

**Court File No. CV-14-10518-00CL**

**THE CASH STORE FINANCIAL SERVICES INC.  
AND RELATED APPLICANTS**

**EIGHTH REPORT TO THE COURT  
SUBMITTED BY FTI CONSULTING CANADA INC.,  
IN ITS CAPACITY AS MONITOR**

**July 21, 2014**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

IN THE MATTER OF THE *COMPANIES' CREDITORS  
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF THE CASH STORE FINANCIAL  
SERVICES INC., THE CASH STORE INC., TCS CASH STORE  
INC., INSTALOANS INC., 7252331 CANADA INC., 5515433  
MANITOBA INC., AND 1693926 ALBERTA LTD DOING  
BUSINESS AS "THE TITLE STORE"

APPLICANTS

**EIGHTH REPORT TO THE COURT  
SUBMITTED BY FTI CONSULTING CANADA INC.  
IN ITS CAPACITY AS MONITOR**

**INTRODUCTION**

1. On April 14, 2014, Regional Senior Justice Morawetz granted an Initial Order pursuant to the *Companies' Creditors Arrangement Act* (Canada), as amended (the "CCAA") to The Cash Store Financial Services Inc. ("CSF"), The Cash Store Inc., TCS Cash Store Inc., Instaloans Inc., 7252331 Canada Inc., 5515433 Manitoba Inc. and 1693926 Alberta Ltd. doing business as "The Title Store" (collectively, the "**Applicants**" or "**Cash Store**") providing protections to the Applicants under the CCAA, including a stay of proceedings until May 14, 2014 (as extended from time to time, the "**Stay**"), and appointing FTI Consulting Canada Inc. (the "**Monitor**") as CCAA monitor.
2. On April 15, 2014, the Court granted an Amended and Restated Initial Order, which, among other things, approved an interim CCAA credit facility (the "**Initial**

**DIP**") by Coliseum Capital LP, Coliseum Capital Partners II LP and Blackwell Partners LLC (collectively "**Coliseum**" or the "**Initial DIP Lenders**") and appointed Blue Tree Advisors Inc. as Chief Restructuring Officer of the Applicants (the "**CRO**"). The proceedings commenced by the Applicants under the CCAA are referred to herein as the "**CCAA Proceedings**".

3. The following are among the orders obtained and motions that have proceeded to date in these CCAA Proceedings:
  - (a) On April 30, 2014, Regional Senior Justice Morawetz granted an order (the "**Additional TPL Protection Order**") providing additional protections for third party lenders, specifically relating to repayments of loans bearing the name of, attributable to, or assigned to 0678786 B.C. Ltd. ("**McCann**") and Trimor Annuity Focus Limited Partnership #5 ("**Trimor**").
  - (b) On May 13, 2014, Regional Senior Justice Morawetz granted an order, among other things, extending the Stay to May 16, 2014, approving the cessation of the Applicants' brokered loan business (the "**Broker Business**") in all jurisdictions in which it was then carried out and authorizing the CRO, in consultation with the Monitor, to conduct an orderly cessation of such business.
  - (c) On May 16, 2014, Regional Senior Justice Morawetz granted an order (the "**B.C. Trust Fund Order**"), among other things, declaring that \$1,078,328 of amounts held in trust by Cassels Brock & Blackwell LLP ("**Cassels Brock**") in the name of CSF pursuant to a Consent Order (as defined in the affidavit of Jason Beitchman sworn May 15, 2014 (the "**Beitchman Affidavit**")) be paid to a BC Compliance Order Trust Account (as defined in the Beitchman Affidavit) to be opened by Cash Store in its capacity as Trustee of the Compliance Order Trust (as defined in the Beitchman Affidavit).

- (d) On May 17, 2014, Regional Senior Justice Morawetz granted an order, among other things, extending the Stay to June 17, 2014 and approving an Amended and Restated Term Sheet providing for a DIP facility (the “**Amended Joint DIP Facility**”) by the following lenders (together, the “**DIP Lenders**”): Coliseum, Alta Fundamental Advisers, LLC and certain members of the *ad hoc* committee (the “**Ad Hoc Committee**”) of the Applicants’ 11 1/2% senior secured notes (the “**Notes**”).
  - (e) On June 11, 2014, motions brought by McCann and Trimor and a cross-motion of the DIP Lenders (the “**TPL Motions**”) were heard but not completed.
  - (f) On June 16, 2014, the continued TPL Motions were heard, together with a motion for appointment of representative counsel. Decisions on those motions are presently under reserve. Also on June 16, 2014, Regional Senior Justice Morawetz granted an order extending the Stay to August 15, 2014 and approving a Sale Process (attached as Schedule “A” thereto, the “**Sale Process**”).
4. The purpose of this Eighth Report is to provide the Court with information regarding the following:
- (a) the CRO’s request, on behalf of the Applicants, for authorization (in some cases, *nunc pro tunc*) to take steps to make demand on certain Cash Stores UK subsidiaries and in relation to the administration or liquidation of the UK business of Cash Store;
  - (b) the Monitor’s ongoing review of potential preferences and/or transfers at undervalue;
  - (c) the ongoing Sale Process;
  - (d) draws pursuant to the Amended Joint DIP Facility and interest calculations in respect of the Initial DIP financing;

- (e) an update of collections attributed to third party lender loans; and
- (f) a requested amendment to the B.C. Trust Fund Order.

## **TERMS OF REFERENCE**

5. In preparing this report, the Monitor has relied upon unaudited financial information of the Applicants, the Applicants' books and records, certain financial information prepared by the Applicants and discussions with the Applicants' management and advisers. The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information. Accordingly, the Monitor expresses no opinion or other form of assurance on the information contained in this report or relied on in its preparation. Future oriented financial information reported or relied on in preparing this report is based on management's assumptions regarding future events; actual results may vary from forecast and such variations may be material.
6. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian Dollars.

## **UK OPERATIONS**

### ***Background***

7. As previously reported and as summarized in the Carlstrom Affidavit, CSF is the parent company of three UK companies<sup>1</sup>: The Cash Store Financial Limited (a holding company, "**UK Holdco**"), The Cash Store Limited (a lender, "**UK Opco**"), and CSF Insurance Services Limited (a service provider) (the "**UK Entities**"). The three UK Entities are not Applicants in these proceedings; however, the Applicants have provided approximately £17.7 million of funding to the UK Entities to date on an unsecured basis.

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<sup>1</sup> Cash Store's former CEO, Gordon Reykdal, was the sole director of the UK Entities. On July 7, 2014, Cash Store announced that Gordon Reykdal and Edward McClelland resigned as directors of Cash Store. Attached as **Schedule "1"** is a letter indicating that Mr. Reykdal has now resigned as director of the UK Entities.

8. The CRO, with the assistance of the Monitor and FTI Consulting LLP (“**FTI UK**”), a UK-based affiliate of the Monitor, has undertaken a review of the UK Entities’ operations and prospects. As a result of this review, the CRO has formed the view that it is in the best interests of Cash Store and its stakeholders to discontinue financial support to Cash Store’s business in the United Kingdom (the “**UK Business**”) and is seeking authorization for Cash Store, through the CRO, in consultation with the Monitor, to take all reasonable steps to effect the closure of the business of UK Holdco and UK Opco<sup>2</sup>, including:
- (a) Demanding repayment of the debts owing by UK Holdco and UK Opco to CSF;
  - (b) Making an application to the UK Court for the appointment of an administrator of UK Opco to facilitate the realization of its assets;
  - (c) Making a petition to the UK Court for the appointment of a liquidator of UK Holdco (together with (b), above, the “**UK Court Application**”);
  - (d) Executing a witness statement(s) in support of the UK Court Application;
  - (e) Executing any other documentation required to effect the proposed administration and liquidation of UK Holdco and UK Opco; and
  - (f) Assisting the proposed administrator and liquidator to facilitate the administration or liquidation of UK Holdco and UK Opco.

***Preliminary Review of UK Business and Funding Requirements***

9. As part of the review of the UK Business, FTI UK was asked to engage with senior management of the UK Entities on a limited basis to conduct a preliminary review from the perspective of the Applicants and their business in Canada. Following its preliminary review, FTI UK noted as follows, among other things:

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<sup>2</sup> The Monitor has been advised that CSF Insurance Services Limited is dormant and will be addressed, if necessary, at a future time.

- (a) The UK Entities have lost EBITDA of approximately £10 million during the last two and half years. This appears to have been driven primarily by a large central cost base and significant bad debt write offs.
  - (b) Only 3 of the 27 branches in the UK have generated positive EBITDA after UK head office allocations.
  - (c) Average loan losses are significantly higher than in Canada.
  - (d) The UK regulators have passed and are expected to pass additional new regulations in the UK that are expected to cause increased restrictions on pay day loan lenders.
  - (e) The UK Business has only approximately £2.7 million in outstanding payday loans of which only £0.8 million is not overdue;
  - (f) The collections department, which had higher costs to operate than it had achieved in collections, was closed prior to the commencement of the CCAA Proceedings. Management attempted to identify other cost savings; however, it appears that a significant improvement in both loan volume and debt recovery rates would be required for the business to report a material profit particularly in light of changing regulations.
10. The Monitor understands that if the UK Business were to continue operating, the UK Entities will require funding from CSF of approximately £267,000 during the week ending July 25, 2014, primarily to meet rent and payroll obligations. As the UK Entities are not cash-flow positive, they are expected to continue to require funding from CSF to the extent they continue operations. Rent and payroll obligations total, on average, approximately £350,000 per month and it is estimated that the UK Business may require in excess of £700,000 of funding during the next 13 weeks.

11. Since January 2014, CSF has transferred approximately £1.23 million to UK Opco (of which £285,000 has been provided since the commencement of the CCAA Proceedings as contemplated in the Applicants' cashflow forecasts), to provide essential funding to the UK Business to enable it to be able to continue to operate pending a decision on its future viability and role in the restructuring or sale of the Applicants' Canadian assets and operations. The Monitor understands that prior to January 2014, CSF transferred funds to UK Opco; however, such advances were recorded as advances to UK Holdco, which in turn lent funds to UK Opco.

***Creditors of UK Business***

12. UK Opco has granted the following security over its assets:
  - (a) Computershare Trust Company of Canada –Mortgage Debenture dated 31 January 2012 (registered 2 February 2012) granting security over property;
  - (b) Barclays Bank plc –Deed of Charge over Credit Balances dated 15 September 2011 (registered 21 September 2011);
  - (c) Kerwal Limited – Rent Deposit Deed granted 30 September 2011 (registered 15 October 2011);
  - (d) Portcullis Investments Limited – Rent Deposit Deed dated 19 December 2011 (registered 5 January 2012).
13. Pursuant to the Amended Joint DIP Facility no payments were to have been made to the UK Entities notwithstanding that such payments were set out in the CCAA Cash Flows, until condition precedent (o) of the DIP term sheet is satisfied. Condition precedent (o) provided as follows:

Before any amount can be paid, loaned or transferred to any [UK Entity], the DIP Lenders shall have received from such [UK Entity] such DIP Credit Documentation as the DIP Lenders shall require in order to obtain

valid and enforceable guarantees and security interests in all of the assets of the [UK Entities].

14. The Monitor understands that no guarantees and security have been granted by the UK Entities to the DIP Lenders.

***Alternatives for UK Business***

15. The CRO, in consultation with the Monitor and FTI UK, has considered different realization alternatives relating to the Applicants' interests in the UK Entities. As part of the Sale Process, each of the prospective bidders was asked whether the UK Entities were of interest to them in their bid and each party said it was not. Further, as the UK Entities are not cashflow positive, any additional sales process (and the related costs of operations incurred during the time necessary to complete such a further process) would have to be funded by CSF. Finally, the current financial situation and facts as described herein, make the UK Entities less attractive to a potential buyer.
16. The Monitor understands that the DIP Lenders do not support making continued payments to the UK Entities or funding a further sales process (and the related operational costs during the pendency of any sales process) and instead support the cessation of the UK Business in accordance with the CRO's recommended course.

***Proposed Wind-up of UK Holdco and UK Opco***

17. Given the foregoing, the Monitor agrees with the CRO's assessment that it is in the best interests of Cash Store and its stakeholders to discontinue financial support for the UK Business and instead to seek to wind-up the UK Business and realize on the assets of the UK Business in an appropriate manner.
18. Regarding the procedure to wind-up the UK Business, the Monitor has participated in discussions with the CRO, UK insolvency counsel to Cash Store and FTI UK and understands based on those discussions as follows:

- (a) there are two insolvency procedures in the UK: an administration and a liquidation; the administration process will take effect more quickly than a liquidation process such that it is preferable for the UK Opco to be placed into an administration to enable a more effective realisation on the outstanding UK loan book;
  - (b) to obtain an administration order, the applicant must prove that one of the “statutory purposes” under the *UK Insolvency Act 1986* will be achieved by an administration order. According to Cash Stores’ UK counsel: in the case of the UK Opco, the more effective collection of receivables achieves the statutory purpose whereas there does not appear to be any such rationale for making an administration order in respect of the UK Holdco, which has no assets (making a liquidation procedure the most appropriate option in respect of UK Holdco);
  - (c) CSF, as an unsecured creditor to the UK Opco in respect of funds provided to UK Opco in 2014 and to the UK Holdco in respect of funds provided to UK Holdco prior to 2014, may make an application to the UK Court for an administration order in respect of UK Opco and liquidation order in respect of UK Holdco. UK counsel indicated that CSF must make a demand for repayment of amounts owing to it as a precondition to applying for appointment of an administrator or liquidator;
  - (d) A creditor applying for the appointment of an administrator is required to give 5 business days’ notice to any holder of security who would be entitled to appoint an administrator, which Cash Store’s UK counsel indicated would only be Computershare Trust Company of Canada.
19. The Monitor understands that the intended strategy to be followed in the proposed administration of UK Opco is for the UK Business branch network to be closed, a skeleton staff retained to assist in the management of assets (principally the book of loans to consumers) and to attempt to realize on such assets as quickly as possible.

20. In all of the circumstances, the Monitor is of the view that the relief sought by Cash Store - authorizing the CRO, in consultation with the Monitor, to demand repayment of the debts owing to UK Opco and UK Holdco, make an application for an administrator for the UK Opco and liquidator to UK Holdco (after providing sufficient notice to Computershare Trust Company of Canada) and to execute relevant documents and provide relevant assistance in respect of such proceedings – is appropriate. The Monitor understands that CSF has filed an application seeking to appoint an administrator of UK Opco, which application was issued at the Manchester Court today, and that the matter is scheduled to be heard on August 1, 2014.

## **REVIEW OF POTENTIAL PREFERENCES/TRANSFERS AT UNDERVALUE**

### *General Activities of the Monitor*

21. As previously reported in the Sixth Report, the Monitor has undertaken a process to review material transfers and other transactions made in the five year period prior to the commencement of the CCAA Proceedings that involved the Applicants. The purpose of the review is to determine whether there are grounds to challenge any such transactions as preferences or transfers at under value pursuant to the CCAA or provincial legislation.
22. As part of the review process, the Monitor is reviewing financial information and/or legal documentation including the following:
- (a) System generated reports and third party payroll service documentation;
  - (b) Analysis and financial reports provided by third parties;
  - (c) Internal analysis and financial reports prepared by management at the time of the preparation of the information;
  - (d) Publicly available financial information;
  - (e) Press releases; and

- (f) Existing and ongoing class action lawsuits and associated legal documentation.
23. Given the significant amount of information to be reviewed and the fact that Cash Store management personnel who were in place in the five years prior to the commencement of the CCAA Proceedings are, for the most part, no longer with the company, the review process is lengthy, complex and time-consuming. The Monitor intends to continue reviewing available information and speaking with existing Cash Store employees and will report further to this Honourable Court should it decide to proceed in respect of any potentially reviewable transactions.

*January 2012 Transactions*

24. Among the information being reviewed by the Monitor are events and actions (both corporate and legal) relating to the acquisition by CSF of certain consumer loans (the “**Consumer Loan Portfolio**”) from various third party lenders<sup>3</sup> (the “**TPL Counterparties**”) in January 2012 following the 2012 Notes offering (the “**Consumer Loan Transactions**”), which includes the following:
- (a) CSF disclosed in its interim financial statements for the three and six months ended March 31, 2012, that it acquired the Consumer Loan Portfolio from TPL Counterparties for total consideration of \$116.3 million;
- (b) On December 10, 2012, CSF announced that it would be issuing restated financial statements for the three and six months ended March 31, 2012 and the three and nine months ended June 30, 2012. In particular, the December 10, 2012 press release noted that CSF had determined that the consideration paid to acquire the Consumer Loan Portfolio had included an approximately \$36.8 million premium paid, stating as follows:

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<sup>3</sup> Assistive Financial Corp. (“**Assistive**”), 367463 Alberta Ltd. (“**367463**”), various Trimor Annuity Focus Limited Partnership entities, Bridgeview Financial Corp., Inter-Pro Property Corporation (USA), Omni Ventures Ltd., FSC Abel Financial Inc., L-Gen Management Inc.

During the preparation of the September 30, 2012 annual consolidated financial statements the Company determined that approximately \$36.8 million of the total consideration paid to acquire the portfolio of loans represented a premium paid on acquisition. The pre-existing contractual broker arrangements between the Company and the third-party lenders did not obligate the Company to pay retention payments, compensate for loan losses without cause or provide a guaranteed rate of return on the pool of funds advanced. However, the compensation paid to the third party lenders as part of the transaction recognized the loss of future retention payments and the ability to earn future returns on capital under the existing broker contracts. In accordance with U.S. GAAP, the Company has determined that the premium of \$36.8 million should have been recognized as an expense as a settlement of pre-existing business relationships with third-party lenders.

- (c) On December 28, 2012, CSF announced in a press release that subsequent to September 30, 2012, “the Company’s Audit Committee was made aware of written communications that contained questions about the acquisition of the [Consumer Loan Portfolio]... in late January 2012 and included allegations regarding the existence of undisclosed related party transactions in connection with the acquisition”. CSF also announced that legal counsel to a Special Committee of the Board (the “**Special Committee**”) had retained an independent accounting firm to conduct a special investigation into these allegations (the “**Special Investigation**”);
- (d) Beginning in January 2013, CSF disclosed various relationships with certain of the TPL Counterparties from which CSF has purchased portions of the total Consumer Loan Portfolio. The relationships are summarized in notes to the restated March 2012 and June 2012 financial statements under the heading “Third Party Lenders (restated)” and include the following:
  - (i) A privately held entity that raises capital and provides advances to the Company’s customers (third-party lender) [Assistive] is controlled by the father of Cameron Schiffner, the Senior Vice President of Operations of the Company. In addition, Cameron Schiffner’s brother was a member of management of [Cash Store Australia Holdings (“AUC”)] and is a member of management of

the third-party lender. The Company's relationship with the third-party lender predates Cameron Schiffner's employment with the Company. ... The acquisition agreement [for the Consumer Loan Transaction] was signed on behalf of the third-party lender by Cameron Schiffner's brother.

(ii) An immediate family member of Michael Shaw, a Director of the Company, advanced funds to a privately held syndicate that raises capital and provided loans to the Company's customers (third-party lender) [367463] and acted as a third-party lender prior to the acquisition of the consumer loans portfolio on January 31, 2012. The Company's relationship with the third-party lender predates Michael Shaw's directorship with the Company. Bruce Hull, who is a director of AUC, also advanced funds to this third-party lender...

(iii) A privately held entity that began acting as a third-party lender after January 31, 2012 is controlled by Bruce Hull.

- (e) On May 15, 2013, CSF announced that its Special Committee of directors completed its Special Investigations and the Board determined that no further corrections or restatements of previously reported financial statements and other public disclosures were required in relation to the Consumer Loan Transactions;
- (f) Beginning in 2013, various class action lawsuits were launched in Canada and the United States advancing allegations against CSF and certain of its Directors and Officers of misrepresentation and material misstatements related to the foregoing, among other things. CSF has subsequently disclosed an agreement in principle to settle proposed class action lawsuits against it. In addition, a lawsuit was commenced by a former employee that is related to one of the TPL Counterparties (Assistive) in respect of outstanding funds loaned to Cash Store, which action has been stayed by the CCAA Proceedings.

25. Given the size of the Consumer Loan Transactions, and the nature of the individuals and/or corporations involved, the Monitor is in the process of obtaining greater clarity surrounding the sequence of events described above. Furthermore, the Monitor has been asked specifically by counsel for the *Ad Hoc* Committee to review the Consumer Loan Transactions that followed the 2012 Notes offering.
26. The Monitor is reviewing the underlying legal and financial documents supporting the Consumer Loan Transactions, including assessing the value received by CSF in the Consumer Loan Transactions (including for intangibles) in light of the consideration paid by the Company for the Consumer Loan Portfolio. Given that these transactions occurred more than one year prior to the commencement of the CCAA Proceedings, the Monitor is also reviewing whether any of the counter-parties were non-arm's length parties at the time of the transaction and whether CSF was insolvent at the time or rendered insolvent by the transaction or whether there was an intent to defraud, defeat or delay to any party to the transaction.
27. The Monitor has not yet reached any determinations with respect to these transactions and intends to continue reviewing and compiling information in respect of the Consumer Loan Transactions. The Monitor will report further to this Honourable Court should it decide to proceed in respect of any future legal action.

*UK Entities and Australia*

28. The Monitor is also gathering information regarding funds transferred from CSF to the UK Entities (as noted above, this totalled £17.7 million) and whether funds were transferred directly or indirectly to AUC (an entity that operated payday loan branches in Australia under the name "The Cash Store Pty", in which CSF had a minority equity interest and which the Monitor understands had certain common management personnel and/or directors with Cash Store), MCO Capital Limited (a payday lender operating in the UK that the Monitor understands was shut down by the Office of Fair Trading in the UK in 2013 and which may have had some common management personnel and/or directors with Cash Store) and/or RTF Financial Holdings Inc (an entity that conducted short-term lending using SMS text messaging in which CSF had a minority equity interest and which the Monitor understands had certain common management personnel and/or directors with Cash Store).
  
29. The Monitor understands that Assistive (one of the TPL Counterparties involved in the Consumer Loan Transactions and which had certain relationships with Cash Store personnel as set out above) commenced an action in 2013 against The Cash Store Inc., AUC, RTF and MCO, among others, seeking damages of \$110 million, together with 17.5% interest for recovery of funds allegedly advanced in trust to CSF. Among the facts alleged in that claim (which are unproven and disputed) is that Assistive advanced \$110 million to CSF in trust (pursuant to a broker agreement for purposes of making payday loans) and received an accounting statement indicating that approximately \$35.5 million was attributed to CSA and approximately \$71.6 million was attributed to RTF. AUC is now subject to administration in Australia, MCO is subject to a notice of striking off (which the Monitor understands may lead to its dissolution) and, as referenced above, the CRO is seeking to place UK Opco and UK Holdco into administration and liquidation, respectively.

30. With respect to funds transferred to the UK Entities and to the extent funds were transferred to AUC (or the other parties), the Monitor will review such transfers, including considering whether amounts were used to fund operations or for other purposes. The Monitor's investigations into these matters are at a preliminary stage; however, given the amounts that are alleged to have been transferred, the parties involved and the losses alleged to have been incurred, the Monitor intends to gather information regarding these matters as part of its review.

### **SALE PROCESS**

31. As previously reported, prior to the start of the CCAA Proceedings, Rothschild Inc. ("**Rothschild**") commenced a mergers and acquisitions process to seek a sale or significant investment in Cash Store (the "**M&A Process**"). In the Amended & Restated Initial Order, the Court authorized Rothschild to "continue the mergers and acquisitions process as described in the Carlstrom Affidavit, in consultation with the Monitor".
32. On June 3, 2014, at the end of the first phase of the M&A Process, Rothschild received a number of letters of interest and several interested parties were selected to advance to the next phase of the M&A Process.
33. On June 16, 2014, the CRO obtained an order approving the proposed M&A process going forward (the "**Sale Process Order**"). The sale process approved in the Sale Process Order (the "**Sale Process**") contained, among other key terms, a bid deadline of July 11, 2014 at 5:00 p.m. (the "**Bid Deadline**").
34. A number of parties have been participating in Phase 2 of the Sale Process. Phase 2 has included numerous steps including: populating the dataroom with further due diligence information and responding to requests for additional materials; conducting management meetings with potential bidders (attended by senior Cash Store management, the CRO and the Monitor); numerous discussions between potential bidders and Rothschild and/or the CRO; discussions between potential bidders and Cash Store's Chief Compliance and Regulatory Affairs Officer

(“CCRO”), auditor and the Ontario payday lending regulator; visits by potential bidders to the Cash Store head office; and circulating a draft form of purchase agreement.

35. During this process, several potential bidders requested that the Bid Deadline be extended to enable them to complete further due diligence and present a more complete bid. Given these requests and in light of the Applicants’ view that additional time would be of assistance to them in providing responses in relation to the large volume of information requested in the relatively short due diligence period, the CRO, in consultation with Rothschild and Houlihan Lokey Capital, recommended and the Monitor consented (as required by the Sale Process), to extend the Bid Deadline to July 21, 2014.

## **DIP FINANCING AND INTEREST CALCULATION**

### *Amended Joint DIP Facility: Draws*

36. As noted above, the Amended Joint DIP Facility was approved on May 17, 2014. The availability under the Amended Joint DIP Facility totals \$14.5 million with a \$2 million extension option, consisting of the initial tranche of \$8.5 million (which was provided under the Initial DIP, approved on April 15, 2014 and repaid on May 9, 2014) and an additional commitment of \$6 million with a \$2 million extension option (the “**Extension Option**”) that the Applicants may request, and the DIP Lenders “may provide”.
37. Pursuant to the Amended Joint DIP Facility the Applicants made a draw of \$3 million during the week ending May 23, 2014, a draw of \$3 million during the week ending June 6, 2014, and exercised the Extension Option, which was funded by the DIP Lenders during the week ending June 20, 2014.
38. Attached hereto as **Schedule “2”** is an updated cash flow projection for the period of the week ending July 11, 2014 to the week ending October 3, 2014 (the “**Cashflow**”). The Cashflow reflects that the Applicants are expected to have

sufficient funds for operations until the week ending August 29, 2014. Since the Cashflow indicates that further financing is expected to be required after that time, the Monitor expects that the Applicants will be seeking additional DIP financing after the July 21, 2014 Bid Deadline when there is further clarity regarding the results of the Sale Process and anticipated time frames to complete any transactions identified.

*Initial DIP – Interest Calculations*

39. As previously reported, the Monitor has reviewed the fees and interest paid by the Applicants with respect to the Initial DIP, which consisted of two draws – an initial \$5 million draw (the “**First Draw**”) and a subsequent \$3.5 million draw (the “**Second Draw**”).
40. At the time the initial \$8.5 million tranche was repaid on May 9, 2014, the Initial DIP had been outstanding for 23 days (the First Draw was outstanding for the full 23 days and the Second Draw was outstanding for 14 days). The Monitor has calculated that 59.9% interest for the Initial DIP would be \$203,446.75 whereas the Applicants paid the Initial DIP Lenders \$47,337.20 in interest and \$297,500 for the commitment fee, for an aggregate amount of \$344,837.20. This sum exceeds the 59.9% calculation by \$141,390.44. Attached as **Schedule “3”** is a chart showing these calculations.
41. The Monitor provided these calculations to the CRO and Initial DIP Lenders. The Initial DIP Lenders indicated that they disagreed with the manner in which the figure which was to represent 59.9% interest was calculated. In particular, the Initial DIP Lenders have indicated that they believe these calculations incorrectly assume that the rate of interest is calculated with reference to the date the funds were re-paid. Among other things, the Initial DIP Lenders have suggested that because the Initial DIP contained an extension option, notwithstanding that such option was not exercised at the time the Initial DIP was repaid in full, any calculation of fees and interest paid on the Initial DIP should take into

consideration the existence of that option and the fact that the Initial DIP was later amended.

42. The Monitor acknowledges that the Initial DIP contained an extension option (and that ultimately additional funds were provided by a group of lenders which included but was not limited to the Initial DIP Lenders by way of the Amended Joint DIP rather than by exercising the extension option), but disagrees that this impacts the calculation of interest actually paid by the Applicants as set out above. As previously reported, the Initial DIP Lenders advised the Monitor that they were willing to provide a resolution to propose to the Court notwithstanding this disagreement.
43. Discussions regarding the form of that resolution have been ongoing; however, unfortunately, no resolution has been reached to date. Accordingly, the Monitor is providing this report to the Court and will be following up with the CRO and Initial DIP Lenders regarding next steps to address this issue.

#### **TPL COLLECTION UPDATE**

44. As previously reported, after the Additional TPL Protection Order was issued, segregated accounts were opened to maintain a) the receipts and disbursements received in connection with TPL Brokered Loans after the effective time of the Initial Order (the “**TPL Post-Filing Receipts**”) relating to McCann (“**McCann Post-Filing Receipts**”); and b) TPL Post-Filing Receipts relating to Trimor loans in Ontario. After cessation of the Broker Business, the TPL Post-Filing Receipts relating to Trimor loans outside Ontario were also deposited into the Trimor account (together, the “**Trimor Post-Filing Receipts**”) and TPL Post-Filing Receipts relating to the other TPL lenders were also segregated.
45. The balances in the segregated accounts as at July 17, 2014 were as follows:
  - (a) McCann Post-Filing Receipts: \$1,737,591.76;
  - (b) Trimor Post-Filing Receipts: \$5,055,064.79;

- (c) Other TPL lender TPL Post-Filing Receipts: \$48,000.12.
46. Attached hereto as **Schedule “4”** is a spreadsheet showing the aging profile of the outstanding TPL loans for McCann, Trimor and the other TPL lenders.
47. Cash Store continues to collect receivables in accordance with regulations, with its branch network remaining open to facilitate collections including in Ontario and the other provinces and territories in which the Broker Business had been conducted (with only a few limited branch closures across the country in which case collections are dealt with in a nearby branch).

### **B.C. TRUST FUNDS**

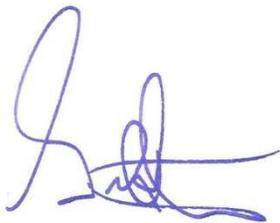
48. As noted above, on May 16, 2014, Regional Senior Justice Morawetz granted the B.C. Trust Fund Order addressing, among other things, funds held in trust by Cassels Brock, which were secured pursuant to a Court order in relation to certain Compliance Orders issued in British Columbia by Consumer Protection British Columbia (“CPBC”). The Compliance Order, which established a process to refund certain fees in relation to issuance of cash cards by Cash Store, was affirmed in a judicial review by the British Columbia Supreme Court in January, 2014.
49. In the B.C. Trust Fund Order, the Court ordered that certain of the funds held by Cassels Brock be paid to a BC Compliance Order Trust Account (as defined in the Beitchman Affidavit) to be opened by Cash Store in its capacity as Trustee of the Compliance Order Trust (as defined in the Beitchman Affidavit).
50. On June 20, 2014, the CRO, CCRO and Monitor met with representatives of CPBC.
51. On June 26, 2014, counsel for CPBC wrote to counsel to the CRO, counsel to the Monitor and the CCRO to provide notice that CPBC had decided to exercise its discretion to remove CSF as Trustee of the Compliance Order Trust and take steps to appoint itself as the replacement trustee.

52. In light of these steps, it is proposed that the B.C. Trust Fund Order be amended to provide that trust funds in the amount of \$1,078,328 be transferred to Fasken Martineau DuMoulin LLP in trust, to be held for the benefit of CPBC, rather than paid to a trust account to be opened by CSF in its capacity as Trustee of the Compliance Order Trust, until CPBC establishes a bank account to carry out the refund process.
53. Given that time and effort would have to be expended by CSF to perform its duties as Trustee and to advance the refund process pursuant to the Compliance Orders, which would be challenging in the midst of other demands facing CSF in these restructuring proceedings, the Monitor does not object to the steps taken by CPSB to appoint itself as replacement trustee. In light of that development, an amendment to the B.C. Trust Fund Order to provide for delivery of the trust funds to the new Trustee is appropriate.

The Monitor respectfully submits to the Court this Eighth Report.

Dated this 21<sup>st</sup> day of July, 2014.

FTI Consulting Canada Inc.  
The Monitor of  
The Cash Store Financial Services Inc.  
and Related Applicants



Greg Watson  
Senior Managing Director

**Schedule "1" – Notice of Resignation of  
Gordon Reykdal as director of the UK Entities**

## Notice of Resignation

TO:       The Cash Store Financial Limited  
          The Cash Store Limited  
          CSF Insurance Limited  
          c/o The Chief Restructuring Officer,  
          The Cash Store Financial Services Inc.

I hereby resign as a director of the following UK entities:

1.       The Cash Store Financial Limited
2.       The Cash Store Limited
3.       CSF Insurance Limited

DATED this 18<sup>th</sup> day of July 2014.



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Gordon Reykdal

## **Schedule “2” – Cashflow Forecast**

**The Cash Store Financial Services, Inc.**  
**Weekly Cash Forecast**  
**(CAD 000's)**

Week Ended	7/11/2014	7/18/2014	7/25/2014	8/1/2014	8/8/2014	8/15/2014	8/22/2014	8/29/2014	9/5/2014	9/12/2014	9/19/2014	9/26/2014	10/3/2014	Total
Cash Receipts	\$ 7,194	\$ 7,793	\$ 5,674	\$ 9,377	\$ 6,337	\$ 8,457	\$ 8,317	\$ 12,432	\$ 6,240	\$ 7,905	\$ 9,100	\$ 9,951	\$ 4,898	\$ 103,677
Operating Disbursements:														
Loan Disbursements	5,096	5,747	4,310	6,603	4,594	5,742	6,604	11,772	5,165	6,524	7,339	8,155	4,241	81,892
Operating Expenses	719	2,864	1,267	2,810	791	2,800	573	3,396	613	2,668	408	10,688	567	30,163
Total Operating Disbursements	5,814	8,610	5,577	9,413	5,385	8,542	7,177	15,168	5,778	9,192	7,747	18,843	4,808	112,054
Operating Cash Flow	\$ 1,379	\$ (818)	\$ 97	\$ (37)	\$ 952	\$ (85)	\$ 1,141	\$ (2,735)	\$ 462	\$ (1,286)	\$ 1,353	\$ (8,891)	\$ 90	\$ (8,377)
Non-Operating Disbursements:														
Post Petition Non Operating Expenses	507	763	392	353	426	341	341	597	861	1,156	861	2,017	-	8,616
Credit Facility Interest	-	-	-	125	-	-	-	125	-	-	-	125	-	375
DIP Interest and Related Fees	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Capex	-	5	5	15	6	6	6	6	6	6	6	6	20	95
Total Non-Operating Disbursements	507	768	397	493	433	347	347	728	867	1,162	867	2,148	20	9,086
BoP Cash	\$ 12,240	\$ 13,112	\$ 11,526	\$ 11,226	\$ 10,696	\$ 11,216	\$ 10,784	\$ 11,577	\$ 8,114	\$ 7,709	\$ 5,260	\$ 5,746	\$ 4,230	\$ 12,240
Total Cash Flow	872	(1,586)	(300)	(530)	520	(432)	794	(3,463)	(405)	(2,449)	486	(11,040)	70	(17,463)
EoP Cash Before New Borrowing	\$ 13,112	\$ 11,526	\$ 11,226	\$ 10,696	\$ 11,216	\$ 10,784	\$ 11,577	\$ 8,114	\$ 7,709	\$ 5,260	\$ 5,746	\$ (5,293)	\$ 4,300	\$ (5,223)
BoP DIP Loan	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ (477)	\$ 8,000
DIP Draw	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIP Paydown	-	-	-	-	-	-	-	-	-	-	-	(8,477)	-	(8,477)
EoP DIP Loan	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ (477)	\$ (477)	\$ (477)
BoP Senior Credit Facility	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 30,000	\$ 12,000
Draw	-	-	-	-	-	-	-	-	-	-	-	30,000	-	30,000
Paydown	-	-	-	-	-	-	-	-	-	-	-	(12,000)	-	(12,000)
EoP Senior Credit Facility	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 12,000	\$ 30,000	\$ 30,000	\$ 30,000
EoP Cash After New Borrowing	\$ 13,112	\$ 11,526	\$ 11,226	\$ 10,696	\$ 11,216	\$ 10,784	\$ 11,577	\$ 8,114	\$ 7,709	\$ 5,260	\$ 5,746	\$ 4,230	\$ 4,300	\$ 4,300
Less: Non-Ontario Restricted Cash	(3,910)	(3,947)	(4,021)	(4,040)	(4,063)	(4,097)	(4,143)	(4,194)	(4,204)	(4,218)	(4,257)	-	-	-
Less: Ontario Restricted Cash	(3,132)	(3,157)	(3,207)	(3,276)	(3,314)	(3,369)	(3,444)	(3,526)	(3,556)	(3,600)	(3,726)	-	-	-
Less: Cash Minimum	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	-	-	-
Less: Tax Refund	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EoP Cash After Restricted Cash	\$ 3,070	\$ 1,422	\$ 998	\$ 380	\$ 839	\$ 318	\$ 990	\$ (2,607)	\$ (3,051)	\$ (5,558)	\$ (5,237)	\$ 4,230	\$ 4,300	\$ 4,300

Notes:

- [1] The purpose of this cash flow forecast is to determine the liquidity requirements of the Applicants during the forecast period.
- [2] Receipts from operations are forecast based on existing Consumer Loan Receivables and Accounts Receivable, forecast lending volumes and other revenues, and customer payment terms.
- [3] Forecast disbursements from operations are forecast based on existing Accounts Payable, forecast loan volumes and operating expenses, and payment terms.
- [4] Post-petition non operating expenses include professional fees associated with the Applicants restructuring and payments made to Third Party Lenders. Forecast professional fee disbursements are based on advisor level estimates of fees that may be incurred during the forecast period. Third Party Lender payments include interest associated with the funds advanced by the Third Party Lenders.
- [5] Credit Facility Interest includes interest associated with the \$12 million in secured loans provided by the Senior Lenders.
- [6] DIP Interest and Related Fees includes interest and transaction fees associated with the DIP financing.
- [7] DIP Proceeds include anticipated draws from the DIP facility.

**Schedule “3” – DIP Interest Calculation**

DIP Funding Continuity Schedule

	17-Apr	18-Apr	19-Apr	20-Apr	21-Apr	22-Apr	23-Apr	24-Apr	25-Apr	26-Apr	27-Apr	28-Apr	29-Apr	30-Apr	01-May	02-May	03-May	04-May	05-May	06-May	07-May	08-May	09-May
<b>Principal</b>																							
Opening	-	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	8,500,000.00	8,500,000.00	8,500,000.00	8,500,000.00	8,500,000.00	8,500,000.00	8,500,000.00	8,500,000.00	2,621,257.37	2,621,257.37	2,621,257.37	2,621,257.37	2,621,257.37	2,621,257.37	2,621,257.37
Drawdown	5,000,000.00	-	-	-	-	-	-	3,500,000.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	5,000,000.00	8,500,000.00	8,500,000.00	8,500,000.00	8,500,000.00	8,500,000.00	8,500,000.00	8,500,000.00	8,500,000.00	2,621,257.37	2,621,257.37	2,621,257.37	2,621,257.37	2,621,257.37	2,621,257.37	2,621,257.37	2,621,257.37
<b>Interest</b>																							
Opening	-	1,712.33	3,424.66	5,136.99	6,849.32	8,561.64	10,273.97	11,986.30	14,897.26	17,808.22	20,719.18	23,630.14	26,541.10	29,452.06	33,294.52	36,671.23	-	1,041.32	2,082.64	3,123.96	4,165.29	5,206.61	6,247.93
Interest - 12.5%	1,712.33	1,712.33	1,712.33	1,712.33	1,712.33	1,712.33	1,712.33	2,910.96	2,910.96	2,910.96	2,910.96	2,910.96	2,910.96	2,910.96	2,910.96	2,910.96	897.69	897.69	897.69	897.69	897.69	897.69	897.69
Additional Interest - 2%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Repayment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing	1,712.33	3,424.66	5,136.99	6,849.32	8,561.64	10,273.97	11,986.30	14,897.26	17,808.22	20,719.18	23,630.14	26,541.10	29,452.06	33,294.52	36,671.23	40,047.95	1,041.32	2,082.64	3,123.96	4,165.29	5,206.61	6,247.93	7,289.25
<b>Fees</b>																							
Opening	-	297,500.00	297,500.00	297,500.00	297,500.00	297,500.00	297,500.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
DIP Financing Fee	297,500.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payments	-	-	-	-	-	-	-	297,500.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Closing	297,500.00	297,500.00	297,500.00	297,500.00	297,500.00	297,500.00	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Owing</b>	<b>5,299,212.33</b>	<b>5,300,924.66</b>	<b>5,302,636.99</b>	<b>5,304,349.32</b>	<b>5,306,061.64</b>	<b>5,307,773.97</b>	<b>5,011,986.30</b>	<b>8,514,897.26</b>	<b>8,517,808.22</b>	<b>8,520,719.18</b>	<b>8,523,630.14</b>	<b>8,526,541.10</b>	<b>8,529,917.81</b>	<b>8,533,294.52</b>	<b>8,536,671.23</b>	<b>2,621,257.37</b>	<b>2,622,298.69</b>	<b>2,623,340.01</b>	<b>2,624,381.33</b>	<b>2,625,422.65</b>	<b>2,626,463.97</b>	<b>2,627,505.29</b>	<b>2,628,546.62</b>
Total Interest	47,337.20																						
DIP Financing Fee	297,500.00																						
<b>Actual Interest Paid</b>	<b>344,837.20</b>																						
Weighted Average Principal	5,390,002.56 [1]																						
Total Term	23																						
<b>Effective Interest</b>	<b>102%</b>																						
Maximum Interest %	59.90%																						
Maximum Interest \$	203,446.75 [2]																						
<b>Difference from Actual Interest</b>	<b>141,390.44</b>																						

Notes:

[1] Weighted Average Principal Calculated as follows:  
 \$5.0 million x 7 days/23 days + 8.5 million x 8 days/23 days + \$2.6 million x 8 days/23 days

[2] Maximum Interest \$ based on weighted average principal

**Schedule "4" - TPL Loan Aging Schedule**

Analysis of TPL Receivables  
Prepared on July 15, 2014

Aging of Receivables

Past Due Percentages

1. Ontario Lines of Credit

Trimmer #5	Current	Aging				Total	Past Due Percentages				
		1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91+ Days Past Due		Current	1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91+ Days Past Due
28-Feb-14	4,470,214.39	3,013,724.55	27,863.28	2,332.40	311.26	7,514,445.88	59.5%	40.1%	0.4%	0.0%	0.0%
31-Mar-14	2,476,474.04	1,616,492.21	1,820,788.92	30,101.97	-	5,943,857.14	41.7%	27.2%	30.6%	0.5%	0.0%
30-Apr-14	1,488,847.74	1,101,432.54	798,770.20	1,572,796.45	30,462.03	4,992,308.96	29.8%	22.1%	16.0%	31.5%	0.6%
31-May-14	893,844.56	729,503.21	505,459.84	492,692.37	1,677,297.00	4,298,796.98	20.8%	17.0%	11.8%	11.5%	39.0%
30-Jun-14	549,307.91	504,438.41	334,835.58	398,382.72	1,973,135.22	3,760,099.84	14.6%	13.4%	8.9%	10.6%	52.5%

McCann	Current	Aging				Total	Past Due Percentages				
		1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91+ Days Past Due		Current	1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91+ Days Past Due
28-Feb-14	4,660,428.73	2,098,923.49	10,854.87	2,115.69	-	6,772,322.78	68.8%	31.0%	0.2%	0.0%	0.0%
31-Mar-14	2,818,529.64	1,371,475.45	1,336,595.21	16,671.11	564.73	5,543,836.14	50.8%	24.7%	24.1%	0.3%	0.0%
30-Apr-14	1,932,170.08	879,587.32	738,213.90	1,116,093.41	15,935.99	4,682,000.70	41.3%	18.8%	15.8%	23.8%	0.3%
31-May-14	1,276,975.14	586,909.34	482,561.06	272,091.88	1,413,772.19	4,032,309.61	31.7%	14.6%	12.0%	6.7%	35.1%
30-Jun-14	852,370.72	440,905.36	308,923.51	380,731.95	1,545,471.36	3,528,402.90	24.2%	12.5%	8.8%	10.8%	43.8%

2. All Other TPL Receivables

Trimmer #5	Current*	Aging				Total	Past Due Percentages				
		1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91+ Days Past Due		Current *	1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91+ Days Past Due
30-Apr-14	5,391,129.63	960,748.22	432,110.15	212,395.12	3,695,347.58	10,691,730.70	50.4%	9.0%	4.0%	2.0%	34.6%
31-May-14	2,644,423.35	2,221,267.35	449,527.54	323,122.22	3,356,441.98	8,994,782.44	29.4%	24.7%	5.0%	3.6%	37.3%
30-Jun-14	2,301,214.48	505,102.44	920,277.29	321,987.66	3,153,078.78	7,201,660.65	32.0%	7.0%	12.8%	4.5%	43.8%

McCann	Current	Aging				Total	Past Due Percentages				
		1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91+ Days Past Due		Current	1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91+ Days Past Due
30-Apr-14	-	-	-	-	271,935.30	271,935.30	0.0%	0.0%	0.0%	0.0%	100.0%
31-May-14	-	-	-	-	242,614.10	242,614.10	0.0%	0.0%	0.0%	0.0%	100.0%
30-Jun-14	-	-	-	-	224,738.56	224,738.56	0.0%	0.0%	0.0%	0.0%	100.0%

L-Gen	Current	Aging				Total	Past Due Percentages				
		1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91+ Days Past Due		Current	1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91+ Days Past Due
30-Apr-14	84,486.25	8,877.20	8,837.32	7,579.95	70,926.73	180,707.45	46.8%	4.9%	4.9%	4.2%	39.2%
31-May-14	-	64,851.14	8,485.15	7,448.58	72,093.47	152,878.34	0.0%	42.4%	5.6%	4.9%	47.2%
30-Jun-14	-	-	34,416.52	7,707.79	66,703.23	108,827.54	0.0%	0.0%	31.6%	7.1%	61.3%

Bruce Hull	Current	Aging				Total	Past Due Percentages				
		1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91+ Days Past Due		Current	1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91+ Days Past Due
30-Apr-14	72,328.06	8,590.19	5,688.52	3,817.94	62,373.19	152,797.90	47.3%	5.6%	3.7%	2.5%	40.8%
31-May-14	1,168.83	59,496.87	4,195.00	4,152.54	56,167.97	125,181.21	0.9%	47.5%	3.4%	3.3%	44.9%
30-Jun-14	-	899.27	31,796.61	2,932.69	53,762.27	89,390.84	0.0%	1.0%	35.6%	3.3%	60.1%

Omni	Current	Aging				Total	Past Due Percentages				
		1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91+ Days Past Due		Current	1-30 Days Past Due	31-60 Days Past Due	61-90 Days Past Due	91+ Days Past Due
30-Apr-14	174,751.68	88,271.70	14,543.83	11,612.03	192,180.95	481,360.19	36.3%	18.3%	3.0%	2.4%	39.9%
31-May-14	-	144,327.74	29,034.27	12,905.61	184,732.82	371,000.44	0.0%	38.9%	7.8%	3.5%	49.8%
30-Jun-14	-	-	86,378.28	20,869.50	177,236.48	284,484.26	0.0%	0.0%	30.4%	7.3%	62.3%

\*Title loans are classified as current. June 30, 2014 title loan balance was estimated as final data was not available when this report was prepared.