

**World Acceptance Corporation**  
**Amended and Restated**  
**COMPENSATION AND STOCK OPTION**  
**COMMITTEE CHARTER**  
(NASDAQ Listed Company)

**Purpose**

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 and other forms of equity compensation under the Company's stock option plans or other equity compensation plans as same may now or hereafter exist. The Committee has overall responsibility for approving and evaluating the director and officer compensation plans, policies and programs of the Company and for formulating, revising and administering the Company's stock option plans or other equity compensation plans.

The Committee is also responsible for producing annual reports on executive compensation and on stock option (or other equity compensation) programs for inclusion in the Company's proxy statement.

**Committee Membership**

The Committee shall consist of no fewer than three members each of whom shall meet the independence requirements of applicable regulations, including those of any stock exchange or market on which the Company's securities are traded, and such other criteria as the Board may establish. In addition, each member of the Committee shall be a "Non-Employee Director" under Rule 16b-3 of the Exchange Act and an "outside director" for purposes of Section 162(m) of the Internal Revenue Code. Notwithstanding the foregoing, no action of the Committee shall be void or invalid because of the participation of a director who does not meet these requirements.

The members of the Committee shall be appointed by the Board on the recommendation of the Nominating and Corporate Governance Committee. The terms of appointments shall be for the Company's fiscal year. Vacancies on the Committee due to death, resignation or for any other reason may be filled by the Board with such replacement members serving for the balance of the vacant term.

**Committee Authority and Responsibilities**

A. Compensation:

1. The Committee shall have the sole authority to retain and terminate any compensation consultant to be used to assist in the evaluation of director, CEO or senior executive compensation and shall have sole authority to approve the consultant's fees and other

- retention terms. The Committee shall also have authority to obtain advice and assistance from internal or external legal, accounting or other advisors. The Company shall provide for appropriate funding, as determined by the Committee, for paying fees to outside advisors engaged by the Committee.
2. The Committee shall annually review and approve corporate goals and objectives relevant to CEO compensation, evaluate the CEO's performance in light of those goals and objective, and recommend to the Board the CEO's compensation levels based on this evaluation. In determining the long-term incentive component of CEO compensation, the Committee will consider the Company's performance and relative shareholder return, the value of similar incentive awards to CEOs at comparable companies, and the awards given to the CEO in past years.
  3. The Committee shall annually review and make recommendations to the Board with respect to the compensation of all directors, officers and other key executives, including awards under incentive-compensation plans and equity-based plans.
  4. The Committee shall annually review and approve, for the CEO and the senior executives of the Company, (a) the annual base salary level, (b) the annual incentive opportunity level, (c) the long-term incentive opportunity level, (d) employment agreements, severance arrangements, and change in control agreements/provisions, in each case as, when and if appropriate, and (e) any special or supplemental benefits.

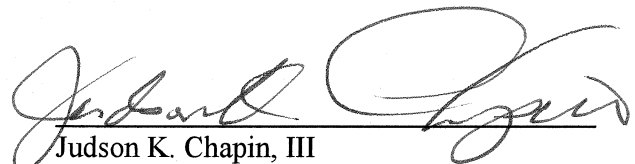
B. Stock Option Programs:

The Committee shall have sole and complete authority to

1. Interpret all terms and provisions of the Company's compensation plans consistent with law;
2. Select from the group of officers and key employees eligible to participate in the Company's compensation plans the officers and key employees to whom awards shall be granted;
3. Within the limits established by the applicable plan, determine the number of awards to be subject to, the exercise price of, and other applicable term of each award granted to each of such officers and key employees;
4. Prescribe the form of instrument(s) evidencing awards granted under such plans;
5. Determine the time or times at which awards shall be granted to officers and key employees;
6. Make special award grants to officers and key employees when determined to be appropriate;

7. Provide, if appropriate, for the exercisability of awards granted to officers and key employees in installments or subject to specified conditions;
  8. Determine the method of exercise of awards granted to officers and key employees under such plans;
  9. Adopt, amend, and rescind general and special rules and regulations for the plan's administration of such plans; and
  10. Make all other determinations necessary or advisable for the administration of such plans.
- C. Administrative Powers and Functions:
1. The Committee may form and delegate authority to subcommittees when appropriate.
  2. The Committee shall make regular reports to the Board.
  3. The Committee shall review and reassess the adequacy of this Charter annually and recommend any proposed changes to the Board for approval. The Committee shall annually review its own performance.

Approved, amended and restated at the regularly scheduled meeting of the Board of Directors of World Acceptance Corporation on May 26, 2004.



Judson K. Chapin, III  
Secretary and General Counsel