

## MEMORANDUM

**TO:** Title Pledge Lender Licensees

**FROM:** Stephen Henley, Director  
Compliance Division

**SUBJECT:** 2009 Renewal Application and Financial Report Form as Required by  
Tennessee Code Annotated § 45-15-106 and 45-15-108

Attached, please find the renewal application for your Title Pledge Lender License and a financial report form. Under Tennessee Code Annotated (TCA) § 45-15-106 (the "Act"), each license may be renewed upon application by the license holder showing continued compliance with the requirements of the Act and the payment to the Commissioner annually on or before **October 1st** a license fee.

**IMPORTANT:** As long as your application is filed by **Thursday, October 1, 2009**, you may continue operating until the Commissioner has acted upon it. If, on the other hand, you fail to make application by the October 1st deadline, your current license will expire on October 31st. You cannot conduct business after the expiration date until you first obtain a new license pursuant to TCA § 45-15-105. Any business engaged in after expiration of the license may result in the Department initiating an enforcement action against you, which may include the imposition of civil monetary penalties and the refund of any fees collected.

Please **respond to questions 2 – 12** and, if necessary, provide details on a separate sheet of paper. The renewal application shall include a **\$700 renewal fee** for **each** location. Before the Department can act upon your renewal application, all outstanding examination fees must be paid in addition to the renewal fee. Finally, please sign the application and have it notarized.

You must also file along with the application a financial report, prepared by a **certified public accountant** not affiliated with the licensee, covering the business activities conducted under the Tennessee Title Pledge Act for the period **January 1, 2008 to December 31, 2008**. The report form includes a balance sheet, income and expense statement and other statistical information. Once complete, it is to be signed and notarized.

Please mail your application, financial report and renewal fee, including any outstanding examination fees, to the Tennessee Department of Financial Institutions, attention Stephen Henley. If you have any questions regarding the foregoing, please contact our office at (615) 741-3186.

STATE OF TENNESSEE  
**Department of Financial Institutions**  
Compliance Division  
414 Union Street, Suite 1000  
Nashville, Tennessee 37219  
615/741-3186

STATE OF TENNESSEE  
**Department of Financial Institutions**  
Compliance Division  
414 Union Street, Suite 1000  
Nashville, Tennessee 37219  
615/741-3186

**APPLICATION FOR RENEWAL OF TITLE PLEDGE LENDER LICENSE**

**DEADLINE: OCTOBER 1, 2009**

Application is hereby made to renew the license(s) granted pursuant to chapter 440, Public Acts of 2005, to transact business as a Title Pledge Lender.

1. Person responsible for matters relating to this renewal application. Mailing address and telephone number(s) of home office:

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Name and Title

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Company

---

Street

---

City

State

Zip Code

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Telephone Number

**e-mail address**

Fax Number

**NOTE CHANGES BELOW**

---

Name and Title

---

Company

---

Street

---

City

State

Zip Code

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Telephone Number

**e-mail address**

Fax Number

Please answer all questions on this page. If necessary, provide details on a separate sheet of paper. The licensee must also file the annual report with this application by **October 1, 2009**.

2. Provide a current list including the name, social security number, residence and business address, residence and business phone numbers and title of each owner, partner, L.L.C. member, director, corporate officer, five percent (5%) or more shareholder of the licensee. **(Please Attach)**
3. Has the licensee's business structure or ownership changed during the past year?  
Yes \_\_\_\_\_ No \_\_\_\_\_ If Yes, detail the changes on a separate sheet of paper.
4. Has the licensee filed for bankruptcy or reorganization within the last year?  
Yes \_\_\_\_\_ No \_\_\_\_\_ If Yes, detail the changes on a separate sheet of paper.
5. Has the licensee or any partner, LLC member, director, corporate officer, five percent (5%) or more shareholder been associated with a business whose authority to transact business was denied, revoked or suspended by a state or federal regulatory or law enforcement entity during the past year?  
Yes \_\_\_\_\_ No \_\_\_\_\_ If Yes, detail the changes on a separate sheet of paper.
6. Has the licensee ever been subject to any federal or state administrative investigation or order, or is any federal or state administrative investigation or order pending?  
Yes \_\_\_\_\_ No \_\_\_\_\_ If Yes, detail the changes on a separate sheet of paper.
7. Has the licensee, or any partner, L.L.C. member, director, corporate officer, five percent (5%) or more shareholders been indicted or convicted of a felony in Tennessee or elsewhere?  
Yes \_\_\_\_\_ No \_\_\_\_\_ If Yes, detail the changes on a separate sheet of paper.
8. Is the licensee currently licensed and/or operating as a title pledge services business in another state?  
Yes \_\_\_\_\_ No \_\_\_\_\_ If Yes, detail the changes on a separate sheet of paper.
9. Does the licensee have any contingent liabilities as endorser, guarantor or otherwise?  
Yes \_\_\_\_\_ No \_\_\_\_\_ If Yes, please provide details on a separate sheet of paper. Include all pending litigation and note any potential settlement amounts that could significantly affect the licensee's financial position.
10. By providing your email address, the Department can send you information quicker and more efficiently.

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e-mail address

11. If applicable, **attach** evidence that your entity is active with the Tennessee Secretary of State.
12. **SURETY BOND OR LETTER OF CREDIT.** Provide a one (1) year surety bond or irrevocable letter of credit for terms of not less than three (3) years in the amount of \$25,000 for each location not to exceed \$200,000 pursuant to TCA § 45-15-106 Section 5(d)(3).

**AFFIDAVIT**

**STATE OF** \_\_\_\_\_

**COUNTY OF** \_\_\_\_\_

I, \_\_\_\_\_, the undersigned being the \_\_\_\_\_  
of the \_\_\_\_\_, licensee swear (or affirm), that to the best of my  
information, knowledge and belief the statements contained in this report, including the accompanying  
schedules and statements (if any) are true and correct, and, that the same is a true, correct and complete  
statement in accordance with the laws of the State of Tennessee.

\_\_\_\_\_  
Signature

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My commission expires

**NOTARY SEAL**

**THIS RENEWAL APPLICATION MUST BE ACCOMPANIED BY  
A RENEWAL FEE OF \$700 FOR EACH LICENSE.  
MAKE THE CHECK PAYABLE TO:  
TENNESSEE DEPARTMENT OF FINANCIAL INSTITUTIONS.**

# INSTRUCTIONS FOR FINANCIAL STATEMENTS AND ANALYSIS

## SCHEDULE A STATEMENT OF INCOME AND EXPENSES

The purpose of this schedule is to show all income produced and expenses incurred in Tennessee by the reporting entity during the period covered by the report.

### INCOME:

#### Column 1: (Title Pledge)

- (1) Title Pledge Fees and Interest Income Collected and/or Earned - This account must report total title pledge fees and interest charged and/or earned in Tennessee pursuant to Tennessee Code Annotated § 45-15-111(a). If the reporting entity's books are kept on a cash basis, this item will show the actual charges collected. If on an accrual basis, this item will show the charges earned.
- (2) Automobile Club Membership Fees Collected and/or Earned - This account must report total automobile club membership fees charged and/or earned in Tennessee pursuant to Tennessee Code Annotated § 45-15-115(11) as defined in § 55-18-101. If the reporting entity's books are kept on a cash basis, this item will show the actual charges collected. If on an accrual basis, this item will show the charges earned.
- (3) Repossession Charges Collected and/or Earned - This account must report total repossession charges collected and/or earned pursuant to Tennessee Code Annotated § 45-15-111(b). If the reporting entity's books are kept on a cash basis, this item will show the actual charges collected. If on an accrual basis, this item will show the charges earned.

Total Income – Add line 1 through line 3 under column 1.

#### Column 2: (Other lines of business on reporting entity.)

- (4) Other Business - This account must report total income collected and/or earned from other lines of business. If the reporting entity's books are kept on a cash basis, this item will show the actual charges collected. If on an accrual basis, this item will show the charges earned.
- (5) Total Income – Line 4 under column 2.

**EXPENSES:** Unless specifically associated with a particular line of business, expenses may be allocated based on income. This report is designed to capture all expenses relating to Tennessee operations.

#### Direct Variable Expenses:

- (6) Advertising - This account must show the amount incurred during the year for promoting the business of the reporting entity. Show only the amount for purchases of advertising supplies or outside services.
- (7) Bad Debts - This account must show the reporting entity's bad debts actually written off or accrued during the year.
- (8) Costs associated with the repossession and resale of pledged property:
  - a. Repossession Expenses – Expenses incurred to locate and retrieve pledged property.
  - b. Storage – Costs to store repossessed pledged property.
  - c. Preparation of pledged property for resale - Property must be sold in a commercially reasonable manner. Preparation expenses may include new battery, cleaning, tire replacement, etc.

(9) Total Variable Expenses - Add line 6 through line 8

**General & Administrative Expenses:**

- (10) Total Compensation of Officers, Owners, and Partners – This account must report all compensation, including but not limited to salaries, bonuses, wages, dividends, pensions, distributions and/or withdrawals. For licensees having locations in multiple states, this item may be prorated. If so, please attach an explanation as to how this amount was determined for Tennessee.
- (11) Total Compensation of Employees – This item must include all employee wages, salaries, bonuses, wages, and pensions paid during the year.
- (12) Legal and Professional Fees – This account must report legal, accounting, and other professional fees.
- (13) Legal Disbursements – This account must report all legal settlements, including any other expenses associated with litigation or lawsuits.
- (14) Interest Expense - This item includes all interest paid on borrowed funds.
- (15) Rent Expense - Rental expenses for office space or building.
- (16) Utilities – Natural gas, electricity, water, etc.
- (17) Depreciation Expense - This account must show the amount of depreciation expense for fixed assets, including furniture, fixtures and buildings.
- (18) Surety and Fidelity Bond Expense - This account must show the amount expended by the reporting entity during the year for bonding requirements.
- (19) Insurance Expense - Property insurance, liability insurance and other business related insurance expenses.
- (20) State and Local Taxes – The entry must report all business related state and local taxes. This line item should not include federal income tax.
- (21) License Fees – This line item under column 1 should include license fees for title pledge lending. All other licensing fees should be reported under column 2.
- (22) General Office Expenses – Must include printing, office supplies, facsimiles, telephone, internet, janitorial, and other general office expenses.
- (23) Miscellaneous – Other business expenses not reported above.
- (24) Total General & Administrative Expenses – Add line 10 through line 23.
- (25) Total Expenses – Add line 9 and line 24.
- (26) Income Before Tax- Subtract line 25 from line 5.
- (27) Income Taxes (Federal) – This item must show the amount of federal income taxes.
- (28) Net Income After Tax – Subtract line 27 from line 26.

## SCHEDULE B

### BALANCE SHEET OF THE REPORTING ENTITY

#### ASSETS:

##### Current Assets:

- (1) Cash and Cash Equivalents – This account must include all business cash on hand, cash deposits in bank, i.e., checking accounts, savings accounts, certificates of deposits and cash maintained in other institutions, i.e., credit unions, savings & loan, etc.
- (2) Securities – This account must report the amount of investments in securities.
- (3) Accounts Receivable – This account must reflect the balance due from customers.  
Less: Allowance for bad debt
- (4) Notes Receivable – Self Explanatory.
- (5) Life Insurance Cash Surrender Value on Officers, Stockholders, Business Owners – This account must report the cash surrender value of life insurance policies carried by the reporting entity.
- (6) Prepaid Expenses – This account must show the payment of expenses in advance.
  - a. Prepaid Rent
  - b. Prepaid Insurance
  - c. Other Prepaid Expenses – Please identify on the dotted space other prepaid expenses.
- (7) Total Current Assets – Add line 1 through line 6.

##### Fixed Assets:

- (8) Furniture, Fixtures & Equipment – This account must report the cost of tangible assets, such as furniture, computers, office equipment, signs and other fixtures less accumulated depreciation used in the business by the reporting entity.
- (9) Buildings – This account must show the cost of the building(s) less accumulated depreciation owned by the reporting entity.
- (10) Leasehold Improvements – This account must show the cost of improvements to leased property, such as buildings, walkways, landscaping, etc., less accumulated depreciation.
- (11) Land – This account must show the value of the land owned by the reporting entity.
- (12) Total Fixed Assets – Add line 8 through line 11.
- (13) Other Assets (Net) – If Applicable, please identify any other assets less depreciation on the dotted space.
- (14) Total Intangible Assets – Total intangible assets less accumulated amortization.
- (15) Total Assets – Add lines 7, 12, 13 and 14.

**LIABILITIES:****Current Liabilities:**

- (16) Accounts Payable – This account must report the balance due to creditors on current accounts.
- (17) Salaries/Payroll Payable – This account must report the amount of wages, salaries or other compensation due to employee(s) of the reporting entity.
- (18) Rent Payable – This account must report the rent or lease payments due in the current year.
- (19) Current Tax Liabilities – This account must report the amount of all federal, state, local, payroll, and any other taxes due in the current year.
- (20) Current Portion of Long-Term Debt – This account must report the current maturities, payable in less than 12 months, on long-term liabilities.
- (21) Other Current Liabilities – Please identify other current liabilities on dotted space.
- (22) Total Current Liabilities – Add line 16 through line 21.

**Non-Current Liabilities:**

- (23) Mortgage Payable – This account must report the amount of long-term obligations, payable in 12 months or more.
- (24) Notes Payable – This account must report the amount of long-term obligations, payable in 12 months or more.
- (25) Bonds Payable – This account must report the amount of long-term obligations, payable in 12 months or more.
- (26) Other Long-Term Liabilities – This account must include other long-term liabilities, such as deferred taxes and other obligations that will not be paid out of current assets. Also, please identify any other long-term liabilities on the dotted space.
- (27) Total Non-Current Liabilities – Add line 23 through line 26.
- (28) Total Liabilities – Add line 22 and line 27.

**NET WORTH:**

- (29) Owners Capital – This account must report the amount of capital of the corporation, limited liability company, partnership or proprietorship. If applicable, this account must report the total number of common and preferred shares issued and outstanding, as well as the total par value.
- (30) Retained Earnings – This account must show the reporting entity's accumulated earnings retained by the entity.
- (31) Total Net Worth – Add line 29 and line 30e.
- (32) Total Liabilities and Net Worth – Add line 28 and line 31.

**SCHEDULE C**  
**ANALYSIS OF REGULATED BUSINESS ACTIVITY IN TENNESSEE**

- (1) Agreements Outstanding as of January 1, 2008 – This item must report the total number of agreements on hand as of January 1, 2008, as well as the total dollar amount of the agreements. A title pledge agreement is a thirty-day contract that may provide for automatic thirty-day renewals. For purposes of this report, renewals do not count as separate agreements, but rather make up one agreement as extensions of the initial thirty-day contract.
- (2) New Agreements Made Since January 1, 2008 – This item must show the total number of new agreements after January 1, 2008, as well as the total dollar amount of all agreements originated by the reporting entity during the year.
- (3) Agreements Purchased from Other Lenders Since January 1, 2008 – This item must show the total number of agreements acquired from other entities since January 1, 2008, as well as the total dollar amount of the agreements.
- (4) Total – Add line 1 through line 3.
- (5) Title Pledge Agreement Balances Charged-Off During Calendar Year 2008 – This item must report the total number and total dollar amount of all agreements charged or written-off since January 1, 2008.
- (6) Agreement Balances Sold to Other Lenders During Calendar Year 2008 – This item must show the number of agreements sold since January 1, 2008, as well as the total dollar amount of the agreements.
- (7) Agreements Paid-in Full – This item must show total collections from agreements paid-in full.
- (8) Total – Add line 5 through line 7.
- (9) Agreements Outstanding as of December 31, 2008 – Subtract line 8 from line 4.
- (10) Renewals – Of the agreements paid-in full in 2008, please group them according to the number of times each was renewed from the beginning and report in the appropriate space.
- (11) Number of Defaults – Total number of customer defaults during calendar year 2008.
- (12) Number of Vehicles Repossessed / Total Repossession Costs – This item must show the total number of vehicles repossessed for the period January 1, 2008 through December 31, 2008, and the total dollar amount of repossession costs collected pursuant to Tennessee Code Annotated § 45-15-111(b).
- (13) Number of Repossessed Vehicle Sales Resulting in a Surplus / Amount of Surplus Returned to Pledgor - This item must show the total number of vehicles repossessed for the period January 1, 2008 through December 31, 2008, whose sale resulted in a surplus as well as the total dollar amount of surplus returned to the pledgor pursuant to Tennessee Code Ann. § 45-15-114(b)(2).
- (14) Distribution of New Title Pledge Agreements – Report the total number of agreements entered into during 2008. As noted in (1) renewals do not count as separate agreements.
- (15) – (17) Please provide as requested.

# ANNUAL REPORT

FOR THE PERIOD FROM JANUARY 1, 2008 TO DECEMBER 31, 2008

## LICENSEES ENGAGED IN THE BUSINESS OF TITLE PLEDGE LENDING IN THE STATE OF TENNESSEE

*READ THE INSTRUCTIONS CAREFULLY BEFORE COMPLETING THIS REPORT*

This form must be completed for each licensed office, unless a company or affiliate operates more than one licensed title pledge office in this state, in which case this report should be filed on a composite basis.

### REPORTING ENTITY

1 Name of Licensee \_\_\_\_\_

Licensee Number: \_\_\_\_\_

Number of Locations in Tennessee \_\_\_\_\_

Business

2 Type:

a) \_\_\_\_\_ Corporation    b) \_\_\_\_\_ Partnership    c) \_\_\_\_\_ Sole Proprietorship

d) \_\_\_\_\_ Limited Liability Company    e) \_\_\_\_\_ Other

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**Prepared Information: Independent Certified Public Accountant**

License Number

Phone \_\_\_\_\_ Fax \_\_\_\_\_

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REPORTING ENTITY (continued)

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If necessary please use additional pages.

Name _____	Name
Title _____	Title
Address _____	Address
_____	

Name _____	Name
Title _____	Title
Address _____	Address
_____	

Name _____	Name
Title _____	Title
Address _____	Address
_____	

**3** Names and addresses of all persons owning controlling interest (25% or more) in the title pledge business

Name _____	Name
Address _____	Address
_____	

Name _____	Name
Address _____	Address
_____	

4 Provide the addresses of all places of business operated by the title pledge lender and describe the nature of the business conducted at each location. If necessary please use additional pages.

Address \_\_\_\_\_

Address

Descriptions \_\_\_\_\_

Descriptions

Address \_\_\_\_\_

Address

Descriptions \_\_\_\_\_

Descriptions

5

If necessary please use additional pages.

Name \_\_\_\_\_

Name

Address \_\_\_\_\_

Address

Name \_\_\_\_\_

Name

Address \_\_\_\_\_

Address

6 The interest rate and fee the title pledge lender charges in Tennessee on all title pledge or property pledge agreements as a percentage (%).

**Minimum:** Interest \_\_\_\_\_% Fee \_\_\_\_\_% APR \_\_\_\_\_%

**Maximum:** Interest \_\_\_\_\_% Fee \_\_\_\_\_% APR \_\_\_\_\_%

**SCHEDULE A**  
**STATEMENT OF INCOME AND EXPENSES**  
**FOR THE PERIOD FROM JANUARY 1, 2008 TO DECEMBER 31, 2008**

**Tennessee**  
**Title Pledge Business**

**Other Business**

**Combined**

Column 1

Column 2

Column 3

**INCOME**

**Column 1:**

<b>1</b>	Title Pledge Fees and Interest Income Collected and/or Earned	_____	_____	_____
<b>2</b>	Automobile Club Membership Fees Collected and/or Earned	_____	_____	_____
<b>3</b>	Repossession Charges Collected and/or Earned	_____	_____	_____

**Column 2:**

<b>4</b>	Other Business Income	_____	_____	_____
<b>5</b>	<b>Total Income</b>	<u>5)</u>	<u>_____</u>	<u>_____</u>

**EXPENSES**

**Direct Variable Expenses**

<b>6</b>	Advertising Expenses	_____	_____	_____
<b>7</b>	Bad Debts Expense	_____	_____	_____
<b>8</b>	Costs associated with repossession and resale of pledged property			
	a. Repossession Expenses	_____	_____	_____
	b. Storage Expenses	_____	_____	_____
	c. Preparation of pledged property for resale	_____	_____	_____
<b>9</b>	<b>Total Variable Expenses</b> (Add: Line 6 through Line 8)	<u>9)</u>	<u>_____</u>	<u>_____</u>

**General & Administrative Expenses**

<b>10</b>	Total Compensation of Officers, Owners, Partners	_____	_____	_____
<b>11</b>	Total Compensation of Employees	_____	_____	_____
<b>12</b>	Legal and Professional Fees	_____	_____	_____
<b>13</b>	Legal Disbursements	_____	_____	_____
<b>14</b>	Interest Expense	_____	_____	_____
<b>15</b>	Rent Expense	_____	_____	_____
<b>16</b>	Utilities	_____	_____	_____
<b>17</b>	Depreciation Expense	_____	_____	_____
<b>18</b>	Surety and Fidelity Bond Expense	_____	_____	_____
<b>19</b>	Insurance Expense	_____	_____	_____
<b>20</b>	Taxes (State and Local)	_____	_____	_____
<b>21</b>	License Fees	_____	_____	_____
<b>22</b>	General Office Expenses	_____	_____	_____

<b>23</b>	Miscellaneous Expenses	<hr/>	<hr/>	<hr/>
<b>24</b>	<b>Total General &amp; Administrative Expenses</b> (Add: Line 10 through Line 23)	<hr/> 24)	<hr/>	<hr/>
<b>25</b>	<b>Total Expenses</b> (Add: Line 9 and Line 24)	<hr/> 25)	<hr/>	<hr/>
<b>26</b>	<b>Income Before Tax</b> (Subtract: Line 25 from Line 5)	<hr/> 26)	<hr/>	<hr/>
<b>27</b>	<b>Income Tax (Federal)</b>	<hr/> 27)	<hr/>	<hr/>
<b>28</b>	<b>Net Income After Tax</b> (Subtract: Line 27 from Line 26)	<hr/> <hr/> 28)	<hr/> <hr/>	<hr/> <hr/>

**SCHEDULE B**  
**BALANCE SHEET**  
**DECEMBER 31, 2008**

**ASSETS**

**Current Assets**

<b>1</b>	Cash and Cash Equivalents		
<b>2</b>	Securities		
<b>3</b>	Accounts Receivable		
	Less: Allowance for Bad Debt	(                    )	
<b>4</b>	Notes Receivable		
<b>5</b>	Cash Surrender Value of Life Insurance on Officers, Stockholders, Owners		
<b>6</b>	<b>Prepaid Expenses</b>		
	a. Prepaid Rent		
	b. Prepaid Insurance		
	c. Other Prepaid Expenses		
<b>7</b>	<b>Total Current Assets</b> (Add: Line 1 through Line 6)		7)
	<b>Fixed Assets</b>		
<b>8</b>	Furniture, Fixtures & Equipment		
	Less: accumulated depreciation (FF&E)	(                    )	
<b>9</b>	Buildings		
	Less: accumulated depreciation (Building)	(                    )	
<b>10</b>	Leasehold Improvements		
	Less: accumulated depreciation	(                    )	
<b>11</b>	Land		
<b>12</b>	<b>Total Fixed Assets</b> (Add: Line 8 through 11)		12)
<b>13</b>	<b>Other Assets (Net)</b>		13)
<b>14</b>	<b>Total Intangible Assets</b>		
	Less: Accumulated Amortization	(                    )	14)
<b>15</b>	<b>TOTAL ASSETS</b> (Add: Lines 7, 12, 13 and 14)		15)

*(Schedule B  
continued on next  
page)*

**SCHEDULE B**  
**BALANCE SHEET: DECEMBER 31, 2008**

**LIABILITIES & NET WORTH**

**Current Liabilities**

<b>16</b>	Accounts Payable	_____
<b>17</b>	Salaries/Payroll Payable	_____
<b>18</b>	Rent Payable	_____
<b>19</b>	Current Tax Liabilities	_____
	a. Federal Tax	_____
	b. State Tax	_____
	c. Local Tax	_____
	d. Payroll Tax	_____
	e. Other Tax	_____
<b>20</b>	Current portion of Long-term debt	
	a. Mortgage Payable	_____
	b. Interest Payable (Notes)	_____
	c. Interest Payable (Bonds)	_____
<b>21</b>	Other Current Liabilities	_____
<b>22</b>	<b>TOTAL CURRENT LIABILITIES</b> (Add: Line 16 through Line 21)	<u>22)</u>

**Non-Current Liabilities**

<b>23</b>	Mortgage Payable	_____
<b>24</b>	Notes Payable	_____
<b>25</b>	Bonds Payable	_____
<b>26</b>	Other Long-Term Liabilities	_____
<b>27</b>	<b>TOTAL NON-CURRENT LIABILITIES</b> (Add: Line 23 through Line 26)	<u>27)</u>

<b>28</b>	<b>TOTAL LIABILITIES</b> (Add: Line 22 and Line 27)	<u>28)</u>
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**NET WORTH**

<b>29</b>	Owners Capital	<u>29)</u>
<b>30</b>	Retained Earnings	
	a. Beginning Retained Earnings (January 1, 2008)	_____
	b. <u>Add</u> : Net Income After Tax (Also Schedule A, Line 28, Column 3)	_____
	c. <u>Less</u> : Distributions	<u>(                    )</u>
	d. <u>Add</u> : Cumulative effects of change in accounting principle net of income tax (include explanation)	_____
	e. Ending Retained Earnings (December 31, 2008)	<u>30e)</u>

<b>31</b>	<b>TOTAL NET WORTH</b> (Add: Line 29 and Line 30e)	<u>31)</u>
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<b>32</b>	<b>TOTAL LIABILITIES &amp; NET WORTH</b> (Add: Line 28 and Line 31)	<u>                    </u>
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**SCHEDULE C**

**ANALYSIS OF REGULATED BUSINESS ACTIVITY IN TENNESSEE  
FOR THE PERIOD FROM JANUARY 1, 2008 TO DECEMBER 31, 2008**

	<b>Tennessee</b>	
	<b><u>Title Pledge Business</u></b>	
	<b><u>Number</u></b>	<b><u>Dollar Amount</u></b>
	<b>Column 1</b>	<b>Column 2</b>
<b>1</b> Agreements outstanding at January 1, 2008	_____	\$ _____
<b>2</b> New agreements entered into since January 1, 2008	_____	\$ _____
<b>3</b> Agreements purchased from other lenders since January 1, 2008	_____	\$ _____
<b>4 TOTAL</b> (Add: Line 1 through Line 3)	_____	\$ _____
<b>5</b> Agreement balances charged-off during calendar year 2008	( _____ )	( \$ _____ )
<b>6</b> Agreement balances sold to other lenders during calendar year 2008	( _____ )	( \$ _____ )
<b>7</b> Agreements paid-in full during calendar year 2008	( _____ )	( \$ _____ )
<b>8 TOTAL</b> (Add: Line 5 through Line 7)	( _____ )	( \$ _____ )
<b>9</b> Agreements outstanding as of December 31, 2008 (Subtract: Line 8 from Line 4)	_____	\$ _____
<b>10</b> Of the agreements paid-in full from Line 7, Column 1;		
<b>Number</b>		
<b>a</b> _____ were renewed 1 time		
<b>b</b> _____ were renewed 2 times		
<b>c</b> _____ were renewed 3 times		
<b>d</b> _____ were renewed 4 times		
<b>e</b> _____ were renewed 5 times		
<b>f</b> _____ were renewed 6 times		
<b>g</b> _____ were renewed 7 times		
<b>h</b> _____ were renewed 8 times		
<b>i</b> _____ were renewed 9 times		
<b>j</b> _____ were renewed 10 times		
<b>k</b> _____ were renewed 11 times		
<b>l</b> _____ were renewed 12 times		
<b>M</b> _____ were renewed 13 times		
<b>N</b> _____ were renewed 14 times		
<b>O</b> _____ were renewed 15 times		
<b>P</b> _____ were renewed 16 times		
<b>Q</b> _____ were renewed 17 times		
<b>R</b> _____ were renewed 18 times		
<b>S</b> _____ were renewed 19 times		

**SCHEDULE C (continued)**

**T** \_\_\_\_\_ were renewed 20 times  
**U** \_\_\_\_\_ were renewed 21 times  
**V** \_\_\_\_\_ were renewed 22 times  
 \_\_\_\_\_ **TOTAL**

<b>11</b>	Number of defaults in 2008	_____	\$ _____
<b>12</b>	Number of vehicles repossessed / Total repossession costs	_____	\$ _____
<b>13</b>	Number of repossessed vehicle sales resulting in a surplus / Amount of surplus returned to the pledgor	_____	\$ _____
<b>14</b>	Distribution of new title pledge agreements entered into during 2008	<u>Number</u>	
	(a) \$250 or less	_____	
	(b) \$251 to \$500	_____	
	(c) \$501 to \$750	_____	
	(d) \$751 to \$1,000	_____	
	(e) \$1,001 to \$1,250	_____	
	(f) \$1,251 to \$1,500	_____	
	(g) \$1,501 to \$1,750	_____	
	(h) \$1,751 to \$2,000	_____	
	(i) \$2,001 to \$2,250	_____	
	(j) \$2,251 to \$2,500	_____	
	<b>TOTAL</b> (must agree with Line 2, Column 1)	_____	
<b>15</b>	Number of pledgors (customers) as of December 31, 2008	_____	
<b>16</b>	Number of pledgors (customers) that deferred a principal reduction payment during calendar year 2008	_____	
<b>17</b>	Average number of principal reduction payments deferred during calendar year 2008	_____	

**AFFIDAVIT**

**STATE OF** \_\_\_\_\_

**COUNTY OF** \_\_\_\_\_

I, \_\_\_\_\_, the undersigned being the \_\_\_\_\_  
of the \_\_\_\_\_, licensee swear (or affirm), that to the best of my  
information, knowledge and belief the statements contained in this report, including the accompanying  
schedules and statements (if any) are true and correct, and, that the same is a true, correct and complete  
statement in accordance with the laws of the State of Tennessee.

\_\_\_\_\_  
Signature

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
My commission expires