposures, including the Company s risk assessment and risk management policies.

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

.

The Company structures its pay to consist of both fixed and variable compensation. The fixed (or salary) portion of compensation is designed to provide a steady income regardless of the Company s stock price performance so that executives do not feel pressured to focus exclusively on stock price performance to the detriment of other important business metrics. The variable (both annual cash awards and equity-based incentive compensation) portions of compensation are designed to reward both short- and long-term corporate performance. For short-term performance, the Company s annual cash awards are based primarily on achieving earnings per share targets. For long-term performance, restricted stock awards generally vest over five years and only vest if the Company achieves annual earnings growth targets over the vesting period. The Company feels that these variable elements of compensation are a sufficient percentage of overall compensation to motivate executives to produce superior short- and long-term corporate results, while the fixed element is also sufficiently high that the executives are not encouraged to take unnecessary or excessive risks in doing so.

.

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

.

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

.

The Company s bonus program has been structured around attainment of net income and earnings per share targets for many years and the Company has seen no evidence that it encourages unnecessary or excessive risk taking.

.

The Company s use of distinct long-term incentive vehicles both restricted stock awards and stock options having either premium price features and/or vesting over a number of years, thereby providing strong incentives for sustained operational and financial performance.

.

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

Board Leadership Structure

In October 2010, Mr. Phillip Powell resigned from the Board of Directors, where he served in the role of chairman. Upon Mr. Powell s resignation, Mr. Rick Wessel, the chief executive officer, was elected by the Board to assume the role of chairman and chief executive officer.

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

The Board has determined that the Company and its stockholders are currently best served by having one person serve as both chairman and chief executive officer as it allows for a bridge between the Board and management and provides critical leadership for carrying out the Company s strategic initiatives and confronting its challenges. Mr. Wessel s service as chairman facilitates the Board s decision-making process because Mr. Wessel has first-hand knowledge of the Company s operations and the major issues facing the Company, and he chairs the Board meetings where the Board discusses strategic and business issues. Mr. Wessel is the only member of executive management who is also a Director. The Board does not have a lead independent director.

Director Qualifications

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

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

Identifying and Evaluating Nominees for Directors

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

Procedure for Contacting Directors

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

Section 16(a) Beneficial Ownership Reporting Compliance

Based solely on the reports furnished pursuant to Section 16a-3(e) of the Exchange Act and representations made to the Company, all reports as required under Section 16(a) of the Exchange Act were filed on a timely basis during the year ending December 31, 2010.

Compensation Committee Interlocks and Insider Participation

The Compensation Committee reviews compensation paid to management and recommends to the Board of Directors appropriate executive and director compensation. From January 1, 2010 to June 16, 2010, Ms. MacMahon and Messrs. Faulkner and Owen served as members of the Compensation Committee, were not employed by the Company, and did not have any interlocking relationship with another entity requiring disclosure. From June 17, 2010 to December 31, 2010, Mr. Faulkner, Mr. Owen and Amb. Montaño served as members of the Compensation Committee, were not employed by the Company, and did not have any interlocking relationship with another entity requiring disclosure.

BASED UPON THE RECOMMENDATION OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE, THE BOARD OF DIRECTORS HAS NOMINATED THE ABOVE-REFERENCED DIRECTORS FOR ELECTION BY THE STOCKHOLDERS. THE ELECTION OF THESE DIRECTORS REQUIRES A PLURALITY OF THE VOTES OF THE SHARES OF COMMON STOCK PRESENT IN PERSON OR REPRESENTED BY PROXY AND ENTITLED TO VOTE AT THE ANNUAL MEETING.

The Board of Directors recommends a vote "FOR" the election of Messrs. Mikel D. Faulkner and Randel G. Owen as directors of the Company.

ITEM 2

RATIFY THE SELECTION OF HEIN & ASSOCIATES LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM OF THE COMPANY FOR THE YEAR ENDING DECEMBER 31, 2011

The Audit Committee selected Hein & Associates LLP (Hein & Associates) as independent accountants to audit the books, records and accounts of the Company for the year ending December 31, 2011. The Board of Directors has endorsed this appointment.

Hein & Associates was first engaged in March 2004 as the Company s principal accountant. The firm has served as the independent accountant to the Company and has audited the Company s consolidated financial statements for the seven most recent years ended December 31, 2010.

Principal Accountant Fees and Services

Aggregate fees for professional services rendered for the Company by Hein & Associates for the years ended December 31, 2010 and 2009, respectively, were as follows:

Services Provided:		2010	2009
	Audit	$ 252,315	$ 249,035
	Audit Related	-	-
	Tax	-	-
	All Other	-	-
	Total	$ 252,315	$ 249,035

The audit fees for the years ended December 31, 2010 and 2009 were for the audits of the consolidated financial statements of the Company, internal control auditing and reporting as required by Sarbanes Oxley Section 404, issuance of consents, and review of the Company s SEC filings.

Audit Committee Pre-Approval Policies and Procedures

The 2010 and 2009 audit services provided by Hein & Associates were approved in advance by the Audit Committee.

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

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

Ratification of the Independent Registered Public Accounting Firm

Stockholder ratification of the selection of Hein & Associates as the independent registered public accounting firm is not required by the Company s bylaws or otherwise. However, the Board of Directors is submitting the selection of Hein & Associates to the stockholders for ratification. In the event the stockholders do not ratify the appointment of Hein & Associates as the independent registered public accounting firm for the year ending December 31, 2011, the adverse vote will be considered as a direction to the Board of Directors to select other auditors for the following year. However, because of the difficulty in making any substitution of auditors so long after the beginning of the year ending December 31, 2011, it is contemplated that the appointment for the year ending December 31, 2011 will be permitted to stand unless the Board of Directors finds other good reason for making a change.

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

RATIFICATION OF HEIN & ASSOCIATES, LLP AS THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM REQUIRES THE AFFIRMATIVE VOTE OF A MAJORITY OF THE SHARES OF COMMON STOCK PRESENT IN PERSON OR REPRESENTED BY PROXY AND ENTITLED TO VOTE AT THE ANNUAL MEETING.

Based upon the recommendation of the Audit Committee, the Board of Directors recommends a vote "FOR" the ratification of Hein & Associates, LLP as the independent registered public accounting firm.

ITEM 3

TO CONSIDER AND ACT UPON A PROPOSAL TO APPROVE THE FIRST CASH FINANCIAL SERVICES, INC. 2011 LONG-TERM INCENTIVE PLAN

Background Information

The Board of Directors has adopted, subject to stockholder approval, the Company s 2011 Long-Term Incentive Plan (the 2011 Plan). The Board of Directors recognizes the importance of aligning the interests of the Company s employees, officers, directors and other key service providers with those of its shareholders. The 2011 Plan reflects this recognition by providing such persons with additional performance incentives and an opportunity to obtain or increase their equity interest in the Company, thereby encouraging them to continue in their service to the Company and contribute to the Company s success.

The 2011 Plan is intended to serve as the successor to the Company s 2004 Long-Term Incentive Plan (the 2004 Plan). As of April 25, 2011, there were approximately 360,000 shares of Common Stock reserved and available for future awards under the 2004 Plan. If the Company s stockholders approve the 2011 Plan, all future equity awards will be made from the 2011 Plan, and the Company will not grant any additional awards under the 2004 Plan.

The Board of Directors recommends that the shareholders vote FOR approval of adoption of the 2011 Plan. The proxies solicited on behalf of the Board of Directors will be voted in favor of approval of adoption of the 2011 Plan unless otherwise specified.

The principal features of the 2011 Plan are summarized below. The summary is qualified in its entirety by the full text of the 2011 Plan, which is set forth as Appendix A to this proxy statement.

Purpose; Eligibility

The purpose of the 2011 Plan is to promote the interests of the Company and its stockholders and give it a competitive advantage by (i) attracting and retaining executive personnel and other key employees of outstanding ability; (ii) motivating executive personnel and other key employees, by means of performance-related incentives, to achieve longer-range performance goals; and (iii) enabling such employees to participate in the long-term growth and financial success of the Company by acquiring a proprietary interest in the Company.

Employees, officers, key consultants and non-employee directors of the Company or any affiliate, including subsidiaries, are eligible to receive awards under the 2011 Plan. As of April 25, 2011, approximately 4,800 employees and three non-employee directors would be eligible to participate in the 2011 Plan. The number of eligible participants may increase over time based upon our future growth.

Shares Available for Awards

Approval of the 2011 Plan would represent a net addition of 900,000 new shares over what is currently available for equity grants under the 2004 Plan. The aggregate number of shares of the Company s Common Stock that may be issued under the 2011 Plan is 1,260,000 shares (which consists of 360,000 shares remaining available for grant under the 2004 Plan, plus 900,000 additional shares not previously authorized for grants). No awards may be granted under the 2011 Plan after the date of the annual shareholders meeting held in 2021.

Share Counting

.

Shares withheld from an award to satisfy tax withholding requirements shall count against the number of shares remaining available for issuance under the 2011 Plan, and shares delivered by a participant to satisfy tax withholding requirements shall not be added to the 2011 Plan share reserve.

.

To the extent that an award is canceled, terminates, expires, is forfeited or lapses for any reason, any unissued or forfeited shares subject to the award will be added back to the plan share reserve and again be available for issuance pursuant to awards granted under the 2011 Plan.

.

To the extent that the full number of shares subject to a full-value award is not issued for any reason, including by reason of failure to achieve maximum performance goals, the unissued shares originally subject to the award will be added back to the plan share reserve and again be available for issuance under the 2011 Plan.

General Administration of the Plan

Administration. The 2011 Plan will be administered by the Compensation Committee of the Board of Directors or such other committee of the Board as may be designated by the Board to administer the 2011 Plan. Each member of such committee must be an outside director as defined in Section 162(m) of the Code, a non-employee director as defined in Rule 16b-3 under the Securities Exchange Act of 1934, as amended, and an independent director under the listing standards of the rules of the Nasdaq Stock Market. As used in this proposal, the term Committee is used to refer to the Compensation Committee or such other committee appointed by the Board to administer the 2011 Plan. The Committee will have the authority to: designate participants; grant awards; determine the type or types of awards to be granted to each participant and the number, terms and conditions thereof; establish, adopt or revise any rules and regulations as it may deem advisable to administer the 2011 Plan; and make all other decisions and determinations that may be required under the 2011 Plan.

The full Board may at any time elect instead to administer the 2011 Plan. If it does so, it will have all the powers of the Compensation Committee under the 2011 Plan.

Awards to Non-Employee Directors. Notwithstanding the above, awards granted under the 2011 Plan to non-employee directors will be made only in accordance with the terms, conditions and parameters of a plan, program or policy for the compensation of non-employee directors as in effect from time to time. The Committee may not make discretionary grants under the 2011 Plan to non-employee directors outside of such established programs for director compensation.

Permissible Awards

The 2011 Plan authorizes the granting of awards in any of the following forms:

.

market-priced options to purchase shares of the Company s Common Stock, which may be designated under the Code as nonqualified stock options (which may be granted to all participants) or incentive stock options (which may be granted to officers and employees but not to consultants or non-employee directors);

.

stock appreciation rights, which give the holder the right to receive the difference (payable in cash or stock, as specified in the award agreement) between the fair market value per share of Common Stock on the date of exercise over the base price of the award (which cannot be less than the fair market value of the underlying stock as of the grant date);

.

restricted stock, which is subject to restrictions on transferability and subject to forfeiture on terms set by the Committee;

.

restricted stock units, which represent the right to receive shares of Common Stock (or an equivalent value in cash or other property, as specified in the award agreement) at a designated time in the future;

.

performance awards, which represent any award of the types listed above which have a performance-vesting component based on the achievement, or the level of achievement, of one or more performance goals during a specified performance period, as established by the Committee;

.

other stock-based awards that are denominated or payable in, valued in whole or in part by reference to, or otherwise based on shares of Common Stock, including unrestricted stock grants, purchase rights, or other rights or securities that are convertible or exchangeable into shares of Common Stock;

.

dividend equivalents, which entitle the participant to payments (or an equivalent value payable in stock or other property) equal to any dividends paid on the shares of stock underlying an award other than an option or stock appreciation right; and

.

cash-based awards, including performance-based annual bonus awards.

Limitations on Vesting Provisions

Awards granted under the 2011 Plan shall either (i) be subject to a minimum vesting period of three years (which may include graduated vesting within such three-year period), or one year if the vesting is based on performance criteria other than continued service, or (ii) be granted solely in exchange for foregone cash compensation. Notwithstanding the foregoing, the Committee may permit acceleration of vesting of awards in the event of the participant s death, disability, or retirement, or the occurrence of a Change in Control. Awards covering 10% or fewer of the total number of shares authorized under the 2011 Plan may be granted without respect to the above-described minimum vesting requirements.

Limitations on Individual Awards

The maximum aggregate number of shares of Common Stock subject to stock-based awards that may be granted under the 2011 Plan in any one calendar year to any one participant is as follows:

.

options or stock appreciation rights, 100,000 shares;

.

restricted stock or stock units, 100,000 shares; and

.

other stock-based awards, 100,000 shares.

The maximum aggregate amount that may be paid with respect to cash-based awards under the 2011 Plan to any one participant in any one calendar year shall be $10 million.

For purposes of applying these limits in the case of multi-year performance periods, the amount or number of shares deemed earned in any one calendar year is the total amount paid or shares earned for the performance period divided by the number of calendar years in the performance period. In applying this limit, the amount of any cash or the fair market value or number of any shares or other property earned by a participant shall be measured as of the close of the final year of the performance period regardless of the fact that certification by the Committee and actual payment or release of restrictions to the participant may occur in a subsequent calendar year or years.

Qualified Performance-Based Awards

All options and stock appreciation rights granted under the 2011 Plan are designed to be exempt from the $1,000,000 deduction limit imposed by Code Section 162(m). The Committee may designate any other award granted under the 2011 Plan as a qualified performance-based award in order to make the award fully deductible without regard to the $1,000,000 deduction limit imposed by Code Section 162(m). If an award is so designated, the Committee must establish objectively determinable performance goals for the award based on one or more of the following business criteria, which may be expressed in terms of Company-wide objectives or in terms of objectives that relate to the performance of an affiliate or a division, region, department or function within the Company or an affiliate:

.

earnings before interest expense, taxes, depreciation and amortization, or "EBITDA"

.

earnings before interest expense and taxes "EBIT"

.

net earnings

.

net income

.

operating income

.

earnings per share

.

book value per share

.

return on shareholders' equity

.

capital expenditures

.

costs, expenses and expense ratio management

.

return on investment

.

improvements in capital structure

.

profitability of an identifiable business unit or product

.

maintenance or improvement of profit margins

.

stock price

.

market share

.

revenues or sales

.

cash flow

.

working capital

.

return on assets

.

economic value added

.

expansion of the store base

.

gross or net profit

.

internal rate of return or increase in net present value

.

safety standards

.

productivity measures

.

cost reduction measures

.

strategic plan development and implementation

.

gross profit

.

store-level operating profit

.

expansion into new geographic markets

.

free cash flow

.

book value

.

revenue allocation (by product, service or market)

The Committee must establish such goals within the time frame prescribed in Code Section 162(m) and the Committee may for any reason reduce (but not increase) any award, notwithstanding the achievement of a specified goal. The Committee may provide, at the time the performance goals are established, but no later than 90 days after the beginning of the applicable performance period, that any evaluation of performance shall exclude or otherwise objectively adjust for any specified circumstance or event that occurs during a performance period, including but not limited to: (a) asset write-downs or impairment charges; (b) litigation or claim judgments or settlements; (c) the effect of changes in tax laws, accounting principles or other laws or provisions affecting reported results; (d) accruals for reorganization and restructuring programs; (e) extraordinary nonrecurring items as described in then-current accounting principles; (f) extraordinary nonrecurring items as described in management s discussion and analysis of financial condition and results of operations appearing in the Company s annual report to stockholders for the applicable year; (g) acquisitions or divestitures; (h) discontinued operations; and (i) foreign exchange gains and losses.

Treatment of Awards upon a Participant s Termination of Service

Unless otherwise provided in an award agreement or any special plan document governing an award, upon the termination of a participant s service due to death or disability:

.

all of that participant s outstanding options and stock appreciation rights will become fully vested and exercisable and will remain exercisable for one year thereafter (or the earlier end of the term of the award);

.

all time-based vesting restrictions on that participant s outstanding awards will lapse as of the date of termination; and

.

the payout opportunities attainable under all of that participant s outstanding performance-based awards will vest based on target or actual performance (depending on the time during the performance period in which the date of termination occurs) and the awards will pay out on a prorata basis, based on the time elapsed prior to the date of termination.

Treatment of Awards upon a Change in Control

Unless otherwise provided in an award agreement or any special plan document governing an award:

(A) upon the occurrence of a change in control of the Company (as defined in the 2011 Plan) in which awards are not assumed by the surviving entity or otherwise equitably converted or substituted in connection with the change in control in a manner approved by the Committee or the Board:

.

all outstanding options and stock appreciation rights will become fully vested and exercisable;

.

all time-based vesting restrictions on outstanding awards will lapse as of the date of termination; and

.

the payout opportunities attainable under all outstanding performance-based awards will vest based on target or actual performance (depending on the time during the performance period in which the change in control occurs) and the awards will pay out on a prorata basis, based on the time elapsed prior to the change in control, and

(B) with respect to awards assumed by the surviving entity or otherwise equitably converted or substituted in connection with a change in control, if within two years after the effective date of the change in control, a participant s employment is terminated without Cause or the participant resigns for Good Reason (as such terms are defined in the 2011 Plan), then:

.

all of that participant s outstanding options and stock appreciation rights will become fully vested and exercisable;

.

all time-based vesting restrictions on that participant s outstanding awards will lapse as of the date of termination; and

.

the payout opportunities attainable under all of that participant s outstanding performance-based awards will vest based on target or actual performance (depending on the time during the performance period in which the date of termination occurs) and the awards will pay out on a prorata basis, based on the time elapsed prior to the date of termination.

In addition, subject to limitations applicable to certain qualified performance-based awards, the Committee may, in its discretion accelerate awards upon the termination of service of a participant or the occurrence of a change in control. The Committee may discriminate among participants or among awards in exercising such discretion.

Anti-dilution Adjustments

In the event of a transaction between us and our stockholders that causes the per-share value of our Common Stock to change (including, without limitation, any stock dividend, stock split, spin-off, rights offering or large nonrecurring cash dividend), the share authorization limits and annual award limits under the 2011 Plan will be adjusted proportionately, and the Committee shall make such adjustments to the 2011 Plan and awards as it deems necessary, in its sole discretion, to prevent dilution or enlargement of rights immediately resulting from such transaction. In the event of a stock split, a stock dividend, or a combination or consolidation of the outstanding shares of our Common Stock into a lesser number of shares, the authorization limits and annual award limits under the 2011 Plan will automatically be adjusted proportionately, and the shares then subject to each award will automatically be adjusted proportionately without any change in the aggregate purchase price.

Amendment and Termination of the 2011 Plan

The Board or the Committee may amend, suspend or terminate the 2011 Plan at any time, except that no amendment may be made without the approval of the Company s shareholders if shareholder approval is required by any federal or state law or regulation or by the rules of any stock exchange on which the Common Stock may then be listed, or if the amendment, alteration or other change materially increases the benefits accruing to participants, increases the number of shares available under the 2011 Plan or modifies the requirements for participation under the 2011 Plan, or if the Board or Committee in its discretion determines that obtaining such shareholder approval is for any reason advisable. No termination or amendment of the 2011 Plan may, without the written consent of the participant, reduce or diminish the value of an outstanding award.

The Committee may amend or terminate outstanding awards. However, such amendments may require the consent of the participant and, unless approved by our stockholders, the exercise price of an outstanding option or stock appreciation right may not be reduced, directly or indirectly, and the original term of an option or stock appreciation right may not be extended.

Prohibition on Repricing

As indicated above under Amendment and Termination, outstanding stock options and stock appreciation rights cannot be repriced, directly or indirectly, without stockholder approval. The exchange of an underwater option (i.e., an option having an exercise price in excess of the current market value of the underlying stock) for another award would be considered an indirect repricing and would, therefore, require stockholder approval.

Limitations on Transfer; Beneficiaries

No right or interest of a participant in any award may be pledged or encumbered to or in favor of any person other than the Company, or be subject to any lien, obligation or liability of the participant to any person other than the Company or an affiliate. Except to the extent otherwise determined by the Committee with respect to awards other than incentive stock options, no award may be assignable or transferable by a participant otherwise than by will or the laws of descent and distribution, and any option or other purchase right shall be exercisable during the participant s lifetime only by such participant. A beneficiary, guardian, legal representative or other person claiming any rights under the 2011 Plan from or through a participant will be subject to all the terms and conditions of the 2011 Plan and any award agreement applicable to the participant.

Clawback Policy

Awards under the 2011 Plan will be subject to any compensation recoupment policy (sometimes referred to as a clawback policy) of the Company as adopted from time to time.

Federal Income Tax Consequences

The U.S. federal income tax discussion set forth below is intended for general information only and does not purport to be a complete analysis of all of the potential tax effects of the 2011 Plan. It is based upon laws, regulations, rulings and decisions now in effect, all of which are subject to change. State, local and ex-U.S. income tax consequences are not discussed, and may vary from jurisdiction to jurisdiction.

Nonqualified Stock Options. There will be no federal income tax consequences to the optionee or to the Company upon the grant of a Nonqualified stock option under the 2011 Plan. When the optionee exercises a Nonqualified option, however, he or she will recognize ordinary income in an amount equal to the excess of the fair market value of the stock received upon exercise of the option at the time of exercise over the exercise price, and the Company will be allowed a corresponding federal income tax deduction. Any gain that the optionee realizes when he or she later sells or disposes of the option shares will be short-term or long-term capital gain, depending on how long the shares were held.

Incentive Stock Options. There will be no federal income tax consequences to the optionee or to the Company upon the grant of an incentive stock option. If the optionee holds the option shares for the required holding period of at least two years after the date the option was granted and one year after exercise, the difference between the exercise price and the amount realized upon sale or disposition of the option shares will be long-term capital gain or loss, and the Company will not be entitled to a federal income tax deduction. If the optionee disposes of the option shares in a sale, exchange, or other disqualifying disposition before the required holding period ends, he or she will recognize taxable ordinary income in an amount equal to the excess of the fair market value of the option shares at the time of exercise over the exercise price, and the Company will be allowed a federal income tax deduction equal to such amount. While the exercise of an incentive stock option does not result in current taxable income, the excess of the fair market value of the option shares at the time of exercise over the exercise price will be an item of adjustment for purposes of determining the optionee s alternative minimum taxable income.

Stock Appreciation Rights. A participant receiving a stock appreciation right under the 2011 Plan will not recognize income, and the Company will not be allowed a tax deduction, at the time the award is granted. When the participant exercises the stock appreciation right, the amount of cash and the fair market value of any shares of stock received will be ordinary income to the participant and the Company will be allowed a corresponding federal income tax deduction at that time.

Restricted Stock. Unless a participant makes an election to accelerate recognition of the income to the date of grant as described below, a participant will not recognize income, and the Company will not be allowed a tax deduction, at the time a restricted stock award is granted, provided that the award is nontransferable and is subject to a substantial risk of forfeiture. When the restrictions lapse, the participant will recognize ordinary income equal to the fair market value of the stock as of that date (less any amount he or she paid for the stock), and the Company will be allowed a corresponding federal income tax deduction at that time, subject to any applicable limitations under Code Section 162(m). If the participant files an election under Code Section 83(b) within 30 days after the date of grant of the restricted stock, he or she will recognize ordinary income as of the date of grant equal to the fair market value of the stock as of that date (less any amount paid for the stock), and the Company will be allowed a corresponding federal income tax deduction at that time, subject to any applicable limitations under Code Section 162(m). Any future appreciation in the stock will be taxable to the participant at capital gains rates. However, if the stock is later forfeited, the participant will not be able to recover the tax previously paid pursuant to the Code Section 83(b) election.

Restricted Stock Units. A participant will not recognize income, and the Company will not be allowed a tax deduction, at the time a stock unit award is granted. Upon receipt of shares of stock (or the equivalent value in cash or other property) in settlement of a stock unit award, a participant will recognize ordinary income equal to the fair market value of the stock or other property as of that date (less any amount he or she paid for the stock or property), and the Company will be allowed a corresponding federal income tax deduction at that time, subject to any applicable limitations under Code Section 162(m).

Performance Awards. A participant will not recognize income, and the Company will not be allowed a tax deduction, at the time a performance award is granted (for example, when the performance goals are established). Upon receipt of cash, stock or other property in settlement of a performance award, the participant will recognize ordinary income equal to the cash, stock or other property received, and the Company will be allowed a corresponding federal income tax deduction at that time, subject to any applicable limitations under Code Section 162(m). Performance awards granted under the 2011 Plan are intended to qualify for the “performance based compensation” exception from Code Section 162(m).

Code Section 409A. The 2011 Plan permits the grant of various types of incentive awards, which may or may not be exempt from Code Section 409A. If an award is subject to Section 409A, and if the requirements of Section 409A are not met, the taxable events as described above could apply earlier than described, and could result in the imposition of additional taxes and penalties. Restricted stock awards, and stock options and stock appreciation rights that comply with the terms of the 2011 Plan, are designed to be exempt from the application of Code Section 409A. Restricted stock units and performance awards granted under the 2011 Plan would be subject to Section 409A unless they are designed to satisfy the short-term deferral exemption from such law. If not exempt, such awards must be specially designed to meet the requirements of Section 409A in order to avoid early taxation and penalties.

Tax Withholding. The Company has the right to deduct or withhold, or require a participant to remit to the Company, an amount sufficient to satisfy federal, state, and local taxes (including employment taxes) required by law to be withheld with respect to any exercise, lapse of restriction or other taxable event arising as a result of the 2011 Plan.

New Plan Benefits

Grants and awards under the 2011 Plan, which may be made to Company executive officers, directors and other employees, are not presently determinable. If the stockholders approve the Plan, such grants and awards will be made at the discretion of the Committee or the Board of Directors in accordance with the compensation policies of the Committee, which are discussed in the Report of the Compensation Committee.

APPROVAL OF THE FIRST CASH FINANCIAL SERVICES, INC. 2011 LONG-TERM INCENTIVE PLAN REQUIRES THE AFFIRMATIVE VOTE OF A MAJORITY OF THE TOTAL VOTES CAST ON THIS PROPOSAL.

The Board of Directors recommends a vote "FOR" the approval of the First Cash Financial Services, Inc. 2011 Long-Term Incentive Plan.

ITEM 4

TO VOTE ON A NON-BINDING RESOLUTION TO APPROVE THE COMPENSATION OF THE COMPANY S NAMED EXECTIVE OFFICERS

Under the Dodd-Frank Wall Street Reform and Consumer Protection Act (the Dodd-Frank Act) and Section 14A of the Exchange Act, the Company s stockholders are now entitled to vote to approve, on an advisory basis, the compensation of the Company s named executive officers as disclosed in this proxy statement in accordance with SEC rules.

Accordingly, the Board is seeking the advisory vote of stockholders on the compensation of the Company s Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, and the two other most highly compensated executive officers (collectively, our named executive officers) as disclosed in this proxy statement. This proposal, commonly known as a say-on-pay proposal, gives the Company s stockholders the opportunity to express their views on our named executive officers compensation. This vote is not intended to address any specific item of compensation, but rather the overall compensation of the named executive officers.

As discussed in Compensation Discussion and Analysis we have designed our executive compensation program to attract and retain the highest quality executive officers, directly link pay to our performance, and build value for our shareholders. Our program provides total compensation opportunities at levels that are competitive in our industries, ties a significant portion of each executive s compensation to his or her individual performance and contribution to achieving our business objectives, and closely aligns the interests of our executives with the interests of our shareholders. Accordingly, the Board invites you to review carefully the Compensation Discussion and Analysis and the tabular and other disclosures on compensation under Executive Compensation, and cast a vote to approve the compensation of our named executive officers through the following resolution:

RESOLVED, that the Company s shareholders approve, on an advisory basis, the compensation of the named executive officers, as disclosed in the Company s proxy statement for the 2011 Annual Meeting pursuant to the compensation disclosure rules of the SEC, including the Compensation Discussion and Analysis, the 2010 Summary Compensation Table and the other related tables and disclosure.

The say-on-pay vote is advisory, and therefore not binding on the Company, the Compensation Committee or the Board of Directors. The Board and Compensation Committee value the opinions of our shareholders and to the extent there is any significant vote against the named executive officer compensation as disclosed in this proxy statement, we will consider our shareholders concerns and the Compensation Committee will evaluate whether any actions are necessary to address those concerns.

APPROVAL OF THE NON-BINDING RESOLUTION TO APPROVE THE COMPENSATION OF THE COMPANY S NAMED EXECTIVE OFFICERS REQUIRES THE AFFIRMATIVE VOTE OF A MAJORITY OF THE SHARES OF COMMON STOCK PRESENT IN PERSON OR REPRESENTED BY PROXY AND ENTITLED TO VOTE AT THE ANNUAL MEETING.

The Board of Directors recommends a vote "FOR" the approval of the compensation of the Company s named executive officers.

ITEM 5

TO VOTE ON A NON-BINDING RESOLUTION TO DETERMINE THE FREQUENCY (WHETHER EVERY ONE, TWO OR THREE YEARS) WITH WHICH STOCKHOLDERS OF THE COMPANY SHALL BE ENTITLED TO HAVE AN ADVISORY VOTE ON EXECTUIVE COMPENSATION

The Dodd-Frank Act also enables our stockholders to indicate how frequently the Company should seek an advisory say-on-pay vote on the compensation of its named executive officers, such as Item 4 of this proxy statement. By voting on this Item 5, stockholders may indicate whether they would prefer an advisory say-on-pay vote on named executive officer compensation once every one, two, or three years.

The Board of Directors has determined that an advisory vote on executive compensation that occurs every three years is the most appropriate alternative for the Company at this time. In formulating its recommendation, the Board considered that an advisory say-on-pay vote every three years will be the most effective timeframe for the Company to respond to stockholders feedback and provide the Company with sufficient time to engage with stockholders to understand and respond to the vote results. The Company also believes a triennial vote would align more closely with the multi-year performance measurement cycle the Company uses to reward long-term performance. The Company s executive compensation programs are based on its long-term business strategy, which is more appropriately reflected with a three year timeframe.

Stockholders who have concerns about executive compensation during the interval between say-on-pay votes are welcome to bring their specific concerns to the attention of the Board. Please refer to Procedure for Contacting Directors for information about communicating with the Board.

Please mark on the Proxy Card your preference as to the frequency of holding stockholder advisory votes on executive compensation, as either every year, every two years, or every three years, or you may abstain from voting.

Effect of Frequency Vote

The option of one year, two years or three years that receives the highest number of votes cast by stockholders will be the frequency for the advisory vote on executive compensation that has been selected by stockholders. The Board will take the results of the vote into account when deciding when to call for the next advisory vote on executive compensation. However, because this vote is advisory and not binding on the Board of Directors in any way, the Board may decide that it is in the best interests of the stockholders and the Company to hold an advisory vote on executive compensation more or less frequently than the option approved by our stockholders. A scheduling vote similar to this Item 5 will occur at least once every six years.

BASED UPON THE RECOMMENDATION OF THE NOMINATING AND CORPORATE GOVERNANCE COMMITTEE, THE BOARD OF DIRECTORS HAS RECOMMENDED THE FREQUENCY OF EXECTUIVE COMPENSATION VOTES BE EVERY THREE YEARS. THE FREQUENCY OPTION (WHETHER EVERY ONE, TWO OR THREE YEARS) RECEIVING THE HIGHEST NUMBER OF VOTES CAST BY STOCKHOLDERS WILL BE THE FREQUENCY FOR THE ADVISORY VOTE ON EXECUTIVE COMPENSATION SELECTED BY STOCKHOLDERS.

The Board of Directors recommends a vote For Every THREE Years on this proposal.

EXECUTIVE OFFICERS

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

Name	Age	Position
Rick L. Wessel	52	Chief Executive Officer and President
Stephen O. Coffman	49	Chief Operating Officer
R. Douglas Orr	50	Executive Vice President, Chief Financial Officer, Secretary and Treasurer
John C. Powell	56	Senior Vice President of Information Technology

Stephen O. Coffman joined the Company in March 2008 as the chief operating officer. Prior to joining the Company, Mr. Coffman served as president of Wasp Barcode Technologies, a multi-national manufacturer of barcode hardware and software solutions for small to mid-size businesses, from 2001 through March 2008. Prior to his seven-year tenure with Wasp Barcode, Mr. Coffman served in senior management roles, focused on operations and finance, in the retail and manufacturing industries. Mr. Coffman launched his career as a business consultant with Deloitte & Touche, where he gained a background in operations, business planning, finance and other facets of management.

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

John C. Powell served as a systems consultant to the Company from February 2002 through July 2002 and joined the Company on a full-time basis in August 2002. Since January 2003, Mr. Powell has served as vice president of information technology, and since January 2005, Mr. Powell has served as senior vice president of information technology. Prior to joining the Company, Mr. Powell spent 18 years with AMR/American Airlines as a senior system engineer and software architect and an additional two years in the same capacity with Sabre/EDS after its spin-off from AMR in March of 2000.

Biographical information with respect to Mr. Wessel was previously provided under Item 1.

STOCK OWNERSHIP

The following table sets forth, as of April 25, 2011, the number and percentage of outstanding shares of our Common Stock owned by: (a) each person who is known by us to be the beneficial owner of more than 5% of our outstanding shares of Common Stock; (b) each of our directors or director nominees; (c) the named executive officers as defined in Item 402 of Regulation S-K; and (d) all directors and executive officers, as a group. As of April 25, 2011, there were 31,309,791 shares of Common Stock issued and outstanding.

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

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

	Shares Beneficially Owned	
Name	Number	Percent
Blackrock, Inc. (1)	2,156,484	6.89%
Kayne Anderson Rudnick Investment Management, LLC (2)	1,912,108	6.11

Richard T. Burke (3)	1,881,806	6.01
Vaughan Nelson Investment Management, L.P. (4)	1,649,915	5.27
Rick L. Wessel (5)	1,334,405	4.16
Phillip E. Powell (6)	591,880	1.87
R. Douglas Orr (7)	346,000	1.09
Stephen O. Coffman (8)	56,000	0.18
John C. Powell	-	-
Mikel D. Faulkner	-	-
Jorge Montaño		