

WORLD ACCEPTANCE CORP  
Form DEF 14A  
July 31, 2017

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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

File by a party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting material under §240.14a-12

World Acceptance Corporation

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11

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1. securities to  
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Aggregate  
number of  
2. securities to  
which  
transaction  
applies:

3.

Per unit price  
or other  
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and state  
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4. Proposed  
aggregate  
value of  
transaction:

5. Total fee  
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1

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2.Registration

Statement

No.:

3.Filing Party:

4.Date Filed:

July 31, 2017

To the Shareholders of World Acceptance Corporation:

You are cordially invited to attend our 2017 Annual Meeting of Shareholders. The Annual Meeting of Shareholders will be held at 11:00 a.m., local time, on August 30, 2017 at our offices at 108 Frederick Street, Greenville, South Carolina 29607.

The formal notice of Annual Meeting of Shareholders and the Proxy Statement describing the matters that we expect to act upon at the Annual Meeting are enclosed.

Whether or not you attend the Annual Meeting of Shareholders, it is important that your shares be represented and voted at the Annual Meeting of Shareholders. After reading the Proxy Statement, please promptly vote and submit your proxy by signing and returning the enclosed proxy card in the enclosed postage-paid return envelope. Your shares cannot be voted unless you submit your proxy or attend the Annual Meeting of Shareholders in person. The Board of Directors and Management look forward to seeing you at the Annual Meeting.

Sincerely yours,

Janet Lewis  
Matricciani  
Chief Executive  
Officer

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WORLD ACCEPTANCE CORPORATION  
108 Frederick Street  
Greenville, South Carolina 29607

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NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

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To our Shareholders:

World Acceptance Corporation will hold its 2017 Annual Meeting of Shareholders (the "Annual Meeting") at 11:00 a.m., local time, on August 30, 2017, at our offices at 108 Frederick Street, Greenville, South Carolina 29607. At the Annual Meeting, you will be asked to vote on the following matters, which are further described in the attached Proxy Statement:

1. To elect six (6) directors to hold office until the next annual meeting of shareholders and until their successors have been duly elected and qualified, or until their earlier death, resignation or removal;
2. To approve, on an advisory (non-binding) basis, the compensation of our named executive officers;
3. To determine, on an advisory (non-binding) basis, the frequency of future advisory votes on the compensation of our named executive officers;
4. To approve the World Acceptance Corporation 2017 Stock Incentive Plan;
5. To approve the amendment to our Bylaws to set a minimum and maximum number of directors;
6. To ratify the appointment of RSM US LLP as our independent registered public accounting firm; and
7. To transact such other business as may properly come before the Annual Meeting or any adjournments or postponements thereof.

Only shareholders of record at the close of business on June 26, 2017 (the "Record Date") are entitled to notice of, and to vote at, the Annual Meeting and any adjournments or postponements thereof.

It is important that your shares are represented at the Annual Meeting. Even if you plan to attend the Annual Meeting, we hope that you will promptly vote and submit your proxy by signing, dating and returning the enclosed proxy card in the enclosed envelope. This will not limit your right to attend or vote at the Annual Meeting.

Sincerely yours,

Janet Lewis  
Matricciani  
Chief Executive  
Officer



WORLD ACCEPTANCE CORPORATION  
108 Frederick Street  
Greenville, South Carolina 29607

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## PROXY STATEMENT

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This Proxy Statement is being furnished to you in connection with the solicitation of proxies by the Board of Directors (the "Board") of World Acceptance Corporation (the "Company") to be used at our 2017 Annual Meeting of Shareholders and any adjournments or postponements thereof (the "Annual Meeting"). Our Annual Meeting will be held at our principal executive offices at 108 Frederick Street, Greenville, South Carolina 29607, at 11:00 a.m., local time, on August 30, 2017. This Proxy Statement and the accompanying form of proxy card are first being mailed or made available to shareholders on or about July 31, 2017.

### Appointment of Proxy Holders

The Board asks you to appoint Janet Lewis Matricciani and Tara E. Bullock as your proxy holders to vote your shares at the Annual Meeting. You make this appointment by voting the enclosed proxy card using one of the voting methods described below.

If appointed by you, the proxy holders will vote your shares as you direct on the matters described in this Proxy Statement. In the absence of your direction, they will vote your shares as recommended by the Board.

Unless you otherwise indicate on the proxy card, you also authorize your proxy holders to vote your shares on any matters not known by the Board at the time this Proxy Statement was printed and which, under our Fifth Amended and Restated Bylaws (the "Bylaws"), may be properly presented for action at the Annual Meeting.

### Who Can Vote

Only shareholders who owned shares of our common stock at the close of business on June 26, 2017, the Record Date for the Annual Meeting, can vote at the Annual Meeting. As of the close of business on the Record Date, we had 8,815,550 shares of common stock outstanding and entitled to vote. Each holder of common stock is entitled to one vote for each share held as of the Record Date. There is no cumulative voting in the election of directors.

### How You Can Vote

You may vote your shares at the Annual Meeting either in person or by mail. Shareholders holding shares through a bank or broker should follow the voting instructions on the form of proxy card received from such bank or broker. Giving a proxy will not affect your right to vote your shares if you attend the Annual Meeting and want to vote in person.

**Voting by Mail.** You may vote your shares by proxy by signing, dating and returning your proxy card in the enclosed postage-prepaid return envelope.

**Voting In Person.** You may vote in person at the Annual Meeting. If you hold shares through a bank or broker, you must obtain a proxy, executed in your favor, from the bank or broker to be able to vote at the Annual Meeting. Voting by mail will not limit your right to vote at the Annual Meeting, if you decide to attend in person.

If you submit your proxy, but do not mark your voting preference, the proxy holders will vote your shares as recommended by the Board or, if no recommendation is given, in their own discretion.

### Revocation of Proxies

You can revoke your proxies at any time before they are exercised in any of three ways:

- by voting in person at the Annual Meeting;
- by submitting written notice of revocation to the Corporate Secretary prior to the Annual Meeting; or
- by submitting another properly executed proxy of a later date prior to the Annual Meeting.





## Proposals to Be Considered

1. Elect six (6) directors;
2. Approve, on an advisory basis, the compensation of our named executive officers (say-on-pay)
3. Determine, on an advisory basis, the frequency of future advisory votes on the compensation of our named executive officers (say-on-frequency);
4. Approve the World Acceptance Corporation 2017 Stock Incentive Plan;
5. Approve the amendment to our Bylaws to set a minimum and maximum number of directors; and
6. Ratify the appointment of RSM US LLP as our independent registered public accounting firm.

## Quorum and Vote Necessary for Action

Quorum. The presence of the holders of a majority of the outstanding shares of our common stock entitled to vote at the Annual Meeting, present in person or represented by proxy, is necessary to constitute a quorum.

Broker Non-Votes. A broker holding shares in “street name” for a beneficial owner has discretion (but is not required) to vote the client’s shares with respect to “routine” matters if the client does not provide voting instructions. The broker, however, is not permitted to vote the client’s shares with respect to “non-routine” matters without voting instructions. Proposals 1, 2, 3, 4, and 5 are deemed “non-routine” matters, while Proposal 6 is deemed a “routine” matter under applicable stock exchange rules. A “broker non-vote” occurs when your broker submits a proxy for your shares but does not vote on a particular proposal because the broker does not have discretionary voting power for that item and has not received instructions from you. Broker non-votes, if any, will be counted for purposes of determining a quorum but will not be treated as votes cast and thus will have no effect on the vote required for a particular matter. Accordingly, we encourage you to provide voting instructions to your broker, whether or not you plan to attend the Annual Meeting.

Abstentions and Withheld Votes. If you abstain from voting or withhold your vote on a particular matter, your vote will be counted for purposes of determining whether a quorum is present but will not be treated as cast either for or against that matter.

Required Vote. Assuming a quorum is present at the Annual Meeting, directors will be elected (Proposal 1) by a plurality of the votes cast by the shares entitled to vote in the election, which means that the six director nominees who receive the greatest number of “for” votes will be elected. You may vote “for,” “for all except” or “withhold” your vote with respect to the election of directors. Votes indicated as “withheld” and “broker non-votes” will not be deemed cast for nominees and will have no effect on the outcome of the election. The non-binding advisory vote on the frequency of future advisory votes on compensation of our named executive officers (Proposal 3) is determined by the affirmative vote of a majority of the votes cast; however, if the proposal is not adopted by the required vote for any one of the time periods presented, the Board will evaluate the votes cast for each time period presented and will consider the time period for which a plurality of the votes were cast to have been recommended by the shareholders. You may vote for “one year,” “two years” or “three years” or “abstain” from voting. All other matters submitted for shareholder approval will require the affirmative vote of the majority of the votes cast with respect to that matter at the Annual Meeting. You may vote “for” or “against” or “abstain” from voting with respect to each of these matters (Proposals 2, 4, 5, and 6). If you hold your shares in street name and fail to instruct your broker or nominee how to vote, a “broker non-vote” on Proposals 1, 2, 3, 4 and 5 will occur with respect to your shares; however, on Proposal 6, your broker or nominee will, nonetheless, have discretionary authority to vote your shares if it chooses to do so. Abstentions and “broker non-votes” will not be deemed to be votes cast and thus will have no effect on the outcome of any of the Proposals in this Proxy Statement.

## Recommendation of the Board of Directors

The Board recommends that you vote:

1. FOR the election of each of the six (6) nominees for director;
2. FOR the approval, on an advisory (non-binding) basis, of the compensation of our named executive officers;
3. For ONE YEAR, on an advisory (non-binding) basis, on the frequency of future advisory votes on the compensation of our named executive officers;
4. FOR the approval of the World Acceptance Corporation 2017 Stock Incentive Plan;
5. FOR the approval of the amendment to our Bylaws to set a minimum and maximum number of directors; and
6. FOR the ratification of the appointment of RSM US LLP as our independent registered public accounting firm.

Solicitation of Proxies

We will pay the cost of soliciting proxies. Proxies may be solicited on our behalf by directors, officers or employees (for no additional compensation) in person or by telephone, electronic transmission and facsimile transmission. Brokers and other nominees will be requested to solicit proxies or authorizations from beneficial owners and will be reimbursed for their reasonable expenses. At this time we have not engaged a proxy solicitor. If we do engage a proxy solicitor we will pay the customary costs associated with such engagement.

Important

Please promptly submit your proxy by signing, dating and returning the enclosed proxy card in the postage-prepaid return envelope, so that your shares can be voted. This will not limit your rights to attend or change your vote at the Annual Meeting.

**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS  
FOR THE ANNUAL SHAREHOLDER MEETING TO BE HELD ON AUGUST 30, 2017**

The Company's Proxy Statement, form of proxy card and 2017 Annual Report to Shareholders are also available for review on the Internet at <http://www.irinfo.com/wrld/WRLD2017.html>.

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PROPOSAL 1 - ELECTION OF DIRECTORS

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Upon the recommendation of the Nominating and Corporate Governance Committee, the Board has nominated the six director candidates for whom individual biographies are presented below for election at the Annual Meeting. Unless you select “withhold” on your proxy card, the proxy holders will vote your shares “FOR” each of the six nominees for director listed below. Although we expect that each of the nominees for director will be available for election, if any vacancy in the slate of nominees occurs, we expect that shares of common stock represented by proxies will be voted for the election of a substitute nominee or nominees recommended by the Nominating and Corporate Governance Committee and approved by the Board. There are no family relationships among the directors, director nominees and executive officers of the Company.

The table below sets forth the names, ages, term in office, committee assignments, and biographical information of the nominees for director. Included with each nominee’s biography is a description of the qualifications, experience, attributes and skills of that nominee that led the Board to conclude that he or she is well qualified to serve as a member of the Board. Our Board has determined that all of the nominees are “independent” within the meaning of The NASDAQ Stock Market LLC (“NASDAQ”) listing standards except for our Chief Executive Officer, Janet Lewis Matricciani.

**Required Vote and Recommendation**

Assuming the existence of a quorum, directors are elected by a plurality of the votes cast by the shares entitled to vote in the election, which means that the six director nominees who receive the greatest number of “for” votes will be elected. Our Articles of Incorporation provide that cumulative voting is not available in the election of directors. You may vote “for,” “for all except” or “withhold” your vote with respect to the election of directors. Votes indicated as “withheld” and “broker non-votes” will not be deemed cast for nominees and will have no effect on the outcome of the election. **THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE FOR THE ELECTION OF EACH NOMINEE FOR DIRECTOR.**

Ken R. Bramlett, Jr. (Independent)

Mr. Bramlett has served as Chairman of the Board since September 2015. He has been a private investor since 2010. Previously, he served as senior vice president and general counsel for COMSYS IT Partners, Inc., a public company, which operated in the information technology services industry, from January 1, 2006 until it was sold in April 2010. In 2005, Mr. Bramlett was a partner with Kennedy Covington Lobdell & Hickman, LLP, a Charlotte, North Carolina law firm. From 1996 to 2004, Mr. Bramlett served in a number of capacities for Venturi Partners, Inc., (formerly known as Personnel Group of America, Inc.), an information technology and personnel staffing services company, including general counsel and on two separate occasions chief financial officer. He also served as a director of that company from August 1997 to January 2001. Prior to October 1996, Mr. Bramlett was an attorney with Robinson, Bradshaw & Hinson, P.A., a Charlotte, North Carolina law firm, for 12 years. Mr. Bramlett holds a Bachelor of Arts Degree in Philosophy from Wake Forest University and a Juris Doctor (Law) Degree from the University of North Carolina at Chapel Hill.

Director Since: 1993  
 Age: 57  
 Committees: Audit and Compliance  
 Compensation and Stock Option (Chair)

Mr. Bramlett has served since 2011 as a director and since March 2017 as chair of the board of directors of A Brand Company, LLC (fka Bluegrass Ltd.), a promotional marketing firm headquartered in Charlotte, North Carolina. Mr. Bramlett served from 1995 to 2015 on the board of directors of Charlotte Wine & Food Weekend, Inc., including service as chair in 2005 and 2006. The Board believes that Mr. Bramlett provides the Board with (a) leadership experience from having served in various executive management positions for public companies in the staffing services and information technology consulting industries, including chief financial officer, chief corporate development officer, general counsel, chief human resources officer and chief investor relations officer, (b) finance experience from having served twice as chief financial officer for Venturi Partners, (c) legal experience in general corporate matters, securities and corporate finance, mergers and acquisitions and litigation management from both private practice and service as in-house counsel, (d) risk management experience from his service as risk manager for Venturi Partners and COMSYS IT Partners and (e) corporate governance and executive compensation experience from working with public company boards as an officer and serving as a public company board member.

James R. Gilreath (Independent)

Mr. Gilreath has been practicing law in Greenville, South Carolina since 1968 and has his own firm, The Gilreath Law Firm, P.A. During this time, Mr. Gilreath has been involved in numerous complex business cases regarding matters facing a diverse range of companies. Mr. Gilreath holds a Bachelor of Science Degree in Accounting and a Juris Doctor (Law) Degree from the University of South Carolina, and a Master of Law Degree in Taxation from the New York University School of Law.

Director Since: 1989  
 Age: 75  
 Committees: Nominating and Corporate Governance (Chair)

Mr. Gilreath is admitted to practice in all federal and state courts in both South Carolina and North Carolina and numerous other federal courts including the United States Supreme Court, where he has appeared as counsel in two cases. The Board believes that Mr. Gilreath contributes extensive legal experience to the Board.

Janet Lewis Matricciani

Ms. Matricciani is the Company's President and Chief Executive Officer. She joined the Company in January 2014 as its President and Chief Operating Officer, was appointed to the Board in June 2015 and became Chief Executive Officer in October 2015. From 2010 to 2013, Ms. Matricciani served as the Chief Executive Officer of Antenna International, a leading creator of handheld audio, multimedia and virtual tours for museums, cultural and historic sites, and tourist attractions. From 2008 to 2010, Ms. Matricciani served as senior vice president of corporate development for K12 Inc., a technology-based education company. From 2005 to 2007, Ms. Matricciani served as executive vice president for Countrywide Financial Corporation. From 2001 to 2005, Ms. Matricciani served in various

executive-level roles for Capital One Financial Corporation. Earlier in her career, Ms. Matricciani worked as a consultant for McKinsey & Company, and Monitor Company. Ms. Matricciani holds Bachelor of Arts and Master of Arts Degrees in Engineering from Trinity College at Cambridge University and a Master of Business Administration Degree from the Wharton School of Business at the University of Pennsylvania. She has served on the board of directors of the American Financial Services Association Independents Section since 2014, the American Financial Services Association since 2015, and of Artisphere since 2016. The Board believes that Ms. Matricciani provides the Board with leadership and financial experience from her extensive service in executive management and financial positions throughout her career.

Scott J. Vassalluzzo (Independent)

Mr. Vassalluzzo is a managing Member of Prescott General Partners LLC (“PGP”), an investment adviser registered with the U.S. Securities and Exchange Commission (the “SEC”). PGP serves as the general partner of three private investment limited partnerships, including Prescott Associates L.P. (together, the “Prescott Partnerships”). Mr. Vassalluzzo joined the Prescott Organization in 1998 as an equity analyst, became a general partner of the Prescott Partnerships in 2000, and transitioned to Managing Member of PGP following Prescott’s reorganization in January 2012. Prior to 1998, Mr. Vassalluzzo worked in public accounting at Coopers & Lybrand (now PricewaterhouseCoopers LLP). The Prescott Partnerships have been shareholders of the Company for 24 years.

Director Since: 2011  
 Age: 45  
 Committees:  
 Compensation and Stock Option  
 Nominating and Corporate Governance

Mr. Vassalluzzo holds a Bachelor of Science Degree in Accounting from Pennsylvania State University and a Master of Business Administration Degree from Columbia University.

Mr. Vassalluzzo has served since 2007 on the board of directors of Credit Acceptance Corporation, including serving as the chair of its compensation committee and as a member of its audit committee, and he has served since 2015 on the board of directors of Cimpress, NV, including serving as chairman of its compensation committee.

The Board believes that Mr. Vassalluzzo provides the Board with (a) leadership experience from his service as the Managing Member of PGP and General Partner of the Prescott Partnership since 2012, (b) finance experience from his work in public accounting at Coopers & Lybrand, (c) risk management experience from his service on the board of Credit Acceptance Corporation and his experience as an investor who regularly analyzes public companies and (d) corporate governance experience from his service on the board of Credit Acceptance Corporation.

Charles D. Way (Independent)

Mr. Way is currently a private investor following an extensive career at Ryan’s Restaurant Group, Inc., a publicly traded restaurant company that was acquired by Buffets, Inc. in 2006. While at Ryan’s, he served as Chief Executive Officer from 1989 to 2006, President from 1988 to 2004, Executive Vice President from 1986 to 1988, Vice President and Chief Financial Officer from 1981 to 1986, Treasurer and Secretary from 1981 to 1988 and Controller from 1979 to 1981. He also served as a director of Ryan’s from 1981 to 2006 and as chairman of Ryan’s board of directors from 1992 to 2006. He holds a Bachelor of Science Degree in Accounting from Clemson University. The Board believes that Mr. Way contributes extensive public company leadership and finance experience to the Board from his long career at Ryan’s Restaurant Group, Inc.

Director Since: 1991  
 Age: 64  
 Committees:  
 Audit and Compliance (chair)  
 Compensation and Stock Option

Darrell E. Whitaker (Independent)

Mr. Whitaker has been the President and Chief Operating Officer of IMI Resort Holdings, Inc. since 2004. Before joining IMI, Mr. Whitaker served as the Chief Operating Officer and Vice President of Finance and Corporate Secretary of The Cliffs Communities, Inc., a developer of high end resort communities. He joined The Cliffs Communities, Inc. in July 1998 as Chief Financial Officer, a position he held until becoming Chief Operating Officer in August 2001. In addition, he has held executive management positions with other publicly traded companies, such as Ryan’s Family Steak House, Inc., Baby Superstores, Inc., and Food Lion, Inc. Mr. Whitaker is also a CPA licensed in the State of South Carolina. He holds a Bachelor of Science Degree in Business Administration from the University of South Carolina. The Board believes that Mr. Whitaker provides the Board with leadership and finance experience from his current position with IMI Resort Holdings, Inc. and his prior experience with The Cliffs Communities, Inc., Ryan’s Restaurant Group, Inc. and Baby Superstores, Inc.

Director Since: 2008  
 Age: 59  
 Committees:  
 Audit and Compliance  
 Nominating and Corporate Governance

CORPORATE GOVERNANCE

**Corporate Governance Policy**

We believe that good corporate governance practices are essential to our core values of ethical business, service of shareholders' interests and good corporate citizenship. The Board has adopted a Corporate Governance Policy in furtherance of those goals and to promote the effective functioning of the Board and its committees and to ensure a common understanding among individual directors and management concerning the operation of the Board and its committees.

**Code of Business Conduct and Ethics**

The Company has also adopted a written Code of Business Conduct and Ethics (the "Code of Ethics") that applies to all directors, employees and officers of the Company, including our Chief Executive Officer (our principal executive officer) and our Vice President and Chief Financial Officer (our principal financial and accounting officer). The Code of Ethics has been incorporated by reference as an exhibit to the Company's Annual Report on Form 10-K for the year ended March 31, 2017.



### Insider Trading Policy

We maintain an Insider Trading Policy that prohibits our directors, officers and employees from purchasing or selling our common stock or other securities while being aware of material, non-public information about the Company. It also prohibits the disclosure of such information to others who may trade in securities of the Company. Our Insider Trading Policy also prohibits our directors, officers and employees from engaging in hedging activities or other short-term or speculative transactions in the Company's securities such as short sales, puts, calls or any similar transaction involving the Company's securities. In addition, our directors, officers and employees must obtain pre-clearance from our Chief Financial Officer before placing Company securities in a margin account or otherwise pledging Company securities as collateral for a loan.

### Availability of Policies and Board Committee Charters

Copies of our Corporate Governance Policy, Code of Ethics, Insider Trading Policy and the charters of the Audit and Compliance Committee, Compensation and Stock Option Committee, and Nominating and Corporate Governance Committee of the Board are all available on our website at [www.worldacceptance.com](http://www.worldacceptance.com) (by clicking the "About Us," then "Investor Relations," and then "Corporate Governance Documents" tabs) and to any shareholder who requests a copy by writing to the Company's Corporate Secretary at P.O. Box 6429, Greenville, South Carolina 29606. References to our website throughout this Proxy Statement and the accompanying materials are for informational purposes only, or to fulfill specific disclosure requirements of the SEC's rules. These references are not intended to, and do not, incorporate the contents of our website by reference into this Proxy Statement or the accompanying materials.

### Director Independence

Our Corporate Governance Policy requires that a majority of our directors be independent directors in accordance with NASDAQ listing standards. The Board has determined that five of its six current members, Ken R. Bramlett, Jr., James R. Gilreath, Scott Vassalluzzo, Charles D. Way and Darrell E. Whitaker, are independent within the meaning of the NASDAQ rules. Janet Lewis Matricciani is not independent under NASDAQ rules because she serves as our Chief Executive Officer.

### Board Leadership

Our Board of Directors is committed to strong, independent leadership and believes that objective oversight of management performance is a critical aspect of effective corporate governance. Our Corporate Governance Policy provides that the Board should have flexibility to decide whether it is best for the Company at any particular point in time for the roles of the Chief Executive Officer and the Chairman of the Board to be separate or combined, and, if separate, whether the Chairman of the Board should be selected from the independent directors or be an employee. Whenever the Chairman is not an independent director, the independent directors may select from among themselves a Presiding Independent Director. If no selection is made, the Chairman of the Nominating and Corporate Governance Committee is the Presiding Independent Director.

Currently, the positions of Chairman of the Board and Chief Executive Officer are held by separate individuals, with Ken R. Bramlett, Jr., an independent director, serving as Chairman and Janet Lewis Matricciani serving as our Chief Executive Officer and a director of the Company. The Chief Executive Officer establishes the corporate direction and strategy, and is responsible for the day-to-day leadership and performance of the Company, while the Chairman provides guidance to the Chief Executive Officer, sets the agenda for meetings of the Board and presides over meetings of the full Board. The Board reserves for its action certain material, key strategic, or related matters, and notes matters of Company action on which the Board is to be kept informed. We believe this structure promotes active participation of the independent directors and strengthens the role of the Board in fulfilling its oversight responsibility and fiduciary duties to our shareholders while recognizing the day-to-day management direction of the Company by the Chief Executive Officer. This structure facilitates efficient management oversight and enables the Board to effectively meet its governance duties. For these reasons, the Board believes that our current leadership structure is appropriate for us at this time.

### Executive Sessions of Independent Directors

Consistent with our Corporate Governance Policy, independent directors meet without management present at regularly scheduled and ad hoc executive sessions. Executive sessions are held after each regularly scheduled Board

meeting and are presided over by the Chairman of the Board.

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## Board Risk Oversight

The Board is responsible for overseeing the Company's risk profile and management's processes for assessing and managing risk. The Board and its committees take an active role in overseeing the assessment and management of our risks. The Board believes an effective risk management system will (1) timely identify the material risks that we face, (2) ensure communication of necessary information with respect to material risks to senior executives and, as appropriate, to the Board or relevant committees, (3) facilitate implementation of appropriate and responsive risk management strategies consistent with our risk profile, and (4) integrate risk management into our decision-making. The Board and its committees regularly receive information regarding our financial position, capital structure, operations, strategy, compensation, compliance activities, and risk management from senior management. During its review of such information, the Board and its committees discuss, review, and analyze risks associated with each area, as applicable.

Certain significant categories of risk are assigned to designated Board committees (which are comprised solely of independent directors), which report to the full Board. The Board of Directors is regularly informed about the activities of its committees through committee reports and other communications. In general,

- the full Board oversees risks involving the capital structure of the enterprise, including borrowing, liquidity, allocation of capital and major capital transactions and expenditures, and the strength of the finance function;
- the Audit and Compliance Committee oversees risks related to financial controls and internal audit, legal, regulatory and compliance risks, and the overall risk management governance structure and risk management function;
- the Compensation and Stock Option Committee oversees the risks associated with our compensation plans and arrangements, including risks related to recruiting, retention, and attrition and oversees our compensation programs so that they do not incentivize excessive risk-taking as described in more detail below under "Corporate Governance-Committees of the Board-Compensation and Stock Option Committee;" and
- the Nominating and Corporate Governance Committee oversees risks associated with our overall governance practices and the leadership structure of our Board of Directors.

In performing their oversight responsibilities, the Board and its committees review policies and guidelines that senior management uses to manage the Company's exposure to material categories of risk. In addition, the Board and its committees review the performance and functioning of the Company's overall risk management function and senior management's establishment of appropriate systems for managing legislative and regulatory risk, credit/counterparty risk, market risk, interest rate risk and asset/liability matching risk, insurance risk, liquidity risk, operational risk and reputational risk. The Board believes the leadership structure described above appropriately supports administration of the risk oversight function.

### Committees of the Board

The Board has a standing Audit and Compliance Committee, Compensation and Stock Option Committee, and Nominating and Corporate Governance Committee. The following table shows the membership of each of these committees during fiscal year 2017.

Director Name	Audit and Compliance	Compensation and Stock Option	Nominating and Corporate Governance
Ken R. Bramlett, Jr.	Member	Chair	
James R. Gilreath			Chair
Janet Lewis Matricciani			
Scott J. Vassalluzzo		Member	Member
Charles D. Way	Chair	Member	
Darrell E. Whitaker	Member		Member

#### Audit and Compliance Committee

The Audit and Compliance Committee was established in accordance with Section 3(a)(58)(A) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and is appointed to assist the Board in discharging its oversight responsibilities relating to (i) the Company’s accounting, auditing, and financial reporting processes generally, including the performance and independence of the independent registered public accounting firm and the audits of the Company’s financial statements, (ii) the Company’s systems of internal controls regarding finance and accounting, (iii) the establishment and administration of the Company’s Compliance Management System (“CMS”), which is designed to ensure compliance with applicable consumer financial laws and address and prevent associated risk of harm to consumers, and (iv) the Company’s risk management and compliance with legal and regulatory requirements. The Audit and Compliance Committee has ultimate authority and responsibility to select, evaluate and, where appropriate, replace the Company’s independent registered public accounting firm. The Audit and Compliance Committee also reviews and considers any “related person” transactions, within the meaning of Item 404(a) of Regulation S-K of the SEC, as well as any matters regarding the Company’s outside directors which the Audit and Compliance Committee believes may present a conflict of interest or potentially impair the independence of one or more of the Company’s outside directors. The Audit and Compliance Committee carries out all other tasks and responsibilities as more fully described in its charter.

The Board has determined, in accordance with NASDAQ listing standards for audit committee members, that each member of the Audit and Compliance Committee is an independent director. In addition, the Board has determined that each member of the Audit and Compliance Committee meets the independence requirements for audit committee members under the Exchange Act. The Board has also determined that each current member of the Audit and Compliance Committee, Messrs. Way, Bramlett, and Whitaker, is an “audit committee financial expert” as defined in Item 407(d)(5) of Regulation S-K. The Audit and Compliance Committee met seven times during fiscal year 2017, which included quarterly conference call meetings with management and the Company’s independent registered public accounting firm to review interim financial information prior to its public release. Additional information regarding the Audit and Compliance Committee is set forth below under “Proposal 6 - Ratification of Appointment of Independent Registered Public Accounting Firm.”

#### Compensation and Stock Option Committee

The Compensation and Stock Option Committee is appointed to assist the Board in discharging its responsibilities relating to (i) compensation of the Company’s non-employee directors and officers and (ii) the granting of stock options and other forms of equity compensation under the Company’s equity compensation plans. The Committee has overall responsibility for approving and evaluating the non-employee director and officer compensation plans, policies and programs of the Company and for formulating, revising and administering the Company’s equity compensation plans. The Committee administers the Company’s 2002, 2005, 2008 and 2011 Stock Option Plans. The Board has determined, in accordance with NASDAQ listing standards, that each member of the Compensation and Stock Option Committee is (i) an independent director in accordance with the independence requirements for compensation committee members under NASDAQ listing standards; (ii) an “outside director” under Section 162(m) of the Internal Revenue Code of 1986, as amended (the “Code”); and (iii) a “non-employee director” under applicable SEC regulations.

The Compensation and Stock Option Committee reviews and considers the appropriateness of the Company’s compensation policies and practices as they relate to risk management and risk-taking initiatives. As part of this assessment, the Compensation and Stock Option Committee discusses the following:

- whether the current compensation program is achieving the short-term and long-term objectives that the Compensation and Stock Option Committee intended the program to achieve;
- whether there are or have been unintended consequences associated with the Company’s executive compensation program;
- whether the components of the compensation program encourage or mitigate excessive risk-taking;
- whether the Company’s general risk management controls serve to preclude decision-makers from taking excessive risk in order to achieve incentives; and
- whether the balance between short-term and long-term incentives is appropriate to retain highly qualified individuals.

The Compensation and Stock Option Committee met twice during fiscal year 2017. Additional information regarding the Compensation and Stock Option Committee is set forth below under “Compensation Discussion and Analysis.”

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#### Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee is appointed to assist the Board in discharging its responsibilities relating to (i) identifying and recommending qualified individuals for service on the Board and its committees, (ii) evaluating the composition of the Board and its committees, (iii) reviewing the Company's governance policies and procedures, and (iv) overseeing the evaluation of the Board and its committees. The Nominating and Corporate Governance Committee is also charged with reviewing management succession plans with our Chief Executive Officer and with periodically reviewing and assessing the adequacy of the Company's Corporate Governance Policy and Code of Ethics and recommending to the Board any proposed changes that the Nominating and Corporate Governance Committee deems necessary. The Nominating and Corporate Governance Committee carries out all other tasks and responsibilities as more fully described in its charter. The Board has determined, in accordance with NASDAQ listing standards, that each member of the Nominating and Corporate Governance Committee is an independent director. The Nominating and Corporate Governance Committee met twice in fiscal year 2017. For additional information regarding the Nominating and Corporate Governance Committee, see "Corporate Governance-Director Nominations."

#### Committee Advisors

The charter of each of the Audit and Compliance Committee, the Compensation and Stock Option Committee, and the Nominating and Corporate Governance Committee authorizes the committee to engage outside counsel and advisors, including search firms in the case of the Nominating and Corporate Governance Committee and compensation consultants in the case of the Compensation and Stock Option Committee, and requires the Company to provide appropriate funding, as determined by the committee, for any such counsel or advisors.

#### Compensation Committee Interlocks and Insider Participation

During fiscal year 2017, the Compensation and Stock Option Committee was composed of Messrs. Bramlett (Chair), Vassalluzzo and Way. None of the members of the Compensation and Stock Option Committee during fiscal year 2017 were either an officer or employee of the Company or a former officer of the Company. During fiscal year 2017, no executive officer of the Company served as a director or as a member of the compensation committee of the board of directors of another company which had an executive officer serving as a director of the Company or as a member of the Compensation and Stock Option Committee. In addition, during fiscal year 2017, no member of the Compensation and Stock Option Committee engaged in any related party or other transaction of a type that is required to be disclosed pursuant to Item 404 of SEC Regulation S-K.

#### Director Attendance at Board and Committee Meetings and the Annual Meeting of Shareholders

During fiscal year 2017, the Board held four meetings, and each director attended all of these meetings. Each director also attended all of the meetings of the committees of the Board on which such director served during fiscal year 2017.

It is the Company's policy that all of the Company's directors and nominees for election as directors at the Annual Meeting attend the Annual Meeting except in cases of extraordinary circumstances. All of the nominees for election at the 2016 annual meeting of shareholders attended the meeting. The Company expects all nominees and directors to attend the Annual Meeting.

#### Director Nominations

The Board is responsible for nominating Board members and for filling vacancies on the Board that may exist between annual meetings of shareholders, except to the extent that the Company's Bylaws or applicable South Carolina law require otherwise. The Board has delegated the screening process for director nominees to the Nominating and Corporate Governance Committee. Each member of such committee is an independent director in accordance with NASDAQ listing standards.

The Company's Corporate Governance Policy outlines certain general criteria for Board membership. These criteria reflect the Board's belief that all directors should have the highest personal and professional integrity and, as a general rule, should be persons who have demonstrated exceptional professional ability, diligence and judgment. In addition, the policy requires that at least a majority of the Board consist of independent directors. Directors should be willing and able to devote the required amount of time to Company business. The Nominating and Corporate Governance Committee believes that directors should have expertise that may be useful to the Company, and that the directors as a group should provide the Board with the following experience:

**Leadership experience.** Directors with experience in significant leadership positions over an extended period, especially CEO or other C-level positions, provide the Company with special insights. These individuals generally possess strong leadership qualities and the ability to identify and develop those qualities in others. They also demonstrate practical understanding of organizations, processes, strategy, risk management and the methods to drive change and growth.

**Finance experience.** An understanding of finance and financial reporting processes is important. The Company measures its operating and strategic performances primarily by reference to financial targets. In addition, accurate financial reporting and robust auditing are critical to the Company's success. The Nominating and Corporate Governance Committee seeks to have a number of directors who qualify as audit committee financial experts, as well as an entire Board composed of financially literate directors.

**Risk management oversight experience.** The Nominating and Corporate Governance Committee believes that risk management oversight experience is critical to fulfill the Board's responsibility to oversee the risks facing the Company.

**Corporate governance experience.** The Nominating and Corporate Governance Committee believes that directors with corporate governance experience support the goals of a strong Board and management accountability, transparency and promotion of shareholders' interests.

**Legal experience.** The Nominating and Corporate Governance Committee believes that legal experience is valuable to the Board's oversight of the Company's legal and regulatory compliance.

**General business experience.** The Nominating and Corporate Governance Committee believes that general business experience, as well as practical experience, is valuable to an understanding of the Company's business goals and strategies and helps to ensure that the Board is well rounded.

Our Corporate Governance Policy requires a director who changes his or her employment or otherwise has a significant change in job responsibilities to give the Board written notice of the change and tender a letter of resignation from the Board and from all Board committees on which he or she serves. The Board, through the Nominating and Corporate Governance Committee, then determines whether or not to accept the resignation from the Board or from one or more of the committees.

The Nominating and Corporate Governance Committee's process for recommending nominees begins with a preliminary assessment of each candidate based on the individual's resume and biographical information, willingness to serve and other background information. This information is evaluated against the criteria stated above and the specific needs of the Company at that time. After these preliminary assessments, the candidates who appear best suited to meet the Company's needs may be invited to participate in a series of interviews to continue the evaluative process. Incumbent directors, however, generally are not required to interview again after their initial term. On the basis of the information learned during this process, the Nominating and Corporate Governance Committee determines which individuals to recommend to the Board for nomination.

When seeking new director candidates, the Nominating and Corporate Governance Committee may solicit suggestions from incumbent directors, management or others. Consistent with our Corporate Governance Policy, the Nominating and Corporate Governance Committee will also consider nominating candidates recommended by shareholders on a case-by-case basis. Candidates recommended by shareholders are considered on the same basis and by the same standard as candidates selected by the Nominating and Corporate Governance Committee. It is important to distinguish between the recommendations of nominees by shareholders from a nomination (whether by proxy solicitation or in person at a meeting) by a shareholder. Shareholders have certain rights under applicable law with

respect to nominations, and any such nominations must comply with applicable law and provisions of the Bylaws of the Company. Our Bylaws include advance notice provisions for shareholder nominations, which, among other things, increase the information shareholders must provide regarding themselves and the director nominee when submitting nominations and require such information to be submitted no sooner than 120 days and no later than 90 days prior to the anniversary date of the Company's last annual meeting of shareholders. See "Submission of Future Shareholder Proposals and Nominations for the 2018 Annual Meeting of Shareholders" for further information regarding the nomination process.



When considering candidates for director, the Nominating and Corporate Governance Committee takes into account a number of factors in addition to those factors discussed above that the Company considers important qualifications for Board service. These other factors include whether the candidate is independent from management and the Company, whether the candidate has relevant business experience, the composition of the existing Board, and the candidate's existing commitments to other businesses. Although the Nominating and Corporate Governance Committee does not have a formal policy regarding Board diversity, the Nominating and Corporate Governance Committee takes into account matters of diversity (with emphasis on diversity in professional experience and industry background) in considering candidates for the Board. Directors are limited by our Corporate Governance Policy to serving on no more than five public company boards of directors. There are no pre-determined term limits for directors; however, a retirement age of 70 is generally considered appropriate, though the Board may decide to defer retirement on an annual basis.

The Company's Nominating and Corporate Governance Committee does not currently use the services of any third party search firm to assist in identifying or evaluating board candidates. However, the Nominating and Corporate Governance Committee may engage a third party to provide these services in the future, as it deems appropriate at the time.

#### Annual Board Evaluation

Our Corporate Governance Policy requires the Nominating and Corporate Governance Committee to assess the performance of the Board as a whole at least annually and give a report of its assessment to the Board. This assessment should review areas in which the Board or our management believes that the Board would make a better contribution.

#### Shareholder Communications with Directors

Any shareholder who wishes to communicate with the Board or any one or more individual directors may do so by writing to this address:

World Acceptance Corporation

Board Administration

c/o Corporate Secretary

P. O. Box 6429

Greenville, South Carolina 29606

Your letter should indicate that you are a shareholder. Such communications will be reviewed by our Corporate Secretary, who will remove communications relating to solicitations, improper or irrelevant topics and the like. All other shareholder communications will be promptly forwarded to the applicable member(s) of the Board or to the entire Board, as requested in the shareholder communication.

#### SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Members of our Board of Directors, certain officers, and beneficial owners of more than 10% of our common stock are subject to the reporting requirements of Section 16(a) of the Exchange Act, which requires them to file reports with the SEC regarding their beneficial ownership and changes in beneficial ownership of our common stock. Based solely on a review of such reports filed and written representations from the Company's reporting persons, the Company believes that all Section 16(a) filing requirements were fulfilled on a timely basis during fiscal year 2017, except that each of Mses. Matricciani and Bullock and Messrs. Brown, Calmes, Dyer and Tinney failed to timely file one Form 4 to report the tax withholding for vested equity awards, and Ms. Bullock failed to timely file one Form 4 to report the sale of common stock. Additionally, for fiscal year 2016, Mses. Matricciani and Bullock and Messrs. Way, Tinney, Gilreath, Whitaker, Calmes, Bramlett, and Dyer, failed to timely file one Form 4 to report the disposition of shares of common stock and tax withholding for vested equity awards, and Francisco Sauza, our former Senior Vice President - Mexico failed to timely file one Form 4 to report the acquisition and sale of shares of common stock in connection with the exercise of stock options. A Form 4 was filed upon the discovery of the administrative oversight for each of the foregoing transactions.

#### CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

During fiscal year 2017, there were no transactions that were deemed to be related person transactions.

The Audit and Compliance Committee, reviews and considers any related person transactions, within the meaning of Item 404(a) of Regulation S-K of the SEC, as well as any matters regarding the Company's outside directors, which the Audit and Compliance Committee believes may present a conflict of interest or potentially impair the independence of one or more of the Company's outside directors. The Company does not have a formal related person transaction policy in writing. However, as part of its review of a related party transaction, the Audit Committee considers the following: the nature of the related party's

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interest in the transaction, the material terms of the transaction, including the amount involved and type of transaction, the importance of the transaction to the related party and to the Company, whether the transaction would impair the judgment of a director or executive officer to act in the Company's best interest, and any other matters the Audit Committee deems appropriate under the circumstances.

#### SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The information set forth below is furnished as of the Record Date, with respect to common stock owned beneficially or of record by (i) persons known to the Company to be the beneficial owners of more than 5% of the common stock as of the Record Date, (ii) each of the directors and nominees individually, (iii) each of the executive officers included in the summary compensation table (each, a "Named Executive Officer" or "NEO"), and (iv) all directors and executive officers as a group. Unless otherwise noted, each person has sole voting and investment power with respect to such person's shares shown in the table. All share amounts in the table include shares which are not outstanding but which are the subject of options exercisable in the 60 days following the Record Date. All percentages are calculated based on the total number of outstanding shares, plus the number of shares for the particular person or group which are not outstanding but which are the subject of options exercisable in the 60 days following the Record Date.

#### Ownership of Common Stock by Certain Beneficial Owners<sup>(1)</sup>

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class <sup>(1)</sup>
Thomas W. Smith (2) Scott J. Vassalluzzo Idoya Partners L.P. Prescott General Partners LLC Prescott Associates L.P. 2220 Butts Road, Suite 320 Boca Raton, Florida 33431	2,730,873	31.0%
The Vanguard Group (3) 100 Vanguard Boulevard Malvern, Pennsylvania 19355	1,019,611	11.6%
BlackRock, Inc. (4) 55 East 52nd Street New York, New York 10022	731,870	8.3%
CAS Investment Partners, LLC (6) Clifford Sosin 8 Wright Street, 1st FL Westport, Connecticut 06880	480,600	5.5%
LSV Asset Management (5) 155 N. Wacker Drive, Suite 4600 Chicago, Illinois 60606	437,669	5.0%

Although the amounts of shares beneficially owned and other information in the table is derived from sources (1)described in the footnotes below, the percent of class information is derived by calculating the reported amounts as a percent of the 8,815,550 shares outstanding as of the Record Date.

(2)Based on a Schedule 13D filed on July 30, 2015 and subsequent Form 4 filings.

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Name	Shared Voting and Dispositive Power	Sole Voting and Dispositive Power	No Voting and Shared Dispositive Power	Total
Scott J. Vassalluzzo	67,640	31,788	—	99,428
Thomas W. Smith	151,590	510,000	—	661,590
Idoya Partners L.P.	576,394	—	—	576,394
Prescott Associates L.P.	1,407,728	—	—	1,407,728
Prescott General Partners LLC	2,037,495	—	—	2,037,495

In their capacities as managing members of the Prescott General Partners LLC (the "Partnership"), Messrs.

Vassalluzzo and Smith also may be deemed to beneficially own the shares beneficially owned by the Partnership.

(3) Based on a Schedule 13G filed on February 10, 2017. The Vanguard Group reported sole voting power over 7,486 shares, sole dispositive power over 1,012,025 shares, and shared dispositive power over 7,586 shares.

(4) Based on an amended Schedule 13G/A filed on January 27, 2017. BlackRock, Inc. reported sole voting power over 711,222 shares and sole dispositive power over 731,870 shares.

(5) Based on Schedule 13G filed on February 6, 2017. LSV Asset Management reported sole voting power over 208,418 shares and sole dispositive power over 437,669 shares.

Based on a Schedule 13G filed on February 13, 2017 by Clifford Sosin updating, in part, a Schedule 13G filed on February 10, 2017 by CAS Investments (“CAS”). Mr. Sosin reported (i) sole voting power and sole dispositive power (6) over 600 shares and (ii) shared voting power and shared dispositive power over 480,000 shares owned by Sosin Partners, L.P. (the “Fund”). CAS is the investment manager of the Fund and Mr. Sosin is the managing member of CAS.

Ownership of Common Stock by Directors, Director Nominees & Executive Officers

Name of Individual or Number in Group	Shares Beneficially Owned	
	Amount <sup>(1)</sup>	Percent of Class
Scott J. Vassalluzzo	2,136,923	(2)24.2%
Janet Lewis Matricciani	46,053	*
Ken R. Bramlett, Jr.	38,315	*
Jeff L. Tinney	37,835	*
D. Clinton Dyer	36,124	*
James R. Gilreath	25,765	(3)*
John L. Calmes Jr.	28,629	*
Tara E. Bullock	13,601	*
Charles D. Way	13,515	*
Darrell E. Whitaker	9,335	*
Directors and all executive officers as a group (13 persons)	2,411,052	27.3%

\*Less than 1%.

Includes the following shares of common stock subject to options exercisable within 60 days of June 26, 2017: Mr. Gilreath - 4,000; Mr. Bramlett - 4,000; Mr. Way - 4,000; Mr. Whitaker - 4,000; Ms. Matricciani- 11,250 Mr. Calmes - 10,125; Mr. Dyer - 16,000; Ms. Bullock - 6,450; Mr. Tinney - 21,400; directors and executive officers as a group - 97,085

(1) Mr. Vassalluzzo is a Managing Member of Prescott General Partners LLC (“PGP”). See “Ownership of Shares by Certain Beneficial Owners” for additional information regarding shares beneficially owned by PGP, Prescott Associates L.P., Mr. Vassalluzzo and Mr. Smith.

(2) Includes 11,250 shares owned by a limited partnership in which Mr. Gilreath is a partner.

EQUITY COMPENSATION PLAN INFORMATION

The following table sets forth certain information as of March 31, 2017 regarding the Company’s four existing equity compensation plans, which are the 2002 Stock Option Plan, the 2005 Stock Option Plan, the 2008 Stock Option Plan and the 2011 Stock Option Plan. We are also asking shareholders to approve a new equity compensation plan. See Proposal 4 - Approve the World Acceptance Corporation 2017 Stock Incentive Plan.

Category	Number of Securities to be issued upon Exercise of Outstanding Options (#)	Weighted Average Exercise Price of Outstanding Options (\$)	Number of Securities Remaining Available for Future Issuance under Equity Compensation Plans (#) (1)
Equity Compensation Plans Approved by Security Holders:			
2002 Stock Option Plan	160	43.04	—
2005 Stock Option Plan	20,550	46.74	—
2008 Stock Option Plan	75,620	51.83	25,573

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2011 Stock Option Plan Equity Compensation Plans Not Approved by Security Holders	771,811 —	69.41 —	415,926 —
Total	868,141	67.33	441,499

Of this remaining capacity, shares can be granted as options or up to 293,873 shares can be issued as restricted (1) stock. For additional information on our stock option plans, see Note 12 in the Notes to Consolidated Financial Statements in Item 8 of our Annual Report on Form 10-K for the year ended March 31, 2017.

## COMPENSATION DISCUSSION AND ANALYSIS

### Fiscal 2017 Overview.

The Board and the Compensation Committee believe the compensation paid or awarded to the Named Executive Officers for fiscal 2017 was reasonable and appropriate in light of the Company's achievements during a challenging period of difficult external conditions and transformation within the Company. The Company is in a period of transition and is focused on efforts to reposition the Company for future growth.

In fiscal 2017:

- we completed our largest acquisition in more than a decade;
- our tax preparation business grew significantly;
- we achieved earnings per diluted share of \$8.38;
- gross loans outstanding decreased 0.7% versus a decrease of 3.9% during Fiscal 2016;
- total general and administrative expense as a percentage of revenue only increased to 50.3% from 48.3% in fiscal 2016 despite starting the year with lower outstanding loans;
- as a result of this performance, the Company met the target level of performance on two of its four key corporate-level performance measures, resulting in bonus payments under the executive incentive plan that averaged 50% of base salary for all NEOs for fiscal 2017.

For these reasons, in addition to those discussed below in this "Executive Compensation" section, the Compensation Committee and Board of Directors believe that the compensation of the Company's Named Executive Officers as disclosed in this Proxy Statement is fair and reasonable, and unanimously recommend that the Company's shareholders vote in favor of Proposal 2, as described below in more detail, to approve, on an advisory basis, the compensation of the Company's Named Executive Officers as reported in this Proxy Statement.

### Objectives of the Executive Compensation Program

The Company's executive compensation program is intended to (i) provide competitive compensation to attract and retain highly talented executives; (ii) align the interests of executives and shareholders; and (iii) incentivize executives to achieve and surpass the short- and long-term goals of the Company to increase shareholder value. The Company's program is designed to create a collegiate atmosphere that encourages executives to cooperate toward the achievement of goals that benefit the Company and shareholders as a whole, while at the same time rewarding each executive's individual contributions to the Company.

The Company's bonus and long-term incentive plans permit executives to earn above average compensation for performance exceeding the Company's target goals. The Committee believes that this approach provides competitive pay for target performance while incentivizing and rewarding superior performance.

The Compensation and Stock Option Committee believes that a meaningful portion of an executive's total compensation should be in the form of variable and performance-based compensation that enhances shareholder value. The Committee believes that earnings per share is the most important indicator of shareholder value and that loan growth, expense control and charge-off levels are the most significant factors affecting earnings per share. Accordingly, performance-based compensation generally is earned based on the achievement of earnings per share targets, while annual bonuses generally are also earned based on loan growth, expense control and charge-off levels. The Compensation and Stock Option Committee believes that earnings per share as a measure of performance is important to shareholders because it allows shareholders to compare the returns we earn by investing capital in our core business with the return they could expect if we returned capital to shareholders and they invested in other securities.

The Compensation and Stock Option Committee believes that the grant of equity compensation awards to executives appropriately aligns their compensation with the interests of shareholders and provides executives with an incentive to promote shareholder value.

Stock price performance is typically not a factor in setting annual compensation because the price of the Company's stock is subject to a variety of factors outside of management's control, such as historically low trading volumes and high volatility in the stock price.





#### Process Overview

The Compensation and Stock Option Committee is appointed by the Board to discharge the Board's responsibilities relating (1) to compensation of the Company's directors and officers and (2) to the granting of stock options, restricted stock, or other equity awards under the Company's equity based compensation plans. The Compensation and Stock Option Committee has overall responsibility for approving and evaluating the director and officer compensation plans, compensation policies and programs of the Company and for formulating, revising and administering the Company's equity compensation plans.

During fiscal year 2017, the Compensation and Stock Option Committee reviewed and approved the annual compensation for the Named Executive Officers: the current Chief Executive Officer ("CEO"); the Senior Vice President and Chief Financial Officer ("CFO"); the Executive Vice President, Branch Operations; the Senior Vice President, Western Division; and the Senior Vice President and General Counsel. In addition, the Compensation and Stock Option Committee reviewed and approved the annual compensation for the two executive officers who are not NEOs, the non-executive officers who report directly to the CEO and the Vice President of Compliance and Internal Audit, who reports directly to the Board of Directors. All grants of stock options and restricted stock were approved by the Compensation and Stock Option Committee.

#### Timing of Compensation Decisions

Cash compensation for our executive and non-executive officers is reviewed early in each fiscal year after a review of the annual financial statements and the achievement of operating objectives and personal objectives for the prior fiscal year have been completed and as the budget for the coming fiscal year is being finalized. Equity compensation awards are usually considered in the third quarter of each fiscal year. The Compensation and Stock Option Committee may, however, review salaries or grant equity or cash compensation awards at other times as a result of new appointments, promotions or for other reasons during the year.

#### Role of Executives in Establishing Compensation

The Company's CEO plays a role in the assessment and recommendation of compensation for her direct reports, including the Company's CFO and General Counsel. She provides information to the Compensation and Stock Option Committee regarding compensation matters and, in such instances, helps set the agenda for compensation discussions. The Company's CEO is typically invited to attend general sessions of the Compensation and Stock Option Committee and, depending upon the topic to be discussed, may be invited to attend executive sessions of the Compensation and Stock Option Committee. The Compensation and Stock Option Committee believes that the CEO's insight into executive performance and compensation is an important factor when discussing and making decisions regarding executive compensation, and therefore the Compensation and Stock Option Committee typically asks the CEO for her recommendations on compensation for all of the Company's executive officers. The CEO is not present during Compensation and Stock Option Committee discussions concerning her own compensation and does not play a role in recommendations regarding her own compensation.

Other members of management attend meetings and executive sessions upon invitation by the Compensation and Stock Option Committee, if and when the Compensation and Stock Option Committee believes their advice and input regarding specific matters before the Compensation and Stock Option Committee would be useful and appropriate.

#### Compensation Consultant

The Compensation and Stock Option Committee determined it was not necessary to engage a compensation consultant for fiscal year 2017 in light of over 92% approval of votes cast on the "say-on-pay" proposal vote from shareholders at the 2016 annual shareholders meeting.

#### Executive Compensation Program

The Company's compensation program is comprised of the following primary elements: base salary, annual cash bonuses, long-term incentive compensation in the form of equity awards granted pursuant to the Company's stock plans, post-employment compensation and employee benefits and perquisites.

## Base Salary

### Compensation and Stock Option Committee Philosophy

The Compensation and Stock Option Committee determines base salaries for each executive position based on the value of the individual's experience, performance and/or specific skill set. Base salaries are evaluated in the ordinary course of business, but generally not less than once each year at or around the time that the annual budget is approved. For the reasons noted above, the Compensation and Stock Option Committee did not use an outside consultant or survey data when determining fiscal year 2017 base salaries.

### Fiscal Year 2017

When determining annual base salary levels for fiscal year 2017, the Compensation and Stock Option Committee's primary consideration for NEOs was the contribution of each of the members of the executive team to the Company's operational improvements in difficult economic and regulatory conditions. In fiscal year 2017, the Compensation and Stock Option Committee made the following base salary changes for NEOs effective as of July 1, 2016 except as noted:

• Janet Lewis Matricciani, Chief Executive Officer: Ms. Matricciani's base salary was increased 4% to \$520,000.

• John L. Calmes Jr., Senior Vice President and Chief Financial Officer: Mr. Calmes' base salary was increased 4% to \$234,000.

• D. Clinton Dyer, Executive Vice President, Branch Operations: Mr. Dyer's base salary was increased 20% to \$240,000 in September 2016 upon his appointment as Executive Vice President, Branch Operations.

• Jeff L. Tinney, Senior Vice President, Western Division: Mr. Tinney's base salary was increased 2% to \$191,223.

• Tara E. Bullock, Senior Vice President, Secretary and General Counsel: Ms. Bullock's base salary was increased 4% to \$189,873.

As described below under "Executive Compensation - Employment Agreements," certain NEOs have employment agreements which do not permit any reduction in their base salaries.

## Bonuses

### Compensation and Stock Option Committee Philosophy

Annual cash bonuses for executives and certain other key employees are payable under the Company's Executive Incentive Plan. The Executive Incentive Plan is generally designed to reward executives based on the Company's annual financial performance. This plan provides for an annual cash bonus based on the Company's achievement of pre-established annual goals, which these typically have been (1) earnings per share, (2) loans receivable, (3) expense control, and (4) loan charge-offs. These goals are intended to motivate and reward the maximization of shareholder value based on the Compensation and Stock Option Committee's belief that earnings per share is the primary factor in determining long-term shareholder value and that growth in loans receivable, combined with expense control and charge-off control, are the three most significant determinants of earnings per share. For the Division Senior Vice Presidents, the Executive Incentive Plan also has a component that is based on the annual financial performance of their respective divisions. The Compensation and Stock Option Committee also retains the discretion to award bonuses outside of the Executive Incentive Plan to the extent it may determine appropriate in particular circumstances, although such bonuses are not common.

## Fiscal Year 2017 Executive Incentive Plan Awards

The Executive Incentive Plan provides an opportunity for executives and certain other key employees to earn a certain percentage of base salary based on the extent to which the Company, and in certain cases, the participant's division, achieve particular performance goals that are established at the beginning of each fiscal year. For fiscal year 2017, the Compensation and Stock Option Committee selected the threshold, target and maximum performance levels for each Company goal based primarily on historical performance and the fiscal year 2017 budget. The divisional goals were set by the CEO. As an officer's level of responsibility increases, it is the Compensation and Stock Option Committee's intent to have a greater portion of the officer's total compensation be dependent upon the Company's performance rather than on the performance of individual business units. Therefore, for Ms. Matricciani, Mr. Calmes, Mr. Dyer and Ms. Bullock, Executive Incentive Plan bonuses in fiscal year 2017 were based entirely on Company performance measures. The fiscal year 2017 Executive Incentive Plan performance goals for Mr. Tinney were split between the same Company performance measures described above and performance measures specific to their respective divisions. The Compensation and Stock Option Committee has the discretion to pay a minimum bonus amount in the event of unusual circumstances where the threshold performance objectives are not met. After the end of each fiscal year, the Compensation and Stock Option Committee determines the extent to which the Company goals have been met and the amount of the bonuses, if any, that have been earned by plan participants.

Approximately 54.5% of the aggregate amount of annual bonuses, which include the Executive Incentive Plan bonuses earned by Company employees in fiscal year 2017 was awarded to employees who are not NEOs.

The following table reflects the range of potential Executive Incentive Plan awards (as a percentage of base salary) for each of the NEOs for fiscal year 2017. See "2017 Summary Compensation Table" below for actual award amounts.

	Minimum <sup>(1)</sup> % of Salary - Threshold	% of Salary - Target	% of Salary - Maximum	
Janet Lewis Matricciani	25.0%	50.0 %	100.0%	150.0 % (2)
John L. Calmes, Jr.	20.0%	40.0 %	80.0%	120.0 % (2)
D. Clinton Dyer	20.0%	40.0 %	80.0%	120.0 % (2)
Tara E. Bullock	10.8%	21.7%	43.3%	65.0 % (2)
Jeff L. Tinney	6.7%	33.3%	66.7%	100.0 % (3)

(1) The Compensation and Stock Option Committee, in its discretion, may elect to award the minimum bonus amount if the threshold performance goals are not met.

(2) This NEO was eligible to earn the maximum award amounts based upon the achievement of Company performance measures.

(3) Mr. Tinney was eligible to earn a maximum of 40% of his base salary upon the achievement of Company performance measures and 60% of his base salary upon the achievement of divisional performance measures.

The following table reflects the particular Company-level performance targets for fiscal 2017, as well as the Company's actual level of achievement on each of these measures for fiscal 2017:

	Threshold	Target	Maximum	Actual	Target weight as a % of total bonus (CEO, CFO, EVP, and General Counsel)	Target weight as a % of total bonus (SVP Western)
EPS	\$8.66	\$8.75	\$10.50	\$8.38	40%	16%
Loan Growth	(3.9)%	(3.5)%	0.0%	(0.7)%	30%	12%
General and Administrative expenses (less amortization expense) as a percentage of revenue	52.9%	51.9%	50.0%	50.2%	20%	12%
Net charge-offs	14.9%	14.4%	13.9%	15.7%	10%	N/A <sup>(1)</sup>
Total Executive Incentive Plan – Based on Company Performance Measures as a percent of total bonus					100%	40%

(1) Mr. Tinney's divisional net charge-offs are included in his specific divisional performance measures. Therefore, the Company net charge-offs are excluded.

Executive Incentive Plan bonuses were paid to our named executive officers, based on the achievement of the above metrics, as follows: Ms. Matricciani: \$325,000; Mr. Calmes: \$117,00; Mr. Dyer: \$120,000; Ms. Bullock: \$51,424; and Mr. Tinney: \$66,650.

Annually, Mr. Tinney will receive 0.05% of his division's profit as well as \$15,000 for each \$750,000 of increased divisional profit, up to a maximum of \$30,000. He will also receive a percentage of his base salary based on his performance against specific goals that relate to strengthening areas of focus in his division which are set by the CEO at the beginning of the year. The bonus percent paid will be based on the grid below.

Goal Performance Ranking	Percentage Earned
1	0%
2	3%
3	6%
4	12%
5	18%

#### Long-Term Incentive Compensation Compensation and Stock Option Committee Philosophy

The Compensation and Stock Option Committee intends to use long-term incentive compensation as a further means of attracting and retaining qualified and highly talented executive officers with a market competitive compensation program that supplements the base salary and Executive Incentive Plan elements with longer-term incentives provided by stock options and restricted stock. The Compensation and Stock Option Committee also believes that equity-based awards foster an ownership mentality in executives and align the value of a significant component of executive compensation to the value realized by the Company's shareholders.

#### Company Stock Plans

The Company currently maintains two stock plans, the World Acceptance Corporation 2008 Stock Option Plan (the "2008 Plan") and the World Acceptance Corporation 2011 Stock Option Plan (the "2011 Plan") pursuant to which the Company can grant incentive stock options to salaried employees and nonqualified stock options and restricted stock to employees and non-employee directors. The Company still has certain equity awards outstanding under two additional plans-the World Acceptance Corporation 2002 Stock Option Plan (the "2002 Plan") and the World Acceptance Corporation 2005 Stock Option Plan (the "2005 Plan"). No additional awards may be granted under either the 2002 or 2005 Plan. Under the 2002, 2005, 2008 and 2011 Plans, stock options must have an exercise price that is equal to or greater than the fair market value of the stock as of the date of grant. Except in the case of adjustments to reflect corporate transactions such as a merger or stock dividend, the exercise price of options granted under the 2002, 2005, 2008 and 2011 Plans may not be reduced, directly or indirectly (for example, by substitution of new options with a lower exercise price) without shareholder approval. Awards are subject to vesting conditions as determined by the Compensation and Stock Option Committee.

Stock option and restricted stock awards under our 2002, 2005, 2008 and 2011 Plans are usually made in the third quarter, when granted, or, as may be needed in the case of new hires, promotions, or other special circumstances, at properly noticed special meetings. Approximately 100% and 49% of the stock options and restricted stock, respectively, granted in fiscal year 2017 were granted to employees who are not Named Executive Officers. Additional details of each of the 2002, 2005, 2008 and 2011 Plans are below.

#### 2002 Plan

No further awards could be issued under the 2002 Plan after May 14, 2012 pursuant to its terms. Currently, 160 shares subject to stock options remain outstanding under the 2002 Plan.

#### 2005 Plan

No further awards could be issued under the 2005 Plan after August 1, 2015 pursuant to its terms. Currently, 20,550 shares subject to stock options remain outstanding under the 2005 Plan.

## 2008 Plan

Currently, 75,620 shares subject to stock options and 85,318 shares of restricted stock awards remain outstanding under the 2008 Plan. A maximum of 1,000,000 shares of common stock may be issued pursuant to the 2008 Plan. No more than an aggregate of 400,000 shares can be issued to any individual pursuant to restricted stock awards over the duration of the plan, and no employee can be granted options in any calendar year for more than 75,000 shares. No more than 350,000 shares of common stock can be issued pursuant to incentive stock options. The 2008 Plan is set to expire pursuant to its terms on August 6, 2018.

## 2011 Plan

Currently, 771,811 shares subject to stock options and 26,043 shares of restricted stock awards remain outstanding under the 2011 Plan. A maximum of 1,500,000 shares of Common Stock may be issued pursuant to the 2011 Plan. No more than an aggregate of 400,000 shares can be issued to any individual pursuant to restricted stock awards over the duration of the plan, and no employee can be granted options in any calendar year for more than 75,000 shares. No more than 400,000 shares of common stock can be issued pursuant to incentive stock options. The 2011 Plan is set to expire pursuant to its terms on August 3, 2021.

The Compensation and Stock Option Committee and the Board have approved the World Acceptance Corporation 2017 Stock Incentive Plan, subject to shareholder approval. The Board recommends approval of this plan, as discussed further in Proposal 4.

## Fiscal Year 2017

On October 3, 2016, the Company granted 72,090 shares of restricted stock to the NEOs, certain other key executives and non-employee directors and non-qualified stock options for 59,400 shares of Common Stock to other employees with an exercise price of \$51.41. One-third of these awards will vest on each anniversary of the grant date contingent on the recipient's continued service with the Company on such respective vesting date. The Company also gave \$2.2 million in cash bonus incentives to certain employees which will payout in one-third increments on the anniversary of the grant date over the next three years, contingent on the recipient's continued service with the Company on each anniversary date.

## Post-Employment Compensation

### Compensation and Stock Option Committee Philosophy

The Compensation and Stock Option Committee believes that providing supplemental retirement income to key executives under the Company's supplemental executive retirement plans is appropriate to recognize service to the Company and the limitations on an executive's ability to ensure significant retirement income through the Company's 401(k) retirement plan due to the contribution limitations applicable to such plans under applicable law. Severance compensation is provided under employment agreements with certain executive officers (see "Executive Compensation-Employment Agreements" below) to attract and retain critical executive talent and to facilitate management stability and provide executive's some protection in the event of their termination without cause or constructive discharge, including in situations involving a change in control of the Company.

### Supplemental Executive Retirement Plans

The Company has established the World Acceptance Corporation 2005 Supplemental Income Plan (the "2005 Supplemental Income Plan"). Based on the CEO's recommendations, the Compensation and Stock Option Committee approves the key executives who participate in the plan. The 2005 Supplemental Income Plan is an unfunded plan, which means there are no specific assets set aside by the Company to fund its obligations under the plan. The participating executives have no rights under the plan beyond those of a general creditor of the Company. Generally, if a participant terminates employment after reaching normal retirement age (age 65), the participant is entitled to receive a monthly benefit equal to 45% of his or her base salary at the time of his or her retirement for a period of 15 years. A participant is eligible for an early retirement benefit if the participant terminates employment after reaching

age 57, provided that he or she has participated in the plan for at least 8 years. The early retirement benefit is a pro-rated portion of the normal retirement benefit, based on the days of service the participant has accrued at his or her early retirement date compared to the days of service that he or she would have accrued if he or she had continued employment until normal retirement age. If a participant dies while still employed by the Company or while receiving Company-sponsored long-term disability benefits, the participant is eligible to receive the normal retirement benefit regardless of age. If the Company terminates a participant (other than for malfeasance, dishonesty or similar wrongdoing) or the participant terminates employment due to disability, the participant will receive a normal or early retirement benefit (depending on whether termination occurs before or after normal retirement age), as the age 57 and 8 years of participation requirements for early retirement benefits do not apply in such circumstances. If a participant voluntarily terminates employment before qualifying for early or normal



retirement or if the participant is terminated due to malfeasance, dishonesty or other similar wrongdoing, the participant is not entitled to any benefits under the plan.

There are currently 16 participants in the 2005 Supplemental Income Plan, including five executive officers, 10 retired participants and the beneficiary of one deceased participant. All of the NEOs participate in the the 2005 Supplemental Income Plan.

#### Severance Compensation under Employment Agreements

As described below under “Executive Compensation -- Employment Agreements,” certain NEOs have employment agreements pursuant to which they are entitled to severance payments and benefits upon termination of employment under certain circumstances.

#### Other Employee Benefits and Perquisites:

In order to provide competitive compensation and benefits to its executives, the Company provides the following benefits and perquisites:

**Life and Disability Insurance.** The Company provides each NEO the same group long-term disability and life insurance as the Company in its sole discretion may from time to time provide to its other officers and employees. As described below under “Executive Compensation - Employment Agreements,” the Company has entered into employment agreements with certain NEOs that requires the Company to provide specified minimum levels of long-term disability insurance coverage. In addition, if the individual becomes disabled, the Company will provide short-term disability benefits in the form of continued payment of his or her base salary for up to 90 days.

**Deferred Compensation.** The Company maintains for its executives a non-qualified deferred compensation plan, the World Acceptance Corporation 2005 Executive Deferral Plan. No NEOs currently participate in this plan, and the plan is unfunded. The plan permits participants in the Executive Incentive Plan to defer payment of all or a portion of any bonus earned under the Executive Incentive Plan. The plan does not provide for any Company contributions of any kind.

**Defined Contribution Plan.** NEOs are eligible to participate in the Company’s 401(k) retirement plan. The 401(k) plan permits eligible employees to defer up to 15% of their annual eligible compensation, subject to certain limitations imposed by the Code. Employee elective deferral contributions are immediately vested and non-forfeitable. The Company makes a matching contribution equal to 50% of an employee’s elective deferral contributions not exceeding 6% of the employee’s annual eligible compensation. Matching contributions vest over a six-year period.

**Company Car.** The Company provides each NEO and each of its other officer-level employees the unrestricted use of a Company car at no expense to the officer.

**Company Aircraft.** The Company aircraft was sold in fiscal year 2016. Prior to that time, the Company allowed NEOs and their spouses or family members to fly on the Company aircraft when used concurrently with an official Company function. No other personal use of the Company aircraft was allowed.

**Other.** The Company makes available certain perquisites or fringe benefits to executive officers and other employees, such as professional society dues, club dues, food, and recreational fees incidental to official Company functions.

#### Tax and Accounting Considerations

Section 162(m) of the Code (“Section 162(m)”) generally denies a corporate income tax deduction for annual compensation in excess of \$1,000,000 paid to any of the Named Executive Officers (other than the CFO). Certain types of compensation, including performance-based compensation, are generally excluded from this deduction limit. Historically, the total annual compensation of each of the Company’s executive officers, including the CEO, has been less than \$1,000,000, so the effects of Section 162(m) have not been a significant consideration in determining our executive compensation.

During our fiscal year 2017, all of the compensation paid to our Named Executive Officers was deductible by the Company for federal income tax purposes, and we believe that in fiscal year 2018 all compensation paid to our Named Executive Officers will be deductible by the Company for federal income tax purposes.

#### Compensation Policies and Risk Management

On an ongoing basis, the Compensation and Stock Option Committee monitors the Company's executive compensation programs for potential risks as part of the overall risk oversight function of the Board of Directors. See above under "Corporate Governance-Board Risk Oversight" and "Corporate Governance-Committees of the Board of Directors-Compensation and Stock Option Committee." The Compensation and Stock Option Committee does not believe that the Company's executive compensation programs encourage excessive or inappropriate risk taking.

#### Say-on-Pay

The Company provides its shareholders with the opportunity to cast an annual advisory vote, commonly known as a "say-on-pay" proposal, on the compensation of the executive officers named in the Summary Compensation Table of the annual proxy statement. At our 2016 annual meeting of shareholders, our Named Executive Officer compensation was approved by over 92% of the votes cast. The Compensation and Stock Option Committee believes that this vote affirms that a majority of our shareholders support the Company's approach to executive compensation, and accordingly the Compensation and Stock Option Committee did not make substantial changes to the structure of the Company's executive compensation program in fiscal year 2017.

#### REPORT OF THE COMPENSATION COMMITTEE

The Compensation and Stock Option Committee has reviewed and discussed with management the Compensation Discussion and Analysis contained in this Proxy Statement. Based on the review and discussion referred to above, the Compensation and Stock Option Committee recommended to the Board of Directors that the Compensation Discussion and Analysis referred to above be included in this Proxy Statement.

Compensation and Stock Option Committee

Ken R. Bramlett, Jr., Chairman

Scott J. Vassalluzzo

Charles D. Way

#### EXECUTIVE COMPENSATION

##### Employment Agreements

The Company has entered into employment agreements with Janet Lewis Matricciani, our CEO, John L. Calmes, Jr., our CFO, D. Clinton Dyer, our Executive Vice President - Branch Operations and Tara E. Bullock, our Senior Vice President and General Counsel. The Compensation and Stock Option Committee believes that the employment agreements are necessary to secure the services of those individuals on the terms and conditions stated in the agreements, and to provide management stability should there occur a significant corporate change in control event. As described in greater detail below, these agreements provide for the payment of severance benefits in the event of a change in control, but only if the executive is terminated without cause or constructively discharged within two years following the change in control, and for the payment of certain severance benefits even if no change in control has occurred in the event the executive's employment is terminated without cause or for good reason. The Compensation and Stock Option Committee believes that the change in control severance triggers in these agreements strike an appropriate balance between Company and shareholder concerns about executive retention in the event of a change in control and the executives' legitimate concerns regarding termination or diminution of duties in such an event.

##### Matricciani Employment Agreement

In connection with her appointment as Chief Executive Officer of the Company, Ms. Matricciani entered into an employment agreement with the Company effective November 19, 2015. The employment agreement has an initial three-year term, after which it will automatically renew for successive one-year terms unless either party provides notice of intent to terminate at least 90 days prior to expiration of the then current term. Under the employment agreement, Ms. Matricciani is entitled to an annual base salary of not less than \$500,000, subject to any increases approved by the Compensation and Stock Option Committee. Her annual base salary may not be reduced. Under the employment agreement, Ms. Matricciani is generally eligible to participate in the Company's annual and long-term incentive compensation plans established by the Compensation and Stock Option Committee from time to time. The employment agreement requires the Company to provide long-term disability insurance that will provide disability

benefits equal to 60% of Ms. Matricciani's base salary, and Ms. Matricciani is entitled to participate in the Company's Second Amended and Restated 2005 Supplemental Income Plan (described further below under "- Executive Compensation Program-Post-Employment Compensation"). Under the employment agreement, the Company provides Ms. Matricciani with an automobile (including maintenance and insurance) at Company expense, and she is eligible to participate in other compensation and benefits programs and arrangements for which salaried employees of the Company are generally eligible.

The employment agreement provides for the following payments to Ms. Matricciani in the event of termination of her employment:

If the Company terminates Ms. Matricciani's employment without cause or if Ms. Matricciani terminates her employment for "good reason", (a) she will receive payment for her accrued base salary, vacation pay, expenses, and annual bonus for the prior fiscal year, if such annual bonus has not already been paid, as well as any vested benefits due under any Company benefit plans or programs; (b) she will receive severance pay in an amount equal to twice the sum of (i) her base salary in effect immediately prior to her termination and (ii) the average of annual the bonus she received over the three-year period prior to termination (or if termination occurs on or before September 30, 2017, an amount equal to 100% of her target bonus for the fiscal year in which the termination occurs); (c) her stock options and other incentive awards will vest and become exercisable in accordance with the terms of the applicable plans and award documents, provided that all purely time-based-vesting awards will fully vest as of the termination date and no portion of any award subject to performance-based vesting will vest pursuant to the employment agreement; (d) she will receive a lump sum payment equal to the total premiums she would be expected to pay for eighteen (18) months of COBRA coverage; and (e) she will receive a prorated annual incentive plan payment for the year in which her termination of employment occurs.

If the Company terminates Ms. Matricciani's employment for cause or she terminates her employment without good reason (including by giving notice that she will not extend the term of the employment agreement), she will only receive her accrued compensation through the termination date and any vested benefits due to her under Company plans or programs.

If Ms. Matricciani's employment is terminated by the Company without cause or by Ms. Matricciani with good reason within two (2) years of a change in control of the Company (as defined in the employment agreement), the Company will make a lump sum payment to Ms. Matricciani equal to the sum of (a) her accrued compensation prior to termination; (b) an amount equal to the total premiums she would be expected to pay for eighteen (18) months of COBRA coverage; (c) a pro-rata annual incentive for the fiscal year in which the termination occurs; and (d) twice the sum of her highest base salary between the day before the change in control and the effective date of her termination and her average annual bonus averaged over the three-year period prior to termination (or if termination occurs on or before September 30, 2017 then an amount equal to 100% of her target bonus for the fiscal year in which the termination occurs). In addition, her stock options and other incentive awards will vest and become exercisable in accordance with the terms of the applicable plans and award documents.

The Company is required to purchase disability insurance for Ms. Matricciani that provides a disability benefit equal to 60% of her base salary. If her employment is terminated due to her disability, the Company will continue to pay her base salary in effect at the time of termination for a period of 24 months but only at such times as she is not receiving benefits under her disability insurance. In addition, she will be entitled to receive (a) all compensation accrued through the date of termination; (b) vested benefits due under the Company's benefit plans; and (c) a prorated annual incentive plan payment.

In the event of Ms. Matricciani's death, the Company will be obligated to pay her estate (a) all compensation accrued through the date of termination; (b) any vested amounts due under the Company's benefit plans; and (c) a prorated annual incentive plan payment.

Under the agreement, "cause" generally means Ms. Matricciani's (i) gross misconduct or gross neglect in respect of her duties for the Company; (ii) conviction of (or plea of nolo contendere to) a felony or of a misdemeanor where active imprisonment is imposed; (iii) knowing and intentional failure to comply with applicable laws with respect to the execution of the Company's business operations; (iv) falsification of Company records or engaging in theft, fraud, embezzlement, dishonesty or other conduct that has resulted or is likely to result in material damage to the Company's or any of its affiliates' business or reputation; (v) failure to comply with reasonable written directives of the Board, which is not remedied within thirty (30) days after receipt of written notice specifying such failure; (vi) the willful and material violation of the Company's policies, including its Code of Ethics; and (vii) the willful failure to reasonably cooperate with any investigation authorized by the Board, which failure would reasonably be expected to have a material adverse effect on the Company.

Under the agreement, “good reason” generally means: (i) a material diminution in Ms. Matricciani’s base salary; (ii) a material diminution in her authority, duties or responsibilities; (iii) a material diminution in the budget over which she retains authority; (iv) requiring her to relocate her principal place of employment more than thirty-five (35) miles from the Company’s present headquarters; (v) a material breach of the agreement by the Company; or (vi) the failure of the Company to renew the agreement.

Under the agreement, “change in control” generally means any of the following events:

(i) The consummation of (a) a merger, share exchange or similar transaction involving the Company or any subsidiary, but only if Company voting securities are issued or issuable; or (b) the sale or other disposition of all or

substantially all of the assets of the Company, unless, in either case, immediately after the transaction (1) the beneficial owners of the Company's voting securities continue to own more than seventy percent (70%) of the voting power of the voting securities of the surviving company in substantially the same proportions as their ownership of the Company's voting securities prior to the transaction; (2) no person (excluding any employee benefit plan sponsored by the surviving company or any company controlled by the surviving company) owns thirty-five percent (35%) or more of the combined voting power of the voting securities of the surviving company, and (3) at least a majority of the members of the board of directors of the surviving company are Incumbent Directors (as defined below);

(ii) The shareholders of the Company approve a plan of complete liquidation or dissolution of the Company, unless such liquidation or dissolution is part of a sale of the Company's assets that does not constitute a change in control;

(iii) if (a) any person acquires ownership of, or voting control over, twenty percent (20%) or more of the Company's outstanding stock, in a single transaction or in a series of transactions occurring within a twelve-month period (an "Acquiring Person"); provided that no person may become an Acquiring Person on account of: (1) any acquisition of stock by the Company or any subsidiary; (2) any acquisition of stock by an underwriter temporarily holding such securities pursuant to a securities offering; (3) any acquisition of stock by any employee benefit plan sponsored by the Company or any subsidiary; and (4) any acquisition of stock related to a merger, share exchange or similar transaction that does not otherwise constitute a change in control; and (b) a majority of the members of the Board of Directors are or become individuals who are (1) the Acquiring Person; (2) affiliates of the Acquiring Person; and/or (3) individuals whose initial assumption of office as a director occurs as a result of (A) an actual or threatened election contest or solicitation of proxies by or on behalf of the Acquiring Person or (B) the recommendation or request of the Acquiring Person or any member of the Board who is an affiliate of the Acquiring Person; or

(iv) During any period of twenty-four (24) consecutive months, individuals who were members of the Board of Directors at the beginning of such period (the "Incumbent Directors") at any time during such period cease to constitute at least a majority of the Board of Directors; provided, however, that any individual becoming a director during such period whose appointment, election or nomination was approved by a vote of at least a majority of the existing Incumbent Directors shall be considered as an Incumbent Director (excluding, however, any such individual whose became a director as a result of an actual or threatened election contest or solicitation of proxies by or on behalf of a person other than the Board of Directors).

The employment agreement requires Ms. Matricciani to execute a release of legal claims against the Company in order to receive any of the severance benefits provided by the employment agreement. The employment agreement also restricts Ms. Matricciani from engaging in certain acts of competition with the Company and from soliciting the Company's employees or inducing them to leave their employment with the Company during the term of the employment agreement and for a period of two years after the termination of her employment. She has also agreed to confidentiality and non-disparagement obligations that the Company believes are customary.

#### Calmes Employment Agreement

On November 19, 2015, the Company entered into an employment agreement with Mr. Calmes. Mr. Calmes' employment agreement is substantially similar to Ms. Matricciani's employment agreement with respect to compensation and benefits except that (a) Mr. Calmes' base salary is initially \$225,000; and (b) the severance payment in the event of termination by the Company without Cause or termination by Mr. Calmes with Good Reason, either within two years following a Change in Control or otherwise, is two times his base salary.

#### Dyer Employment Agreement

On September 1, 2016, the Company entered into an employment agreement with Mr. Dyer. Mr. Dyer's employment agreement is substantially similar to Ms. Matricciani's employment agreement with respect to compensation and benefits except that (a) Mr. Dyer's base salary is initially \$240,000; and (b) the severance payment in the event of termination by the Company without Cause or termination by Mr. Dyer with Good Reason, either within two years following a Change in Control or otherwise, is two times his base salary.

## Bullock Employment Agreement

On February 10, 2016, the Company entered into an employment agreement with Ms. Bullock. Ms. Bullock's employment agreement is substantially similar to Ms. Matricciani's employment agreement with respect to compensation and benefits except that (a) Ms. Bullock's base salary is initially \$182,570; and (b) the severance payment in the event of termination by the Company without Cause or termination by Ms. Bullock with Good Reason, either within two years following a Change in Control or otherwise, is one times her base salary.

## 2017 Summary Compensation Table

The following table includes information concerning compensation for each of the three full fiscal years ended March 31, 2017, 2016 and 2015 for the Company's NEOs, including the CEO, CFO, the three other most highly compensated executive officers of the Company who were serving as such as of March 31, 2017.

Name and Principal Position	Year	Salary	Bonus	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	Change in Pension Value and Non-qualified Deferred Compensation Earnings	All Other Compensation	Total
		(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
		(1)	(2)	(3)	(3)	(4)	(5)	(6)	
Janet Lewis Matricciani Chief Executive Officer	2017	515,000	—	751,100	—	325,000	128,815	31,656	1,751,571
	2016	436,667	400,000	404,100	—	100,000	153,543	23,879	1,518,189
	2015	350,000	—	—	—	291,375	76,484	18,224	736,083
John L. Calmes, Jr. Senior Vice President and Chief Financial Officer	2017	231,750	—	375,550	—	117,000	35,052	28,977	788,329
	2016	212,040	144,000	202,050	—	36,000	63,443	30,095	687,628
	2015	187,500	—	—	—	139,860	—	20,232	347,592
D. Clinton Dyer (7) Executive Vice President- Branch Operations	2017	223,333	—	375,550	—	120,000	92,266	59,051	870,200
	2016	189,395	42,667	101,025	—	88,000	94,301	20,138	535,526
	—	—	—	—	—	—	—	—	—
Tara E. Bullock (7) Senior Vice President- General Counsel	2017	188,047	—	188,161	—	51,424	38,566	22,405	488,603
	2016	179,310	57,205	94,290	—	15,823	99,741	14,702	461,071
	—	—	—	—	—	—	—	—	—
Jeff L. Tinney (8) Senior Vice President- Western Division	2017	190,286	—	188,161	—	66,650	31,976	9,124	486,197
	—	—	—	—	—	—	—	—	—
	—	—	—	—	—	—	—	—	—

(1) See "Compensation Discussion and Analysis-Executive Compensation Program -Base Salary" above regarding base salary adjustments for fiscal year 2017.

(2) Retention bonuses were paid in fiscal year 2016 as described in "Compensation Discussion and Analysis-Executive Compensation Program -Bonuses" above. One-third of these bonus amounts were paid on March 31, 2016 and the remaining two-thirds of these bonus amounts were paid on March 31, 2017.

The amounts in these columns reflect the aggregate grant date fair value determined in accordance with FASB ASC Topic 718. Assumptions used in the calculation of these amounts are included in Note 12 in the Notes to Consolidated Financial Statements in Item 8 of our Annual Report on Form 10-K for the year ended March 31, 2017.

This compensation was earned under the Company's Executive Incentive Plan, as described further above under "Compensation Discussion and Analysis-Executive Compensation Program-Bonuses" and is generally based on the Company's achievement of pre-established annual goals related to increases in earnings per share, growth in receivables, expense control and loan charge-off control. As described above, the Executive Incentive Plan provides discretion for the Compensation and Stock Option Committee to pay a minimum bonus under the plan in the event of unusual circumstances if a threshold performance measure is not achieved for a fiscal year, and the Compensation and Stock Option Committee elected to pay such a minimum bonus with respect to the earnings per share goal in fiscal year 2016 which is reported under the Bonus column. For fiscal year 2016, this column includes compensation earned under the Executive Incentive Plan on account of achievement of the general and administrative expense goal and divisional goals.

These amounts consist of the increase in the present value of the accumulated benefit at retirement of the NEO's benefit under the 2005 Company's Supplemental Income Plan. As noted above, the Company maintains a nonqualified deferred compensation plan, but no NEOs are currently participating in the plan.

Amounts in this column represent perquisites or personal benefits provided to the NEOs by the Company. Components of All Other Compensation in fiscal year 2017 are further described in a separate table below.

Mr. Dyer and Ms. Bullock were not Named Executive Officers during fiscal year 2015.

Mr. Tinney was not a Named Executive Officer during fiscal years 2015 or 2016.



## Fiscal Year 2017 Components of All Other Compensation

Benefits and Perquisites	Matricciani	Calmes	Dyer	Bullock	Tinney
Company auto <sup>(1)</sup>	17,135	17,810	13,112	17,084	1,037
Company contributions to 401(k) Plan	12,293	10,718	6,158	4,956	7,719
Term life insurance premiums	480	449	461	365	368
Club dues	1,748	—	—	—	—
Relocation	—	—	39,320	—	—
Total	31,656	28,977	59,051	22,405	9,124

(1) Includes the aggregate incremental cost for use of a Company-owned auto (i.e., the annual lease value, fuel, maintenance, taxes, and insurance related to usage).

## 2017 Grants of Plan-Based Awards Table

The following table sets forth certain information with respect to awards made under the Executive Incentive Plan and the 2008 and 2011 Stock Options Plan for the fiscal year ended March 31, 2017 to each of the NEOs.

Name	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards <sup>(1)</sup>			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#) <sup>(2)</sup>	All Other Awards: Number of Securities Underlying Awards	Exercise or Base Price of Option Awards (\$)	Grant Date Fair Value of Stock and Option Awards (\$)	
	Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target 1 (#)	Target 2 (#)	Maximum (#)				
J. Lewis Matricciani	260,000	520,000	780,000	—	—	—	—	14,610	—	—	751,100
John L. Calmes, Jr.	93,600	187,200	280,800	—	—	—	—	7,305	—	—	375,550
D. Clinton Dyer	96,000	192,000	288,000	—	—	—	—	7,305	—	—	375,550
Tara E. Bullock	41,139	82,278	123,417	—	—	—	—	3,660	—	—	188,161
Jeff L. Tinney	25,496	50,993	76,489	—	—	—	—	3,660	—	—	188,161

(1) Awards represent the NEO's cash bonus opportunity for fiscal 2017 under the Executive Incentive Plan.

(2) Granted on 10/3/2017 under the 2008 Stock Plan; vest one-third annually on each anniversary date

The terms of the fiscal year 2017 awards under the Executive Incentive Plan and the 2008 and 2011 Stock Option Plans are described above under “Compensation Discussion & Analysis - Executive Compensation Program - Bonuses”

and "Compensation Discussion & Analysis - Executive Compensation Program - Long-Term Incentive Compensation," respectively.

## Outstanding Equity Awards at Fiscal 2017 Year-End Table

The following table includes certain information with respect to the value at March 31, 2017 of all unexercised options and restricted shares previously awarded to the NEOs.

Name	Option Awards			Stock Awards			Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)(1)
	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)(1)	
J.Lewis Matricciani	11,250	3,750	(2) 92.89	2/4/24			
J.Lewis Matricciani					24,610	1,274,306	(7)
J.L. Calmes	10,125	3,375	(3) 86.52	12/12/23			
J.L. Calmes					12,305	637,153	(7)
D. Clinton Dyer	1,800	—	43.04	11/8/20			
D. Clinton Dyer	12,000	8,000	(4) 74.08	12/7/22			
D. Clinton Dyer					9,805	507,703	(7)
Tara E. Bullock	5,250	1,750	(5) 89.21	11/5/23			
Tara E. Bullock	1,200	600	(6) 77.31	2/5/23			
Tara E. Bullock					5,970	309,127	(7)
Jeff L. Tinney	5,400	—	43.04	11/8/20			
Jeff L. Tinney	12,000	8,000	(4) 74.08	12/7/202			
Jeff L. Tinney					6,160	318,965	(7)

(1) These amounts are based on the market value of the Company's Stock at the close of business on March 31, 2017, which was \$51.78.

(2) Stock options vest on 2/4/18; 2011 Plan.

(3) Stock options vest on 12/12/17; 2008 Plan.

(4) Stock options vest on 12/7/17; 2011 Plan.

(5) Stock options vest on 11/5/17; 2011 Plan.

(6) Stock options vest on 2/5/18; 2011 Plan.

(7) The restricted shares vest at a rate of 33% per year with the remaining vesting dates of 10/1/17, 10/1/18, and 10/1/19.

## 2017 Option Exercises and Stock Vested Table

The following table includes certain information regarding amounts realized by the NEOs on account of the vesting of restricted stock during the fiscal year ended March 31, 2017. None of the NEOs exercised stock options during the fiscal year ended March 31, 2017.

Name	Stock Awards	
	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)
Janet Lewis Matricciani	5,000	245,200
John L. Calmes, Jr.	2,500	122,600
D. Clinton Dyer	1,250	61,300
Tara E. Bullock	1,190	58,358
Jeff L. Tinney	1,250	61,300

## 2017 Pension Benefits; Supplemental Executive Retirement Plan Table

The table below sets forth information regarding Named Executive Officer benefits under the Company's 2005 Supplemental Income Plan described above under "Compensation Discussion & Analysis - Executive Compensation Program - Post-Employment Compensation."

Name	Plan Name	Number of Years Credited Service (#)	Present Value of Accumulated Benefit (\$)(1)	Present Value of Accumulated Benefit at Death (\$)(2)	Payments During Last Fiscal Year (\$)
Janet Lewis Matricciani	2005 Supplemental Income Plan	3	358,842	2,272,666	—
John L. Calmes, Jr.	2005 Supplemental Income Plan	3	98,495	1,017,783	—
D. Clinton Dyer	2005 Supplemental Income Plan	14	407,914	1,048,923	—
Tara E. Bullock	2005 Supplemental Income Plan	4	138,307	829,842	—
Jeff L. Tinney	2005 Supplemental Income Plan	30	611,519	835,742	—

(1) Based on the assumptions disclosed in Note 12 in the Notes to Consolidated Financial Statements in Item 8 of our Annual Report on Form 10-K for the year ended March 31, 2017.

(2) Present value of SERP benefits payable at death was calculated as 45% of the executive's base salary for 15 years assuming a 6% interest rate.

## Potential Payments upon Termination or Change in Control.

## Severance Benefits

As described above under "Executive Compensation-Employment Agreements," Mses. Matricciani and Bullock, and Messrs. Calmes and Dyer are entitled to severance benefits if they are terminated without cause or constructively

discharged. In addition, under the 2005 Supplemental Income Plan, participants are entitled to benefits if they are terminated prior to death or retirement (other than for malfeasance, dishonesty or similar wrongdoing) as described above under "Compensation Discussion and Analysis-

Executive Compensation Program-Post-Employment Compensation.” The following table provides estimates of the amounts payable to Named Executive Officers assuming each had been terminated without cause or constructively discharged on March 31, 2017. Note that the table excludes unpaid salary accrued through the termination date and reimbursement of any unpaid business expenses. The table also does not include any amounts payable under the Executive Incentive Plan because under that plan, a participant who terminates employment at or after the end of a fiscal year is entitled to the same amount that they would have received if they had not terminated employment.

Name	Salary Continuation (\$)	Bonus Continuation (\$)	Benefits Continuation (\$)	Benefits from Accelerated Equity Vesting (\$)	Total (\$)
	(1)	(2)	(1)	(2)	
Janet Lewis Matricciani	1,040,000	494,250	12,420	1,274,306	2,820,976
John L. Calmes Jr.	450,000	—	8,595	258,900	717,495
D. Clinton Dyer	480,000	—	12,420	223,228	715,648
Tara E. Bullock	189,873	—	6,405	309,127	505,405
Jeff L. Tinney	—	—	—	—	—

(1) The benefits continuation payment represents 18 months of COBRA premiums for Ms. Matricciani and Mr. Calmes, and 12 months COBRA premiums for Ms. Bullock, based on current insurance premiums.

Benefits from accelerated equity vesting represents the difference between the Company’s March 31, 2017 closing (2) stock price and the option exercise price for any unvested options, plus the March 31, 2017 closing stock price for any unvested restricted stock shares.

#### Death Benefits

Certain benefits become due upon the death of a Named Executive Officer, primarily life insurance benefits, benefits under the Company’s 2005 Supplemental Income Plan and vesting of stock awards. The following table shows the death benefits that would have been due in the event that the respective NEO had died on March 31, 2017. The table does not include any amounts payable under the Executive Incentive Plan because under that plan, a participant who dies at or after the end of a fiscal year is entitled to the same amount that they would have received if he or she had not died.

Name	Life insurance proceeds (\$)	Present Value of SERP benefits (\$)	Benefits from Accelerated Equity Vesting (\$)	Benefits from Equity Vesting as if the participant was still employed (\$)	Total (\$)
	(1)	(2)	(3)	(4)	
Janet Lewis Matricciani	500,000	2,272,666	1,274,306	1,274,306	5,321,278
John L. Calmes, Jr.	450,000	1,017,783	637,153	637,153	